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January 22, 2019

Ms. Michelle Luera, CTCM
Senior Research Analyst
Data Analysis and Transparency Division
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

Re: Application #1321 Deer Park ISD-Pasadena Performance Products, LP – Amendment #001
Transmittal Letter

Dear Ms. Luera:

This letter is in response to your email dated January 9, 2019. Per your request, Deer Park ISD-Pasadena Performance Products, LP have made the following changes to Application #1321.

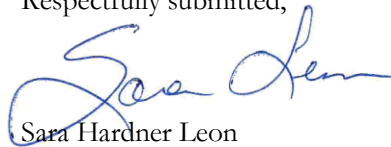
Enumerated below are the changes contained in Amendment #001:

1. The NAICS code on Page 3, Section 4 was updated from “325100” to “325110.”
2. The Beginning of Qualifying Time Period on Page 5, Section 9, #3 was updated to “9/1/2019.”
3. The four most recent quarters of wage data for calculating the Average Weekly Wage was updated to include Q2 of 2018, and remove Q2 of 2017.
 - a. In addition, the TRACER data filters were changed for the average weekly wage of all jobs to be “Total, all industries” for Ownership, and “Total, all industries” for Division.
 - b. The TRACER data filters were changed for the average weekly wage of manufacturing jobs to be “Private” for Ownership, and “Manufacturing” for Division.
4. Tab 4, Paragraph 3 was updated to clearly define Pasadena Performance Products, LP’s relationship to Next Wave Energy Partners, LP.
 - a. Paragraph 3 was also updated to reduce the investment to \$575 million.
5. Tab 5, Question 7 was updated to indicate specific, competitive locations outside of Texas.
6. Tab 7, Paragraph 4 was updated to reduce the investment to \$575 million.
 - a. The listing “Significant Components of the Facility Include” was updated to exclude all non-qualifying property.
7. Tab 11 includes an additional page that shows a detailed Plot Plan for the qualified investment.
8. Tab 13 was updated to include the changes listed in #3, as described above.
9. Tab 14 was updated to include the following changes:
 - a. A1: Updating QTP1 for 2020 and QTP2 for 2021;
 - b. A2: Updated to reflect changes to A1;
 - c. B: Updated to reflect accurate Market Value of qualified investment;
 - d. C: Updated to reflect QTP changes from A1;
 - e. C: Updated for Qualifying Jobs to be in Value Limitation Period 1;

- f. D: Updated for new calculation of Annual Tax Levy, Annual Incentive, and Annual Net Tax Levy, given the changes to QTP, Estimated Market Value, and amount of qualifying investment.
- 10. Tab 16 language has been updated to include language that Deer Park ISD will create the Reinvestment Zone.
 - a. Tab 16 also contains the description of the land, and detailed map of the land.

If you have any questions, or would like to discuss this matter further, please contact me, or Shelly Leung, at (512) 494-1177.

Respectfully submitted,



Sara Hardner Leon

Enclosures

cc: *Via Electronic Mail:* white@dpisd.org
Mr. Victor White, Superintendent of Schools, Deer Park Independent School District

Via Electronic Mail: tina.wininger@nextwaveenergy.com
Ms. Tina Wininger, Controller, Next Wave Energy Partners, LP

Via Electronic Mail: gfrancis@deloitte.com
Mr. George Francis, Managing Tax Director, Deloitte Tax, LLP

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SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☐ Yes ☐ No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☐ No ☐ N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☐ No ☐ N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? _____
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) _____
3. List the NAICS code _____
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☐ No
- 4a. If yes, please list application number, name of school district and year of agreement _____

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) _____
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☐ Yes ☐ No
- 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☐ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☐ Yes ☐ No ☐ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 9: Projected Timeline

1. Application approval by school board
2. Commencement of construction
3. Beginning of qualifying time period
4. First year of limitation
5. Begin hiring new employees
6. Commencement of commercial operations
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (*date your application is finally determined to be complete*)? ☐ Yes ☐ No
Note: Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service?

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☐ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
County: (Name, tax rate and percent of project) City: (Name, tax rate and percent of project)
Hospital District: (Name, tax rate and percent of project) Water District: (Name, tax rate and percent of project)
Other (describe): (Name, tax rate and percent of project) Other (describe): (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? ☐ Yes ☐ No
5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ☐ Yes ☐ No
6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at comptroller.texas.gov/economy/local/ch313/.

1. At the time of application, what is the estimated minimum qualified investment required for this school district?
 2. What is the amount of appraised value limitation for which you are applying?
- Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ☐ Yes ☐ No
 4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
 5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ☐ Yes ☐ No

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SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)?
 2. What is the last complete calendar quarter before application review start date:
☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of _____
(year)
 3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)?
- Note:** For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create?
 5. What is the number of new non-qualifying jobs you are estimating you will create?
 6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☐ Yes ☐ No
 - 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
 7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is
 - b. 110% of the average weekly wage for manufacturing jobs in the county is
 - c. 110% of the average weekly wage for manufacturing jobs in the region is
 8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☐ §313.021(5)(B)
 9. What is the minimum required annual wage for each qualifying job based on the qualified property?
 10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property?
 11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☐ Yes ☐ No
 12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☐ No
 - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
 13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☐ No
 - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (*not required*)
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Tab #4

Detailed Description of the Project

Proposed Project Description

The proposed project to which this application pertains is to construct an on-purpose alkylate manufacturing facility. The facility will consist of two units, an olefins unit (“Olefins Unit”) and an alkylation unit, as well as associated process infrastructure, auxiliary equipment and logistics assets.

The Olefins Unit produces olefins via a catalyst and co-catalyst. The alkylation unit will react light olefins – including the olefins produced by the Olefins Unit – with isobutane in the presence of a sulfuric acid catalyst to form alkylate. Alkylate is a premium blendstock used in the formulation of gasoline and is sought after for its high octane and low vapor pressure characteristics.

Pasadena Performance Products, LP, a wholly-owned subsidiary of Next Wave Energy Partners, (hereinafter referred to as “Applicant”) anticipates investments for construction of approximately \$575 million. This anticipated investment amount includes engineering, equipment, and construction costs.

Preliminary Project Timeline

- Q2 2019 – final investment decision
- Q3 2019 – begin construction, pending receipt of permits
- Q2 2021 – commencement of commercial production

Tab #5

Limitation is a Determining Factor

1. **Does the applicant currently own the land on which the proposed project will occur?**

No. Applicant (previously defined as “Pasadena Performance Products, LP”) has long-term lease on the proposed project site. The lease has a termination clause that Applicant can utilize if project does not move forward.

2. **Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?**

Applicant has entered into non-binding Letters of Intent (“LOI”) for a portion of feedstock supply and alkylate offtake. Applicant’s business model necessitates these LOI’s be in place prior to investment decisions being made so there is available feedstock if the proposed project moves forward.

3. **Does the applicant have current business activities at the location where the proposed project will occur?**

No.

4. **Has the applicant made any public statements in SEC filings or other documents regarding its intentions regarding the proposed project location?**

No.

5. **Has the applicant received any local or state permits for activities on the proposed project site?**

Yes – Air Permit.

6. **Has the applicant received commitments for state or local incentives at the proposed project site?**

No.

7. **Is the applicant evaluating other locations not in Texas for the proposed project?**

Yes. Applicant is evaluating other locations outside of Texas for the proposed project to which this application pertains. To date, locations evaluated include the Louisiana Gulf Coast and the Northeast United States.

Tab #7

Detailed Description of Qualified Investment

Proposed Project Description

The proposed project to which this application pertains is to construct an on-purpose alkylate manufacturing facility. The facility will consist of two units, an olefins unit (“Olefins Unit”) and an alkylation unit, as well as associated process infrastructure, auxiliary equipment and logistics assets.

The Olefins Unit produces olefins via a catalyst and co-catalyst. The alkylation unit will react light olefins – including the olefins produced by the Olefins Unit – with isobutane in the presence of a sulfuric acid catalyst to form alkylate. Alkylate is a premium blendstock used in the formulation of gasoline and is sought after for its high octane and low vapor pressure characteristics.

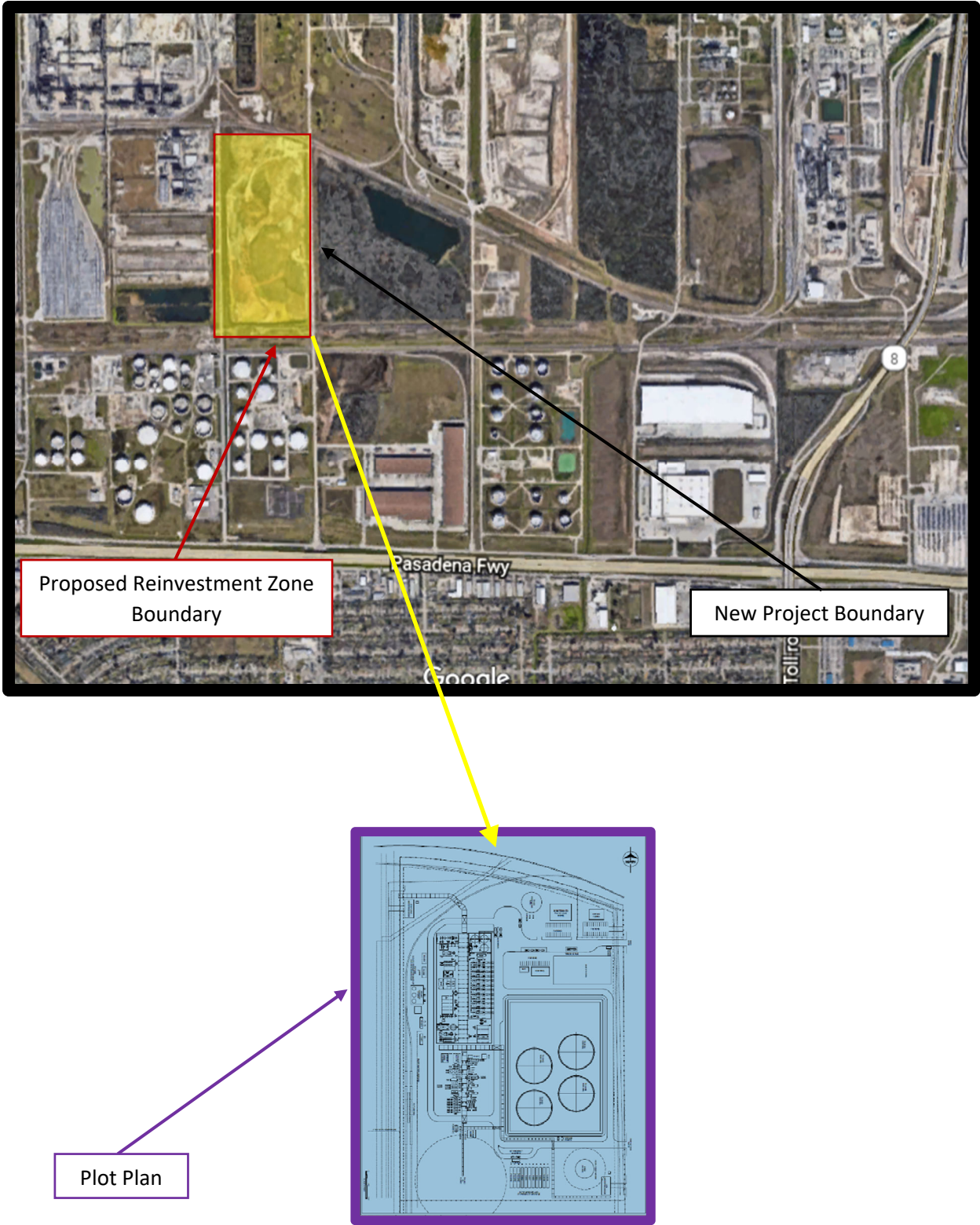
Feedstocks are sourced from a pipeline network connected to market hubs along the Gulf Coast. Final products produced are alkylates, which will be transported by pipeline and sold into the gasoline blending market for domestic and foreign consumption.

Applicant anticipates investments for construction of approximately \$575 million. This anticipated investment amount includes engineering, equipment, and construction costs.

Significant Components of the Facility Include:

- Distillation towers
- Reactors
- Heat Exchangers, pumps and vessels
- Compressor and refrigeration units
- Acid and Caustic Storage & Neutralization Equipment
- Cooling Tower
- Electrical Substation
- Waste Water Tank
- Firewater Tank and Distribution System
- Metering Stations
- Feedstock and Product Storage
- Pipeline Transfer Pumps
- Byproduct Truck Loading, Unloading & Truck Scale
- Flare & Thermal Oxidizer
- Buildings: Control Room, Lab & Maintenance Warehouse

Qualified Investment / Qualified Property Map
Continued



Calculations of Wages for Harris County

Based on Most Recent Data Available

Average Weekly Wage for all jobs (all industries) in the County		
Year	Period	Wages
2018	Q2	\$1,270
2018	Q1	\$1,494
2017	Q4	\$1,351
2017	Q3	\$1,247
Average		\$1,340.50

110% of Average Weekly Wage for Manufacturing jobs in the County		
Year	Period	Wages
2018	Q2	\$1,613
2018	Q1	\$1,921
2017	Q4	\$1,671
2017	Q3	\$1,599
Average		\$1,701
110% of Average Weekly Wage		\$1,871.10

110% of Average Weekly Wage for Manufacturing jobs in the Region	
Houston-Galveston Area Council	
Rate per Hour	\$28.94
110% of Rate Per Hour	\$31.83
Hours per Week	40
110% of Average Weekly Wage	\$1,273.36
Annual Average Wage (52 Weeks)	\$66,214.72

110% of Average Annual Wage for Manufacturing jobs in the Region	
Average Annual Wage	\$60,202.00
110% of Average Annual Wage	\$66,222.20

Minimum Required Annual Wage	\$66,222.20
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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2018	2nd Qtr	Harris County	Total All		0	0	10 Total, all industries	\$1,270
2018	1st Qtr	Harris County	Total All		0	0	10 Total, all industries	\$1,494
2017	4th Qtr	Harris County	Total All		0	0	10 Total, all industries	\$1,351
2017	3rd Qtr	Harris County	Total All		0	0	10 Total, all industries	\$1,247

<https://tracer2.com/cgi/dataanalysis/industryReport.asp?menuchoice=industry>

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2018	2nd Qtr	Harris County	Private		31	2 31-33	Manufacturing	\$1,613
2018	1st Qtr	Harris County	Private		31	2 31-33	Manufacturing	\$1,921
2017	4th Qtr	Harris County	Private		31	2 31-33	Manufacturing	\$1,671
2017	3rd Qtr	Harris County	Private		31	2 31-33	Manufacturing	\$1,599

<https://tracer2.com/cgi/dataanalysis/industryReport.asp?menuchoice=industry>

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	Pre	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2019	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				193,000,000	2,000,000	-	-	195,000,000
Complete tax years of qualifying time period	QTP1	2020-2021	2020	374,000,000	-	-	-	374,000,000
	QTP2	2021-2022	2021	6,000,000	-	-	-	6,000,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				573,000,000	2,000,000			575,000,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				575,000,000				

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.

Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property {SEE NOTE}	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		Enter amounts from TOTAL row in Schedule A1 in the row below				
				573,000,000	2,000,000	-	-	575,000,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	QTP1	2020-2021	2020	567,000,000	2,000,000			569,000,000
	QTP2	2021-2022	2021	6,000,000				6,000,000
Value limitation period***	1	2021-2022	2021					-
	2	2022-2023	2022					
	3	2023-2024	2023					
	4	2024-2025	2024					
	5	2025-2026	2025					
	6	2026-2027	2026					
	7	2027-2028	2027					
	8	2028-2029	2028					
	9	2029-2030	2029					
	10	2030-2031	2030					
Total Investment made through limitation				573,000,000	2,000,000			575,000,000
Continue to maintain viable presence	11	2031-2032	2031					
	12	2032-2033	2032					
	13	2033-2034	2033					
	14	2034-2035	2034					
	15	2035-2036	2035					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036					
	17	2037-2038	2037					
	18	2038-2039	2038					
	19	2039-2040	2039					
	20	2040-2041	2040					
	21	2041-2042	2041					
	22	2042-2043	2042					
	23	2043-2044	2043					
	24	2044-2045	2044					
	25	2045-2046	2045					

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the**first row**.

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were**not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

				Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	QTP 1	2020-2021	2020		2,000,000	555,660,000	553,660,000	553,660,000	553,660,000
	QTP 2	2021-2022	2021		1,960,000	561,540,000	559,540,000	559,540,000	559,540,000
Value Limitation Period	1	2021-2022	2021		1,920,800	550,309,200	548,309,200	548,309,200	80,000,000
	2	2022-2023	2022		1,882,384	539,303,016	537,303,016	537,303,016	80,000,000
	3	2023-2024	2023		1,844,736	528,516,956	526,516,956	526,516,956	80,000,000
	4	2024-2025	2024		1,807,842	517,946,617	515,946,617	515,946,617	80,000,000
	5	2025-2026	2025		1,771,685	507,587,684	505,587,684	505,587,684	80,000,000
	6	2026-2027	2026		1,736,251	497,435,931	495,435,931	495,435,931	80,000,000
	7	2027-2028	2027		1,701,526	487,487,212	485,487,212	485,487,212	80,000,000
	8	2028-2029	2028		1,667,496	477,737,468	475,737,468	475,737,468	80,000,000
	9	2029-2030	2029		1,634,146	468,182,718	466,182,718	466,182,718	80,000,000
	10	2030-2031	2030		1,601,463	458,819,064	456,819,064	456,819,064	80,000,000
Continue to maintain viable presence	11	2031-2032	2031		1,569,433	449,642,683	447,642,683	447,642,683	447,642,683
	12	2032-2033	2032		1,538,045	440,649,829	438,649,829	438,649,829	438,649,829
	13	2033-2034	2033		1,507,284	431,836,832	429,836,832	429,836,832	429,836,832
	14	2034-2035	2034		1,477,138	423,200,096	421,200,096	421,200,096	421,200,096
	15	2035-2036	2035		1,447,595	414,736,094	412,736,094	412,736,094	412,736,094
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036		1,418,644	406,441,372	404,441,372	404,441,372	404,441,372
	17	2037-2038	2037		1,390,271	398,312,545	396,312,545	396,312,545	396,312,545
	18	2038-2039	2038		1,362,465	390,346,294	388,346,294	388,346,294	388,346,294
	19	2039-2040	2039		1,335,216	382,539,368	380,539,368	380,539,368	380,539,368
	20	2040-2041	2040		1,308,512	374,888,580	372,888,580	372,888,580	372,888,580
	21	2041-2042	2041		1,282,341	367,390,809	365,390,809	365,390,809	365,390,809
	22	2042-2043	2042		1,256,695	360,042,993	358,042,993	358,042,993	358,042,993
	23	2043-2044	2043		1,231,561	352,842,133	350,842,133	350,842,133	350,842,133
	24	2044-2045	2044		1,206,929	345,785,290	343,785,290	343,785,290	343,785,290
	25	2045-2046	2045		1,182,791	338,869,584	336,869,584	336,869,584	336,869,584

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date

1/10/2019

Applicant Name

Pasadena Performance Products, LP

Form 50-296A

ISD Name

Deer Park ISD

Revised May 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	QTP 1	2020-2021	2020	400 FTE	70,000			
	QTP 2	2021-2022	2021	400 FTE	70,000			
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2021-2022	2021				25	70,000
	2	2022-2023	2022				25	70,000
	3	2023-2024	2023				25	70,000
	4	2024-2025	2024				25	70,000
	5	2025-2026	2025				25	70,000
	6	2026-2027	2026				25	70,000
	7	2027-2028	2027				25	70,000
	8	2028-2029	2028				25	70,000
	9	2029-2030	2029				25	70,000
	10	2030-2031	2030				25	70,000
Years Following Value Limitation Period	11 through 25	2031-2046	2045				25	70,000

Notes: See TAC 9.1051 for definition of non-qualifying jobs.
Only include jobs on the project site in this school district.

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)

☐

Yes

☒

No

If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)?

☐

Yes

☒

No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

☐

Yes

☒

No

Schedule D: Other Incentives (Estimated)

Date 1/10/2019
Applicant Name Pasadena Performance Products, LP
ISD Name Deer Park ISD

Form 50-296A

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County:					
	City: Pasadena	2021	10 Years	3,085,431	1,851,259	1,234,173
	Other:					
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL				3,085,431	1,851,259	1,234,173

Additional information on incentives for this project:

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Tab #16

Description of Reinvestment Zone

The legal description of the pending Reinvestment Zone is attached. Deer Park Independent School District will vote to approve the Reinvestment Zone before voting to approve the final application to which this Tab pertains.

LEGAL DESCRIPTION OF THE PREMISES

TRACT 1:

A tract of land containing 52.9567 acres (2306792 square feet) located partially within the Thomas Earl Survey, Abstract 18, and partially within the James Seymour Survey, Abstract 698, both in Harris County Texas. Said tract being more particularly described by metes and bounds as follows:

BEING a 52.9567 acre (2306792 square feet) tract of land situated in the James Seymour Survey, Abstract No. 698, and the Thomas Earl Survey, Abstract No. 18, Harris County, Texas, and being a part of and out of that certain called 108.965 acre tract as described in conveyance to Lone Star Cement Co. and recorded in Volume 3167, Page 49, of the Harris County Deed Records, said 52.9567 acre parcel being more fully described by metes and bounds as follows:

COMMENCING at the Point Of Intersection of the North line of a 178' wide tract conveyed to H.L. & P. Co. in Volume 2243, Page 326, of the Harris County Deed Records and the East line of Phillips Co. Private Road (variable width);

THENCE North 87°33'52" East along and with the North line of said H.L. & P. Co. 178' wide tract, a distance of 26.30 feet to the POINT OF BEGINNING of the tract herein described, and being in the West line of said Lone Star Cement Co. tract;

THENCE North 02°35'53" West along and with the West line of said Lone Star Cement Co. tract, a distance of 2417.79 feet to a 5/8" iron rod set for the Northwest corner of the tract herein described and being in the South line of Port Terminal Railroad;

Thence, along a curve to the right having a radius of 2814.31 feet, an arc length of 568.52 feet to the East line of said James Seymour Survey, same being the West line of Thomas Earle Survey, and continuing for a total distance of 1006.38 feet to a 5/8" iron rod set for the Northeast corner of the tract herein described, and being in the West line of North South Street (100' R.O.W.);

THENCE South 02°57'38" East along and with the West line of said North South Street, a distance of 2207.00 feet to a 5/8" iron rod set for the Southeast corner of the tract herein described, and being in the North line of said H.L. & P. Co. 178' wide tract;

THENCE South 87°33'52" West along and with the North line of said H.L. & P. Co. 178' wide tract, a distance of 991.93 feet to the POINT OF BEGINNING.

TRACT 2:

Non-exclusive easement estate created by that certain Use of Road Agreement executed by and between Phillips Chemical Company and Beck Cattle & Land Company, as set forth in instrument dated January 15, 1952, filed for record in Volume 3159, Page 360 of the Deed Records of Harris County, Texas.

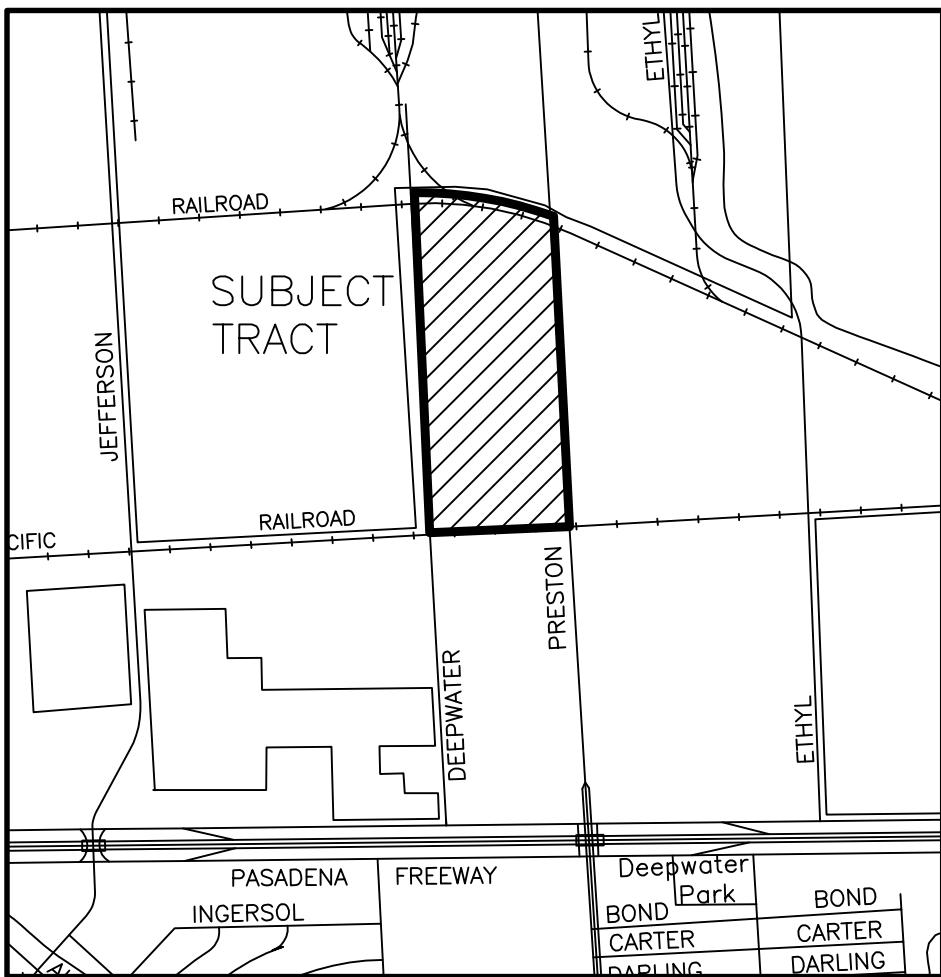
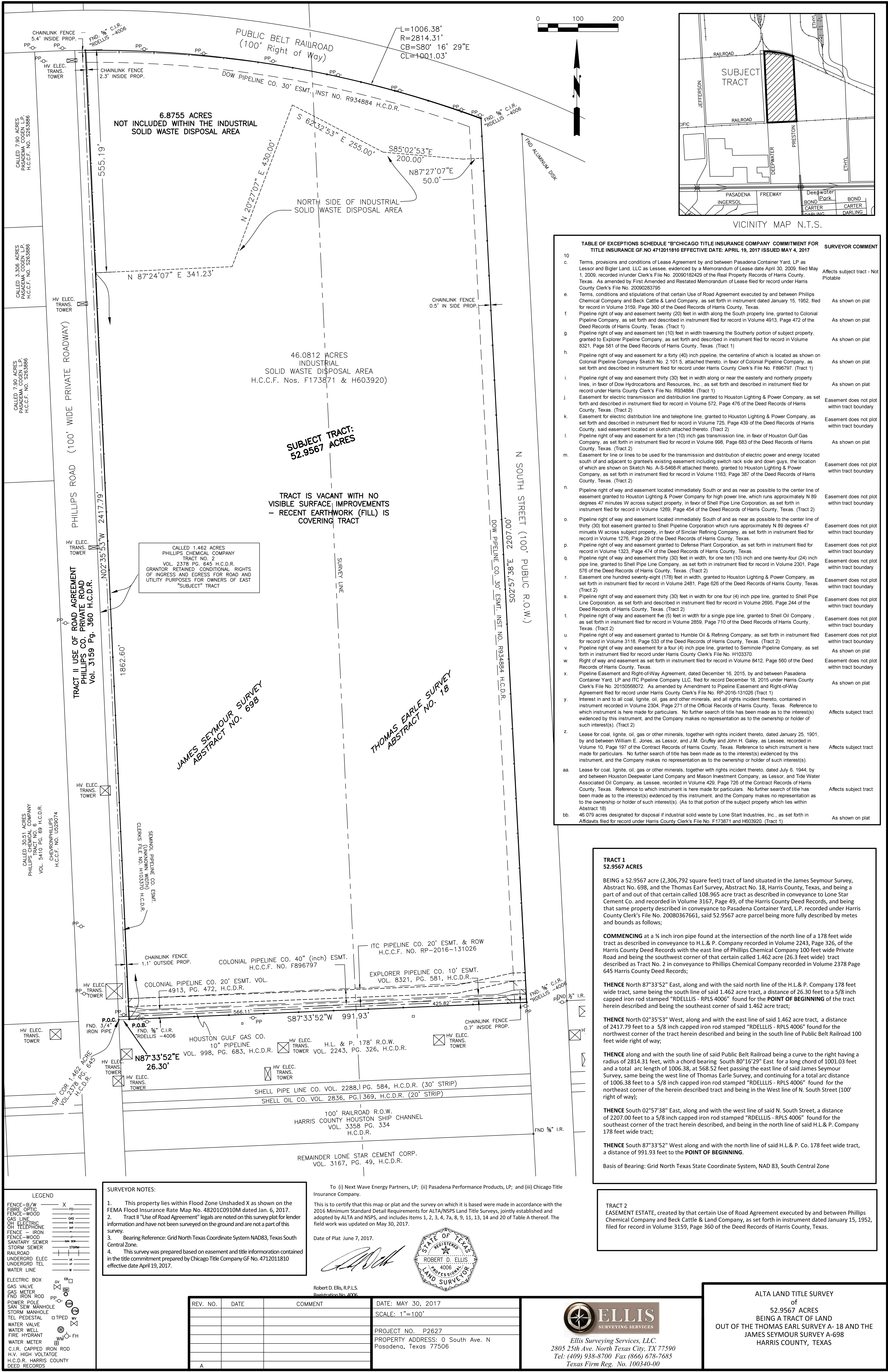


TABLE OF EXCEPTIONS SCHEDULE "B" CHICAGO TITLE INSURANCE COMPANY COMMITMENT FOR TITLE INSURANCE GF NO 4712011810 EFFECTIVE DATE: APRIL 19, 2017 ISSUED MAY 4, 2017		SURVEYOR COMMENT
10		
c.	Terms, provisions and conditions of Lease Agreement by and between Pasadena Container Yard, LP as Lessor and Bigler Land, LLC as Lessee, evidenced by a Memorandum of Lease dated April 30, 2009, filed May 1, 2009, recorded in Under Clerk's File No. 20090182429 of the Real Property Records of Harris County, Texas. As amended by First Amended and Restated Memorandum of Lease filed for record under Harris County Clerk's File No. 20090283795	Affects subject tract - Not Platable
e.	Terms, conditions and stipulations of that certain Use of Road Agreement executed by and between Phillips Chemical Company and Beck Cattle & Land Company, as set forth in instrument dated January 15, 1952, filed for record in Volume 3159, Page 360 of the Deed Records of Harris County, Texas.	As shown on plat
f.	Pipeline right of way and easement twenty (20) feet in width along the South property line, granted to Colonial Pipeline Company, as set forth and described in instrument filed for record in Volume 4913, Page 472 of the Deed Records of Harris County, Texas. (Tract 1)	As shown on plat
g.	Pipeline right of way and easement ten (10) feet in width traversing the Southerly portion of subject property, granted to Explorer Pipeline Company, as set forth and described in instrument filed for record in Volume 8321, Page 581 of the Deed Records of Harris County, Texas. (Tract 1)	As shown on plat
h.	Pipeline right of way and easement for a forty (40) inch pipeline, the centerline of which is located as shown on Colonial Pipeline Company Sketch No. 2.101.5, attached thereto, in favor of Colonial Pipeline Company, as set forth and described in instrument filed for record under Harris County Clerk's File No. F896797. (Tract 1)	As shown on plat
i.	Pipeline right of way and easement thirty (30) feet in width along or near the easterly and northerly property lines, in favor of Dow Hydrocarbons and Resources, Inc., as set forth and described in instrument filed for record under Harris County Clerk's File No. R934884. (Tract 1)	As shown on plat
j.	Easement for electric transmission and distribution line granted to Houston Lighting & Power Company, as set forth and described in instrument filed for record in Volume 672, Page 478 of the Deed Records of Harris County, Texas. (Tract 2)	Easement does not plot within tract boundary
k.	Easement for electric distribution line and telephone line, granted to Houston Lighting & Power Company, as set forth and described in instrument filed for record in Volume 725, Page 439 of the Deed Records of Harris County, said easement located on sketch attached thereto. (Tract 2)	Easement does not plot within tract boundary
l.	Pipeline right of way and easement for a ten (10) inch gas transmission line, in favor of Houston Gulf Gas Company, as set forth in instrument filed for record in Volume 998, Page 683 of the Deed Records of Harris County, Texas. (Tract 2)	As shown on plat
m.	Easement for line or lines to be used for the transmission and distribution of electric power and energy located south of and adjacent to grantee's existing easement including switch rack side and down guys, the location of which are shown on Sketch No. A-S-5468-R attached thereto, granted to Houston Lighting & Power Company, as set forth in instrument filed for record in Volume 1163, Page 387 of the Deed Records of Harris County, Texas. (Tract 2)	Easement does not plot within tract boundary
n.	Pipeline right of way and easement located immediately South of and as near as possible to the center line of easement granted to Houston Lighting & Power Company for high power line, which runs approximately N 89 degrees 47 minutes W across subject property, in favor of Shell Pipe Line Corporation, as set forth in instrument filed for record in Volume 1269, Page 454 of the Deed Records of Harris County, Texas. (Tract 2)	Easement does not plot within tract boundary
o.	Pipeline right of way and easement located immediately South of and as near as possible to the center line of thirty (30) foot easement granted to Shell Pipeline Corporation which runs approximately N 89 degrees 47 minutes W across subject property, in favor of Sinclair Refining Company, as set forth in instrument filed for record in Volume 1276, Page 29 of the Deed Records of Harris County, Texas.	Easement does not plot within tract boundary
p.	Pipeline right of way and easement granted to Defense Plant Corporation, as set forth in instrument filed for record in Volume 1323, Page 474 of the Deed Records of Harris County, Texas.	Easement does not plot within tract boundary
q.	Pipeline right of way and easement thirty (30) feet in width, for one ten (10) inch and one twenty-four (24) inch pipe line, granted to Shell Pipe Line Company, as set forth in instrument filed for record in Volume 2301, Page 576 of the Deed Records of Harris County, Texas. (Tract 2)	Easement does not plot within tract boundary
r.	Easement one hundred seventy-eight (178) feet in width, granted to Houston Lighting & Power Company, as set forth in instrument filed for record in Volume 2481, Page 626 of the Deed Records of Harris County, Texas. (Tract 2)	Easement does not plot within tract boundary
s.	Pipeline right of way and easement thirty (30) feet in width for one four (4) inch pipe line, granted to Shell Pipe Line Corporation, as set forth and described in instrument filed for record in Volume 2995, Page 244 of the Deed Records of Harris County, Texas. (Tract 2)	Easement does not plot within tract boundary
t.	Pipeline right of way and easement five (5) feet in width for a single pipe line, granted to Shell Oil Company, as set forth in instrument filed for record in Volume 2859, Page 710 of the Deed Records of Harris County, Texas. (Tract 2)	Easement does not plot within tract boundary
u.	Pipeline right of way and easement granted to Humble Oil & Refining Company, as set forth in instrument filed for record in Volume 3116, Page 533 of the Deed Records of Harris County, Texas. (Tract 2)	Easement does not plot within tract boundary
v.	Pipeline right of way and easement for a four (4) inch pipe line, granted to Seminole Pipeline Company, as set forth in instrument filed for record under Harris County Clerk's File No. H103370.	As shown on plat
w.	Right of way and easement as set forth in instrument filed for record in Volume 8412, Page 560 of the Deed Records of Harris County, Texas.	Easement does not plot within tract boundary
x.	Pipeline Easement and Right-of-Way Agreement, dated December 16, 2015, by and between Pasadena Container Yard, LP and ITC Pipeline Company LLC, filed for record December 18, 2015 under Harris County Clerk's File No. 2015068072. As amended by Amendment to Pipeline Easement and Right-of-Way Agreement filed for record under Harris County Clerk's File No. RP-2016-131026 (Tract 1)	As shown on plat
y.	Interest in and to all coal, lignite, oil, gas and other minerals, and all rights incident thereto, contained in instrument recorded in Volume 2304, Page 271 of the Official Records of Harris County, Texas. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to the ownership or holder of such interest(s). (Tract 2)	Affects subject tract
z.	Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated January 25, 1901, by and between William E. Jones, as Lessor, and J.M. Gruffey and John H. Galey, as Lessee, recorded in Volume 10, Page 197 of the Contract Records of Harris County, Texas. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to the ownership or holder of such interest(s).	Affects subject tract
aa.	Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated July 6, 1944, by and between Houston Deepwater Land Company and Mason Investment Company, as Lessor, and Tide Water Associated Oil Company, as Lessee, recorded in Volume 429, Page 726 of the Contract Records of Harris County, Texas. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to the ownership or holder of such interest(s). (As to that portion of the subject property which lies within Abstract 18)	Affects subject tract
bb.	46.079 acres designated for disposal of industrial solid waste by Lone Star Industries, Inc., as set forth in Affidavits filed for record under Harris County Clerk's File No. F173871 and H603920. (Tract 1)	As shown on plat

TRACT 1
52.9567 ACRES

BEING A 52.9567 acre (2,306,792 square feet) tract of land situated in the James Seymour Survey, Abstract No. 698, and the Thomas Earl Survey, Abstract No. 18, Harris County, Texas, and being a part of and out of that certain called 108.965 acre tract as described in conveyance to Lone Star Cement Co. and recorded in Volume 3167, Page 49, of the Harris County Deed Records, and being that same property described in conveyance to Pasadena Container Yard, L.P. recorded under Harris County Clerk's File No. 20080367661, said 52.9567 acre parcel being more fully described by metes and bounds as follows;

COMMENCING at a ¾ inch iron pipe found at the intersection of the north line of a 178 feet wide tract as described in conveyance to H.L. & P. Company recorded in Volume 2243, Page 326, of the Harris County Deed Records with the east line of Phillips Chemical Company 100 feet wide Private Road and being the southwest corner of that certain called 1.462 acre (26.3 feet wide) tract described as Tract No. 2 in conveyance to Phillips Chemical Company recorded in Volume 2378 Page 645 Harris County Deed Records;

THENCE North 87°33'52" East, along and with the said north line of the H.L. & P. Company 178 feet wide tract, same being the south line of said 1.462 acre tract, a distance of 26.30 feet to a 5/8 inch capped iron rod stamped "RDELLIS - RPLS 4006" found for the POINT OF BEGINNING of the tract herein described and being the southeast corner of said 1.462 acre tract;

THENCE North 02°35'53" West, along and with the east line of said 1.462 acre tract, a distance of 2417.79 feet to a 5/8 inch capped iron rod stamped "RDELLIS - RPLS 4006" found for the northwest corner of the tract herein described and being in the south line of Public Belt Railroad 100 feet wide right of way;

THENCE along and with the south line of said Public Belt Railroad being a curve to the right having a radius of 2814.31 feet, with a chord bearing South 80°16'29" East for a long chord of 1001.03 feet and a total arc length of 1006.38, at 568.52 feet passing the east line of said James Seymour Survey, same being the west line of Thomas Earl Survey, and continuing for a total arc distance of 1006.38 feet to a 5/8 inch capped iron rod stamped "RDELLIS - RPLS 4006" found for the northeast corner of the herein described tract and being in the West line of N. South Street (100' right of way);

THENCE South 02°57'38" East, along and with the west line of said N. South Street, a distance of 2207.00 feet to a 5/8 inch capped iron rod stamped "RDELLIS - RPLS 4006" found for the southeast corner of the tract herein described, and being in the north line of said H.L. & P. Company 178 feet wide tract;

THENCE South 87°33'52" West along and with the north line of said H.L. & P. Co. 178 feet wide tract, a distance of 991.93 feet to the POINT OF BEGINNING.

Basis of Bearing: Grid North Texas State Coordinate System, NAD 83, South Central Zone

TRACT 2
EASEMENT ESTATE, created by that certain Use of Road Agreement executed by and between Phillips Chemical Company and Beck Cattle & Land Company, as set forth in instrument dated January 15, 1952, filed for record in Volume 3159, Page 360 of the Deed Records of Harris County, Texas.

SURVEYOR NOTES:

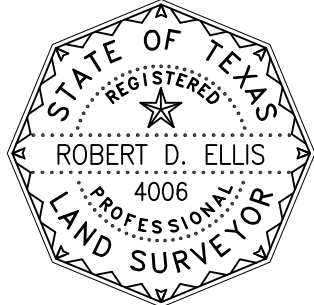
- This property lies within Flood Zone Unshaded X as shown on the FEMA Flood Insurance Rate Map No. 48201C0910M dated Jan. 6, 2017.
- Tract II "Use of Road Agreement" legals are noted on this survey plat for lender information and have not been surveyed on the ground and are not a part of this survey.
- Bearing Reference: Grid North Texas Coordinate System NAD83, Texas South Central Zone.
- This survey was prepared based on easement and title information contained in the title commitment prepared by Chicago Title Company GF No. 4712011810 effective date April 19, 2017.

To: (i) Next Wave Energy Partners, LP; (ii) Pasadena Performance Products, LP; and (iii) Chicago Title Insurance Company.

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 1, 2, 3, 4, 7a, 8, 9, 11, 13, 14 and 20 of Table A thereof. The field work was updated on May 30, 2017.

Date of Plat: June 7, 2017.

Robert D. Ellis, R.P.L.S.
Registration No. 4006



REV. NO.	DATE	COMMENT	DATE: MAY 30, 2017
			SCALE: 1"=100'
			PROJECT NO. P2627
			PROPERTY ADDRESS: 0 South Ave. N Pasadena, Texas 77506
A			



ALTA LAND TITLE SURVEY
of
52.9567 ACRES
BEING A TRACT OF LAND
OUT OF THE THOMAS EARL SURVEY A- 18 AND THE
JAMES SEYMOUR SURVEY A-698
HARRIS COUNTY, TEXAS

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

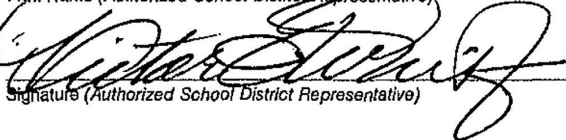
print
here

Victor White

Print Name (Authorized School District Representative)

Superintendent of Schools

Title

sign
here


Signature (Authorized School District Representative)

Date

1-21-19

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print
here

A. Patrick Diamond

Print Name (Authorized Company Representative (Applicant))

Executive Chairman

Title

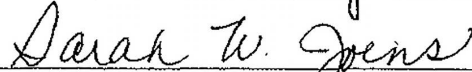
sign
here


Signature (Authorized Company Representative (Applicant))

Date

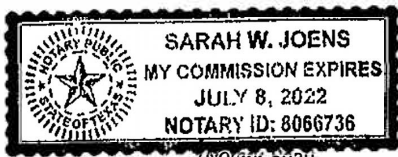
1/17/2019

GIVEN under my hand and seal of office this, the

17th day of January 2019


Notary Public in and for the State of Texas

My Commission expires: July 8, 2022



(Notary Seal)

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.