

O'HANLON, MCCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE

AUSTIN, TEXAS 78701

TELEPHONE: (512) 494-9949

FACSIMILE: (512) 494-9919

KEVIN O'HANLON

CERTIFIED, CIVIL APPELLATE

CERTIFIED, CIVIL TRIAL

LESLIE MCCOLLOM

CERTIFIED, CIVIL APPELLATE

CERTIFIED, LABOR AND EMPLOYMENT

TEXAS BOARD OF LEGAL SPECIALIZATION

JUSTIN DEMERATH

April 26, 2012

Local Government Assistance & Economic Analysis

Texas Comptroller of Public Accounts

P.O. Box 13528

Austin, Texas 78711-3528

RE: Amended Application to the Beaumont Independent School District

To the Local Government Assistance & Economic Analysis Division:

In response to the deficiency letter to the company, Pandora Methanol has submitted an amended application to the Beaumont Independent School District. The application was originally received by the District on October 21, 2011 and determined complete on January 21, 2011. Based upon the new information, the District has re-determined the application complete as of April 26, 2012. Please see the information provided below in addition to the changes made to the application. Please consider this information as part of the application.

1) The application lacks "a specific and detailed description of the property ... to clearly distinguish the subject property from property to which the limitation does not apply and to establish that the property meets the criteria of qualified property pursuant to Tax Code, §313.021 (2)" as required by TAC 9.1053(1)(i). Please provide a detailed description (with detailed location maps and/or surveys) of the new buildings and new improvements the applicant proposes to erect or build after the application review start date.

After purchasing the property, Pandora immediately commenced work to make the ammonia plant operational, and Pandora was able to commence ammonia productions prior to the date the District received all information required for a complete application. The January 2012 operational date set forth. Because the ammonia plant became operational prior to the date of the District's determination that the application was complete, we respectfully withdraw Phase One of the project, the basic ammonia plant, from consideration under our application for value limitation for qualified property pursuant to Chapter 313 of the Tax Code.

The existing ammonia facilities that will not be included in the application include:

800 STPD Haldor Topsoe designed ammonia Synthesis Loop consisting of purge gas conditioning equipment, hydrogen and nitrogen import systems, Pressure Swing Adsorption Hydrogen Recovery Unit, Syn-Gas compressor, Ammonia Reactor and associated Ammonia Synthesis Loop, refrigeration compressor and all associated exchangers, piping and vessels considered to be part of the Ammonia Synthesis Loop. A 20,000 Ton Cryogenic Storage Tank and refrigeration unit are also in existence. Also excluded from qualified property is the wharf slip. The location of these items is indicated on the attached map. Two Methanol Storage Tanks, a methanol crude tank, and tank scrubbers are in existence and excluded from qualified property.

Included in qualified property will be methanol plant consisting of two reformers (off permit), gas cooling section, syn-gas compression, two water cooled reactors and associated methanol synthesis loop, crude methanol refining train and all associated process coolers, boilers, heaters, separators considered inside of the battery limits of the methanol unit. Improvements also include a demineralized water system, boiler treatment chemicals storage and feed systems, 7 cell cooling tower, nitro substation, maintenance offices and shop, spare parts warehouse, 6 motor control centers, analyzer sheds.

2) The application is lacking a copy of the order creating the reinvestment zone--with all attachments clearly marked and labeled.

See attached. The reinvestment zone will expire before it would be possible to enter into an agreement with the Company. Therefore, the company has asked the District to create a zone. The proposed order, map and legal description are included in the application.

3) The reinvestment zone map must be certified to be accurate by the governmental entity creating the zone, the local appraisal district or a licensed surveyor.

The school district will certify the accuracy of the map when it creates the zone.

4) The CAD docs provided appear to include only improvements. Please provide information on the land--requested in items # 1 through #5 at the top of page 9 of application.

The methanol and ammonia plant land – account #018400-000-000100-000000-0 - currently valued at \$101,430 - 13.524 acres 2. The methanol plant land - account #018400-000-000200-000000-8 - currently valued at \$96,130 - 12.818 acres

5) Schedule D asks for cumulative numbers of jobs. Will the proposed investment of \$58 million in 2012 through 2015 create no new jobs? Please explain.

Pandora hired 10 new employees (8 of which that meet the definition of “qualifying jobs”) for the methanol plant. The continued investment allows Pandora to maintain these jobs over the course of the agreement.

6) District has not provided materials required by TAC 9.1054(c)(3).

We will forward a copy of the school finance information with a 15 year projection based upon the new values presented by applicant.

New wage information has become available since the applicant originally submitted its application to the District. The most recent wage information has been provided in this amended application.

In accordance with 34 Tex. Admin Code §9.1054, a copy of the amended application will be submitted to the Jefferson County Appraisal District.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin O'Hanlon", with a stylized flourish at the end.

Kevin O'Hanlon
School District Consultant



Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

Form 50-296
(Revised May 2010)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application.

This notice must include:

- the date on which the school district received the application;
- the date the school district determined that the application was complete;
- the date the school board decided to consider the application; and
- a request that the comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original completed application to the Comptroller in a three-ring binder with tabs separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its Web site. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules as explained in the Confidentiality Notice below.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, make a recommendation to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application before the 151st day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to complete the recommendation, economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's Web site to find out more about the program at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/index.html>. There are links on this Web page to the Chapter 313 statute, rules and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION

Authorized School District Representative

Date application received by district

First Name

Last Name

Title

School District Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

E-mail Address

I authorize the consultant to provide and obtain information related to this application.. ☐ Yes ☐ No

Will consultant be primary contact? ☐ Yes ☐ No

**SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)****Authorized School District Consultant (If Applicable)**

First Name Kevin		Last Name O'Hanlon	
Title Consultant			
Firm Name O'Hanlon, McCollom & Demerath, PC			
Street Address 808 West Avenue			
Mailing Address 808 West Avenue			
City Austin		State TX	ZIP 78701
Phone Number 512-494-9949		Fax Number 512-494-9919	
Mobile Number (Optional)		E-mail Address kohanlon@808west.com; mhanley@808west.com	

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.

Signature (Authorized School District Representative) 	Date 10/21/11
--	-------------------------

Has the district determined this application complete? ☒ Yes ☐ No

If yes, date determined complete. 1/21/2012

Have you completed the school finance documents required by TAC 9.1054(c)(3)? ☐ Yes ☒ No

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Date application received by the ISD	1 of 16	✓
2	Certification page signed and dated by authorized school district representative	2 of 16	✓
3	Date application deemed complete by ISD	2 of 16	✓
4	Certification pages signed and dated by applicant or authorized business representative of applicant	4 of 16	✓
5	Completed company checklist	12 of 16	✓
6	School finance documents described in TAC 9.1054(c)(3) (Due within 20 days of district providing notice of completed application)	2 of 16	

**APPLICANT INFORMATION - CERTIFICATION OF APPLICATION****Authorized Business Representative (Applicant)**

First Name	Last Name	
Title		
Organization		
Street Address		
Mailing Address		
City	State	ZIP
Phone Number	Fax Number	
Mobile Number (optional)	Business e-mail Address	

Will a company official other than the authorized business representative be responsible for responding to future information requests? ☐ Yes ☐ No

If yes, please fill out contact information for that person.

First Name	Last Name	
Title		
Organization		
Street Address		
Mailing Address		
City	State	ZIP
Phone Number	Fax Number	
Mobile Number (optional)	E-mail Address	

I authorize the consultant to provide and obtain information related to this application.. ☐ Yes ☐ No

Will consultant be primary contact? ☐ Yes ☐ No



Form 50-296

Application for Appraised Value Limitation on Qualified Property

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name

Christine

Last Name

Bustamante

Title

Managing Director, Global Location & Expansion Services

Firm Name

KPMG LLP

Street Address

191 W. Nationwide Blvd., Suite 500

Mailing Address

City

Columbus

State

OH

ZIP

43215

Phone Number

614-249-1922

Fax Number

614-388-5605

Business email Address

cbustamante@kpmg.com

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 is true and correct to the best of my knowledge and belief.

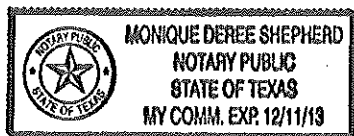
I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

Signature (Authorized Business Representative (Applicant))

Date

12/30/2011

GIVEN under my hand and seal of office this 30 day of December, 2011

Notary Public, State of Texas

(Notary Seal)

My commission expires

12/11/13

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 § 37.10.

**FEES AND PAYMENTS**

☐ Enclosed is proof of application fee paid to the school district.

For the purpose of this question, "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.

Please answer only either A OR B:

A. 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

B. 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

BUSINESS APPLICANT INFORMATION

Legal Name under which application is made

Texas Taxpayer I.D. Number of entity subject to Tax Code, Chapter 171 (11 digits)

NAICS code

Is the applicant a party to any other Chapter 313 agreements? ☐ Yes ☐ No

If yes, please list name of school district and year of agreement.

APPLICANT BUSINESS STRUCTURE

Registered to do business in Texas with the Texas Secretary of State? ☐ Yes ☐ No

Identify business organization of applicant (corporation, limited liability corporation, etc.)

1. Is the applicant a combined group, or comprised of members of a combined group, as defined by Texas Tax Code Chapter 171.0001(7)? ☐ Yes ☐ No
If so, please attach documentation of the combined group membership and contact information.

2. Is the applicant current on all tax payments due to the State of Texas? ☐ Yes ☐ No

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☐ NA ☐ Yes ☐ No

If the answer to either question is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (Use attachment if necessary.)

**ELIGIBILITY UNDER TAX CODE CHAPTER 313.024**

Are you an entity to which Tax Code, Chapter 171 applies? ☐ Yes ☐ No

The property will be used as an integral part, or as a necessary auxiliary part, in one of the following activities:

- (1) manufacturing ☐ Yes ☐ No
- (2) research and development ☐ Yes ☐ No
- (3) a clean coal project, as defined by Section 5.001, Water Code ☐ Yes ☐ No
- (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code ☐ Yes ☐ No
- (5) renewable energy electric generation ☐ Yes ☐ No
- (6) electric power generation using integrated gasification combined cycle technology ☐ Yes ☐ No
- (7) nuclear electric power generation ☐ Yes ☐ No
- (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) ☐ Yes ☐ No

Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☐ No

Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☐ No

Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☐ No

Are you including property that is owned by a person other than the applicant? ☐ Yes ☐ No

Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? ☐ Yes ☐ No

PROJECT DESCRIPTION

Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information. (Use attachments as necessary)

Describe the ability of your company to locate or relocate in another state or another region of the state.

PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

- | | | | |
|---|--|---|---|
| <input type="checkbox"/> New Jobs | <input type="checkbox"/> Construct New Facility | <input type="checkbox"/> New Business / Start-up | <input type="checkbox"/> Expand Existing Facility |
| <input type="checkbox"/> Relocation from Out-of-State | <input type="checkbox"/> Expansion | <input type="checkbox"/> Purchase Machinery & Equipment | |
| <input type="checkbox"/> Consolidation | <input type="checkbox"/> Relocation within Texas | | |

PROJECTED TIMELINE

Begin Construction _____ Begin Hiring New Employees _____

Construction Complete _____ Fully Operational _____

Purchase Machinery & Equipment _____

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.

When do you anticipate the new buildings or improvements will be placed in service? _____

**ECONOMIC INCENTIVES**

Identify state programs the project will apply for:

State Source

Amount

_____	_____
_____	_____
_____	_____
Total	_____

Will other incentives be offered by local units of government? ☐ Yes ☐ No

Please use the following box for additional details regarding incentives. (Use attachments if necessary.)

THE PROPERTY

Identify county or counties in which the proposed project will be located _____

Central Appraisal District (CAD) that will be responsible for appraising the property _____

Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☐ No

List all taxing entities that have jurisdiction for the property and the portion of project within each entity

County: _____ (Name and percent of project)
City: _____ (Name and percent of project)

Hospital District: _____ (Name and percent of project)
Water District: _____ (Name and percent of project)

Other (describe): _____ (Name and percent of project)
Other (describe): _____ (Name and percent of project)

Is the project located entirely within this ISD? ☐ Yes ☐ No

If not, please provide additional information on the project scope and size to assist in the economic analysis.

**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 rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's Web site at www.window.state.tx.us/taxinfo/proptax/hb1200/values.html.

At the time of application, what is the estimated minimum qualified investment required for this school district? 30 million

What is the amount of appraised value limitation for which you are applying? 30 million

What is your total estimated *qualified* investment? 58 million

NOTE: See 313.021(1) for full definition. Generally, Qualified Investment is the sum of the investment in tangible personal property and buildings and new improvements made between beginning of the qualifying time period (date of application final approval by the school district) and the end of the second complete tax year.

What is the anticipated date of application approval? July 2012

What is the anticipated date of the beginning of the qualifying time period? July 2012

What is the total estimated investment for this project for the period from the time of application submission to the end of the limitation period? 232 million

Describe the qualified investment. [See 313.021(1).]

Attach the following items to this application:

- (1) 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,
- (2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment and
- (3) a map of the qualified investment showing location of new buildings or new improvements with vicinity map.

Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or 313.053 for rural school districts) for the relevant school district category during the qualifying time period? ☒ Yes ☐ No

Except for new equipment described in Tax Code §151.318(q) or (q-1), is the proposed tangible personal property to be placed in service for the first time:

- (1) in or on the new building or other new improvement for which you are applying? ☒ Yes ☐ No
- (2) if not in or on the new building or other new improvement for which you are applying for an appraised value limitation, is the personal property necessary and ancillary to the business conducted in the new building or other new improvement? ☒ Yes ☐ No
- (3) on the same parcel of land as the building for which you are applying for an appraised value limitation? ☒ Yes ☐ No

("First placed in service" means the first use of the property by the taxpayer.)

Will the investment in real or personal property you propose be counted toward the minimum qualified investment required by Tax Code §313.023, (or 313.053 for rural school districts) be first placed in service in this state during the applicable qualifying time period? ☒ Yes ☐ No

Does the investment in tangible personal property meet the requirements of Tax Code §313.021(1)? ☒ Yes ☐ No

If the proposed investment includes a building or a permanent, non-removable component of a building, does it house tangible personal property? ☒ Yes ☐ No

QUALIFIED PROPERTY

Describe the qualified property. [See 313.021(2)] (If qualified investment describes qualified property exactly you may skip items (1), (2) and (3) below.)

Attach the following items to this application:

- (1) a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
- (2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your qualified property and
- (3) a map of the qualified property showing location of new buildings or new improvements – with vicinity map.

Land

Is the land on which you propose new construction or improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? ☐ Yes ☒ No

If you answered "no" to the question above, what is the anticipated date on which you will submit proof of a reinvestment zone with boundaries encompassing the land on which you propose new construction or improvements? June 2012

Will the applicant own the land by the date of agreement execution? ☒ Yes ☐ No

Will the project be on leased land? ☐ Yes ☒ No

QUALIFIED PROPERTY (CONTINUED)

If the land upon which the new building or new improvement is to be built is part of the qualified property described by §313.021(2)(A), please attach complete documentation, including:

1. Legal description of the land
2. Each existing appraisal parcel number of the land on which the improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property
3. Owner
4. The current taxable value of the land. Attach estimate if land is part of larger parcel.
5. A detailed map (with a vicinity map) showing the location of the land

Attach a map of the reinvestment zone boundaries, certified to be accurate by either the governmental entity creating the zone, the local appraisal district, or a licensed surveyor. (With vicinity map)

Attach the order, resolution or ordinance establishing the zone, and the guidelines and criteria for creating the zone, if applicable.

Miscellaneous

Is the proposed project a building or new improvement to an existing facility? ☐ Yes ☐ No

Attach a description of any existing improvements and include existing appraisal district account numbers.

List current market value of existing property at site as of most recent tax year. _____
(Market Value) (Tax Year)

Is any of the existing property subject to a value limitation agreement under Tax Code 313? ☐ Yes ☐ No

Will all of the property for which you are requesting an appraised value limitation be free of a tax abatement agreement entered into by a school district for the duration of the limitation? ☐ Yes ☐ No

WAGE AND EMPLOYMENT INFORMATION

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)? _____

The last complete calendar quarter before application review start date is the:

☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of _____
(year)

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 TWC? _____

Note: For job definitions see TAC §9.1051(14) and Tax Code 313.021(3). If the applicant intends to apply a definition for "new job" other than TAC §9.1051(14)(C), then please provide the definition of "new job" as used in this application. _____

Total number of new jobs that will have been created when fully operational _____

Do you plan to create at least 25 new jobs (at least 10 new jobs for rural school districts) on the land and in connection with the new building or other improvement? ☐ Yes ☐ No

Do you intend to request that the governing body waive the minimum new job creation requirement, as provided under Tax Code §313.025(f-1)? ☐ Yes ☐ No

If you answered "yes" to the question above, attach evidence documenting that the new job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards. **Note: Even if a minimum new job waiver is provided, 80% of all new jobs must be qualifying jobs pursuant to Texas Tax Code, §313.024(d).**

What is the maximum number of qualifying jobs meeting all criteria of §313.021(3) you are committing to create? _____

If this project creates more than 1,000 new jobs, the minimum required wage for this project is 110% of the average county weekly wage for all jobs as described by 313.021(3)(E)(ii).

If this project creates less than 1,000 new jobs, does this district have territory in a county that meets the demographic characteristics of 313.051(2)? (see table of information showing this district characteristic at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html>)

If yes, the applicant must meet wage standard described in 313.051(b) (110% of the regional average weekly wage for manufacturing)

If no, the applicant shall designate one of the wage standards set out in §§313.021(5)(A) or 313.021(5)(B).

**WAGE AND EMPLOYMENT INFORMATION (CONTINUED)**

For the following three wage calculations please include on an attachment the four most recent quarters of data for each wage calculation. Show the average and the 110% calculation. Include documentation from TWC Web site. 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(7).

110% of the county average weekly wage for all jobs (all industries) in the county is 1022.18

110% of the county average weekly wage for manufacturing jobs in the county is 1820.78

110% of the county average weekly wage for manufacturing jobs in the region is

Please identify which Tax Code section you are using to estimate the wage standard required for this project:

☐ §313.021(5)(A) or ☐ §313.021(5)(B) or ☐ §313.021(3)(E)(ii), or ☐ §313.051(b)?

What is the estimated minimum required annual wage for each qualifying job based on the qualified property?

What is the estimated minimum required annual wage you are committing to pay for each of the qualifying jobs you create on the qualified property?

Will 80% of all new jobs created by the owner be qualifying jobs as defined by 313.021(3)? ☐ Yes ☐ No

Will each qualifying job require at least 1,600 of work a year? ☐ Yes ☐ No

Will any of the qualifying jobs be jobs transferred from one area of the state to another? ☐ Yes ☐ No

Will any of the qualifying jobs be retained jobs? ☐ Yes ☐ No

Will any of the qualifying jobs be created to replace a previous employee? ☐ Yes ☐ No

Will any required qualifying jobs be filled by employees of contractors? ☐ Yes ☐ No

If yes, what percent?

Does the applicant or contractor of the applicant offer to pay at least 80% of the employee's health insurance premium for each qualifying job?

☐ Yes ☐ No

Describe each type of benefits to be offered to qualifying jobholders. (Use attachments as necessary.)

ECONOMIC IMPACT

Is an Economic Impact Analysis attached (If supplied by other than the Comptroller's office)? ☐ Yes ☐ No

Is Schedule A completed and signed for all years and attached? ☐ Yes ☐ No

Is Schedule B completed and signed for all years and attached? ☐ Yes ☐ No

Is Schedule C (Application) completed and signed for all years and attached? ☐ Yes ☐ No

Is Schedule D completed and signed for all years and attached? ☐ Yes ☐ No

Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, please attach a separate schedule showing the amount for each year affected, including an explanation.

CONFIDENTIALITY NOTICE

**Property Tax Limitation Agreement Applications
Texas Government Code Chapter 313
Confidential Information Submitted to the Comptroller**

Generally, an application for property tax value limitation, the information provided therein, and documents submitted in support thereof, are considered public information subject to release under the Texas Public Information Act.

There is an exception, outlined below, by which information will be withheld from disclosure.

The Comptroller's office will withhold information from public release if:

- 1) it describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application;
- 2) the information has been segregated in the application from other information in the application; and
- 3) the party requesting confidentiality provides the Comptroller's office a list of the documents for which confidentiality is sought and for each document lists the specific reasons, including any relevant legal authority, stating why the material is believed to be confidential.

All applications and parts of applications which are not segregated and marked as confidential as outlined above will be considered public information and will be posted on the internet.

Such information properly identified as confidential will be withheld from public release unless and until the governing body of the school district acts on the application, or we are directed to do so by a ruling from the Attorney General.

Other information in the custody of a school district or the comptroller submitted in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Texas Tax Code, Chapter 313, such as

the nature and amount of the projected investment, employment, wages, and benefits, will not be considered confidential business information and will be posted on the internet.

All documents submitted to the Comptroller, as well as all information in the application once the school district acts thereon, are subject to public release unless specific parts of the application or documents submitted with the application are identified as confidential. Any person seeking to limit disclosure of such submitted records is advised to consult with their legal counsel regarding disclosure issues and also to take the appropriate precautions to safeguard copyrighted material, trade secrets, or any other proprietary information. The Comptroller assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by respondents. A person seeking to limit disclosure of information must submit in writing specific detailed reasons, including any relevant legal authority, stating why that person believes the material to be confidential.

The following outlines how the Comptroller's office will handle requests for information submitted under the Texas Public Information Act for application portions and submitted records appropriately identified as confidential.

- This office shall forward the request for records and a copy of the documents at issue to the Texas Attorney General's office for an opinion on whether such information may be withheld from disclosure under the Texas Public Information Act.
- The Comptroller will notify the person who submitted the application/documents when the information is forwarded to the Attorney General's office.
- Please be aware that this Office is obligated to comply with an Attorney General's decision, including release of information ruled public even if it was marked confidential.



COMPANY CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Certification pages signed and dated by Authorized Business Representative (applicant)	4 of 16	
2	Proof of Payment of Application Fee (Attachment)	5 of 16	
3	For applicant members, documentation of Combined Group membership under Texas Tax Code 171.0001(7) (if Applicable) (Attachment)	5 of 16	
4	Detailed description of the project	6 of 16	
5	If project is located in more than one district, name other districts and list percentage in each district (Attachment)	7 of 16	
6	Description of Qualified Investment (Attachment)	8 of 16	
7	Map of qualified investment showing location of new buildings or new improvements with vicinity map.	8 of 16	
8	Description of Qualified Property (Attachment)	8 of 16	
9	Map of qualified property showing location of new buildings or new improvements with vicinity map	8 of 16	
10	Description of Land (Attachment)	9 of 16	
11	A detailed map showing location of the land with vicinity map.	9 of 16	
12	A description of all existing (if any) improvements (Attachment)	9 of 16	
13	Request for Waiver of Job Creation Requirement (if applicable) (Attachment)	9 of 16	
14	Calculation of three possible wage requirements with TWC documentation. (Attachment)	10 of 16	
15	Description of Benefits	10 of 16	
16	Economic Impact (if applicable)	10 of 16	
17	Schedule A completed and signed	13 of 16	
18	Schedule B completed and signed	14 of 16	
19	Schedule C (Application) completed and signed	15 of 16	
20	Schedule D completed and signed	16 of 16	
21	Map of Reinvestment Zone (Attachment) (Showing the actual or proposed boundaries and size, Certified to be accurate by either the government entity creating the zone, the local appraisal district, or a licensed surveyor, with vicinity map)*	9 of 16	
22	Order, Resolution, or Ordinance Establishing the Zone (Attachment)*	9 of 16	
23	Legal Description of Reinvestment Zone (Attachment)*	9 of 16	
24	Guidelines and Criteria for Reinvestment Zone(Attachment)*	9 of 16	

*To be submitted with application or before date of final application approval by school board.



Schedule A (Rev. Jan. 2010): Investment

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or Permanent Nonremovable Component of Building (annual amount only)	Column C: Sum of A and B Qualifying Investment (during the qualify- ing time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete appli- cation with district (neither qualified property nor eligible to become qualified investment)								
	Investment made after filing complete ap- plication with district, but before final board approval of application (eligible to become qualified property)								
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)								
	Complete tax years of qualifying time period	1							
		2							
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	3							
		4							
		5							
		6							
		7							
		8							
		9							
		10							
Credit Settle-Up Period	Continue to Maintain Viable Presence	11							
		12							
		13							
Post- Settle-Up Period		14							
Post- Settle-up Period		15							

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment- as defined in Tax Code §313.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.
[For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property].
Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).
For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

Column D: Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value – for planning, construction and operation of the facility. The most significant example for many projects would be land. Other examples may be items such as professional services, etc.
Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed.

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE



Schedule B (Rev. Jan. 2010): Estimated Market and Taxable Value

Applicant Name _____

ISD Name _____

					Qualified Property			Reductions From Market Value	Estimated Taxable Value	
		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	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 building or "in or on the new improvement"	Exempted Value	Final taxable value for I&S - after all reductions	Final taxable value for M&O - after all reductions
		pre- year 1								
	Complete tax years of qualifying time period	1								
		2								
	Value Limitation Period	3								
		4								
		5								
Tax Credit Period (with 50% cap on credit)		6								
		7								
		8								
		9								
		10								
Credit Settle-Up period	Continue to Maintain Viable Presence	11								
		12								
		13								
Post- Settle-Up Period		14								
Post- Settle-Up Period		15								

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE _____

DATE _____



Schedule C - Application: Employment Information

Applicant Name _____

ISD Name _____

					Construction		New Jobs		Qualifying Jobs	
		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Column A: Number of Construction FTE's or man- hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of quali- fying jobs appli- cant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
		pre- year 1								
	Complete tax years of qualify- ing time period	1								
		2								
		3								
		4								
		5								
		6								
		7								
		8								
		9								
		10								
		11								
		12								
		13								
	Post- Settle-Up Period	14								
	Post- Settle-Up Period	15								

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE _____

DATE _____



Schedule D: (Rev. Jan. 2010): Other Tax Information

Applicant Name _____

ISD Name _____

					Sales Tax Information		Franchise Tax	Other Property Tax Abatements Sought			
					Sales Taxable Expenditures		Franchise Tax	County	City	Hospital	Other
		Year	School Year (YYYY)	Tax/Calendar Year (YYYY)	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percent- age exemption requested or granted in each year of the agreement	Fill in percent- age exemption requested or granted in each year of the agreement	Fill in percent- age exemption requested or granted in each year of the agreement	Fill in percent- age exemption requested or granted in each year of the agreement
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)											
	Complete tax years of qualify- ing time period	1									
		2									
	Value Limitation Period	3									
		4									
		5									
		6									
		7									
		8									
		9									
		10									
	Continue to Maintain Viable Presence	11									
		12									
		13									
Post- Settle-Up Period		14									
Post- Settle-Up Period		15									

*For planning, construction and operation of the facility.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE _____

DATE _____

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 1

See Attached



Form 50-296

Application for Appraised Value Limitation on Qualified Property

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name

Christine

Last Name

Bustamante

Title

Managing Director, Global Location & Expansion Services

Firm Name

KPMG LLP

Street Address

191 W. Nationwide Blvd., Suite 500

Mailing Address

City

Columbus

State

OH

ZIP

43215

Phone Number

614-249-1922

Fax Number

614-388-5605

Business email Address

cbustamante@kpmg.com

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 is true and correct to the best of my knowledge and belief.

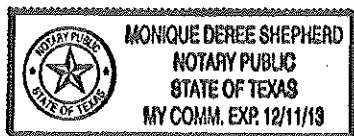
I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

Signature (Authorized Business Representative (Applicant))

Date

12/30/2011

GIVEN under my hand and seal of office this 30 day of December, 2011

Notary Public, State of Texas

(Notary Seal)

My commission expires

12/11/13

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 § 37.10.

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 2

See Attached

Proof of payment of filing fee received by the
Comptroller of Public Accounts per TAC Rule
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of Public
Accounts)*

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 3

Not Applicable

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 4

Project Description

Pandora Methanol LLC purchased the Eastman Chemical Methanol and Ammonia manufacturing plant in June 2011. The plant had been the subject of a previous Chapter 313 tax limitation agreement dated December 18, 2006 between Eastman Chemical and Beaumont ISD. The plant was never operated by Eastman Chemical. In actual fact, at the time of purchased by Pandora, the plant had not been operational since 2004. Since the date of the plant's last operation and the date of Pandora's purchase, both the ammonia and methanol plants had been subject to two major hurricanes and were significantly damaged.

Prior to the actual closing of Pandora's purchase, Pandora had conducted visits to the plant sites, but since neither plant was operational, Pandora was required to make some assumptions as to the operating conditions of the two plants. At the time of initial purchase, Pandora believed that refurbishing existing equipment would be an option. However, the substantial water damage made that impossible. Pandora needed to purchase new equipment for the ammonia plant and is purchasing new equipment for the methanol plant.

After purchasing the property, Pandora immediately commenced work to make the ammonia plant operational, and Pandora was able to commence ammonia productions prior to the date the District received all information required for a complete application. Because the ammonia plant became operational prior to the date of the District's determination that the application was complete, we respectfully withdraw Phase One of the project, the basic ammonia plant, from consideration under our application for value limitation for qualified property pursuant to Chapter 313 of the Tax Code.

The methanol plant improvements were commenced after the date of the application filing with Beaumont ISD and are ongoing at this time. The appraisal district has indicated that it will issue a separate appraisal account number for new methanol operations to ensure that no existing property becomes subject to the value limitation.

In addition, Pandora will be engaging in plant upgrade in future years.

Once operating, the facility will employ 80 permanent workers to operate the facility, most of which are retained jobs from within the Company. However, only 10 of these jobs meet the definition of new jobs.

Ability to Relocate

One factor in determining whether the project will proceed in the internal competition for capital among the various project opportunities for the Company's partners, both nationally and globally. Since this factor is financial in nature, Pandora is seeking assistance in the way of incentives to help ensure that the project advances. The Company allocates capital investment to projects and locations that create the best economic return. The existence of a limitation on tax

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

value is a significant factor in calculating the economic return and allocation of reserves to the project. However, the Company could redirect its expenditures.

Economic Incentives

Pandora is pursuing property tax abatement agreements with the City of Beaumont and Jefferson County.

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 5

Not Applicable

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

**Attachment 6
Investment**

- 1. 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 Texas Tax Code Sec. 313.021.**

Included in qualified investment will be methanol plant consisting of two reformers (off permit), gas cooling section, syn-gas compression, two water cooled reactors and associated methanol synthesis loop, crude methanol refining train and all associated process coolers, boilers, heaters, separators considered inside of the battery limits of the methanol unit. Improvements also include a demineralized water system, boiler treatment chemicals storage and feed systems, 7 cell cooling tower, nitro substation, maintenance offices and shop, spare parts warehouse, 6 motor control centers, analyzer sheds.

In addition, in 2014, there will be investment in a catalytic reduction unit and related equipment that will total approximately \$58 million.

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

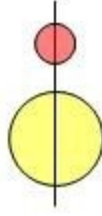
Attachment 7

A map of the qualified investment showing location of new buildings or new improvements within vicinity map.

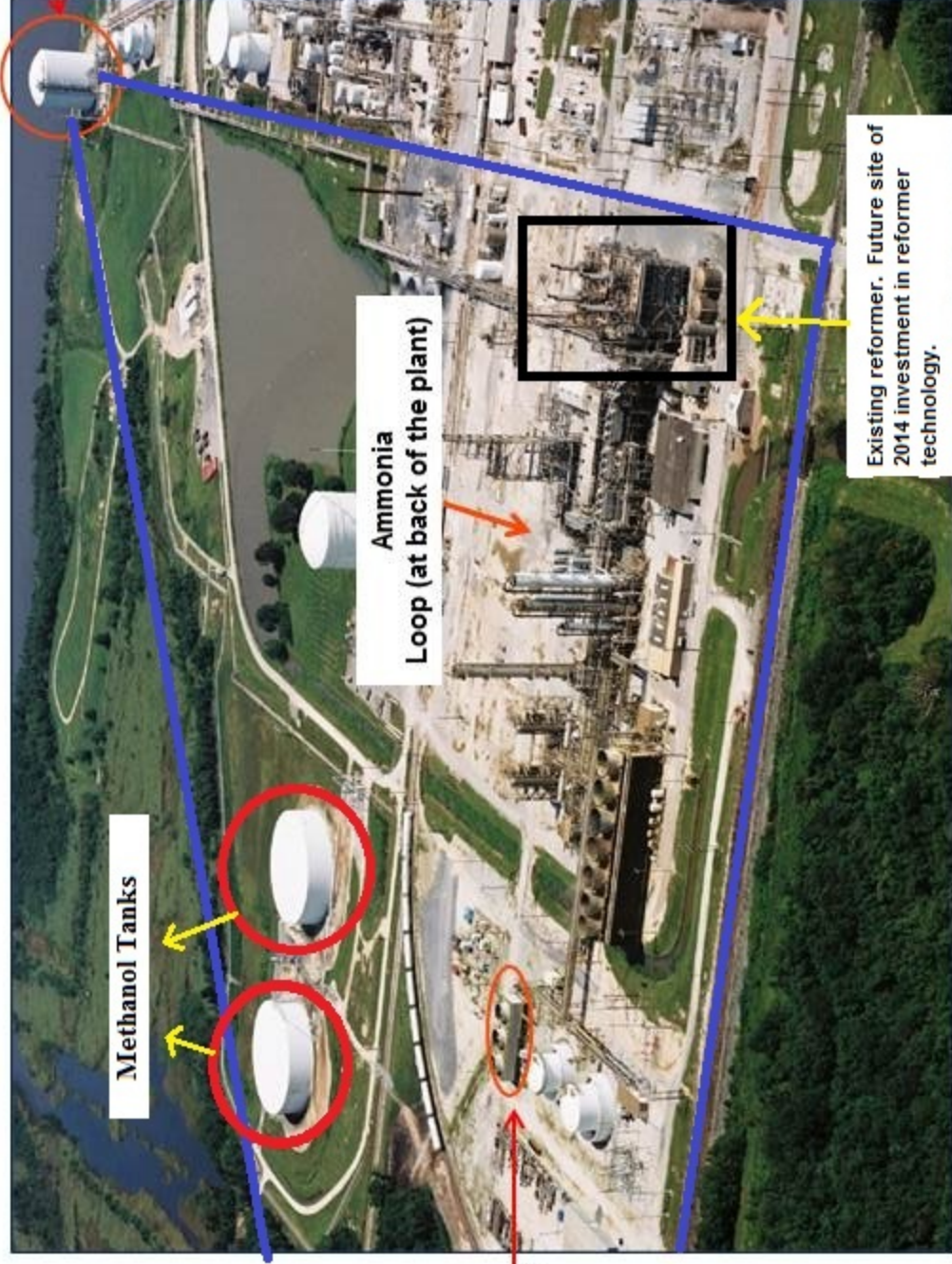
Please see the enclosed map.

Map of Existing Property Not Subject to Application or Eligible for
Value Limitation Abatement

Beaumont Industrial Park



Pandora Methanol LLC



Project Site -
Blow
Up of Parcel D

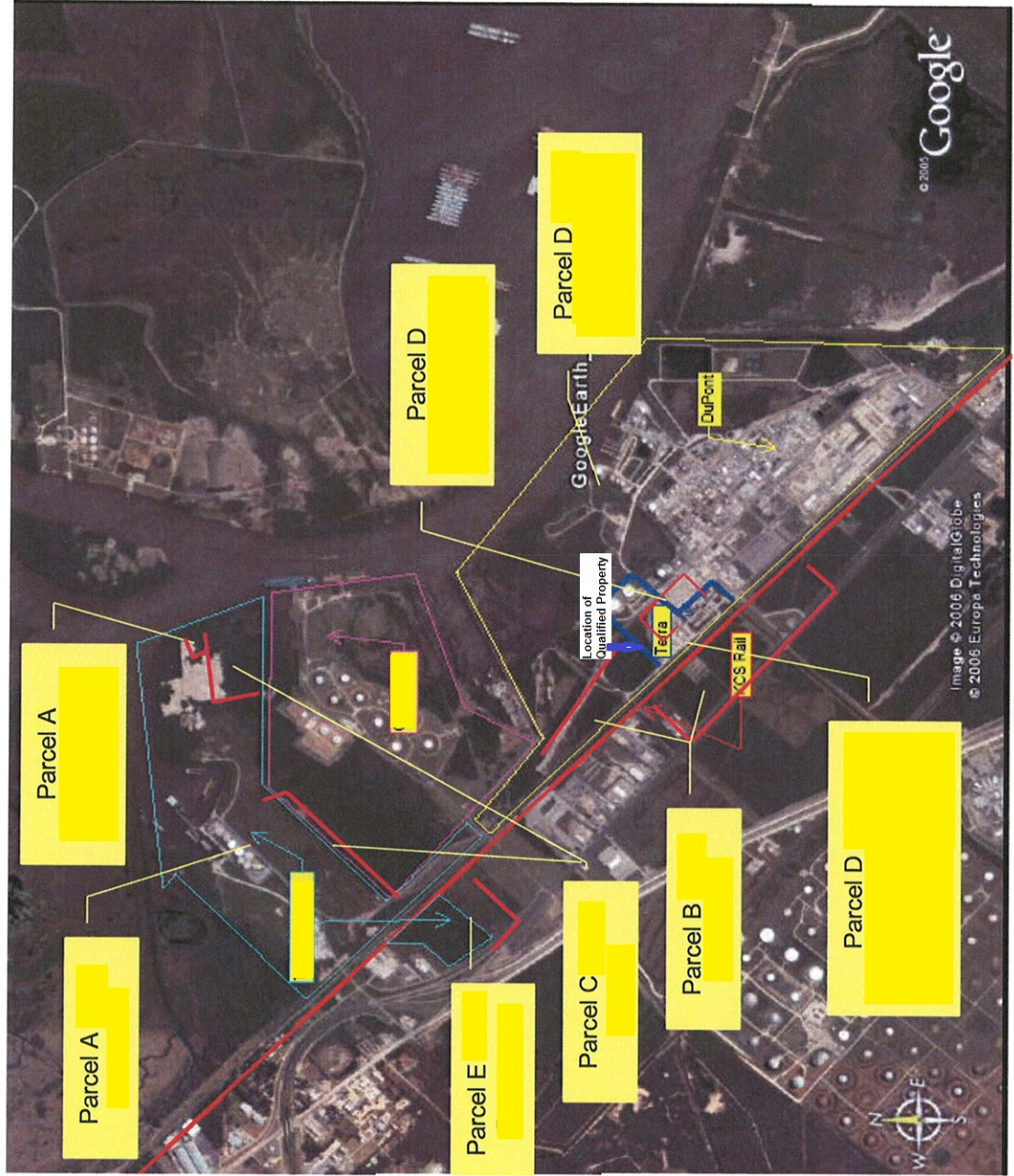
NOTE:

Ammonia Tank, Reformer
Methanol Tanks,
Ammonia Cooling
Tower, Ammonia
Loop are not included
in Qualified Property

Existing reformer. Future site of
2014 investment in reformer
technology.

Ammonia
Cooling tower

Map of Reinvestment Zone
To be redesignated by Beaumont ISD because County Zone expiring



**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 8

Included in qualified property will be methanol plant consisting of two reformers (off permit), gas cooling section, syn-gas compression, two water cooled reactors and associated methanol synthesis loop, crude methanol refining train and all associated process coolers, boilers, heaters, separators considered inside of the battery limits of the methanol unit. Improvements also include a demineralized water system, boiler treatment chemicals storage and feed systems, 7 cell cooling tower, nitro substation, maintenance offices and shop, spare parts warehouse, 6 motor control centers, analyzer sheds.

In addition, catalytic reduction unit and related equipment.

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 9

See Attachment 7

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

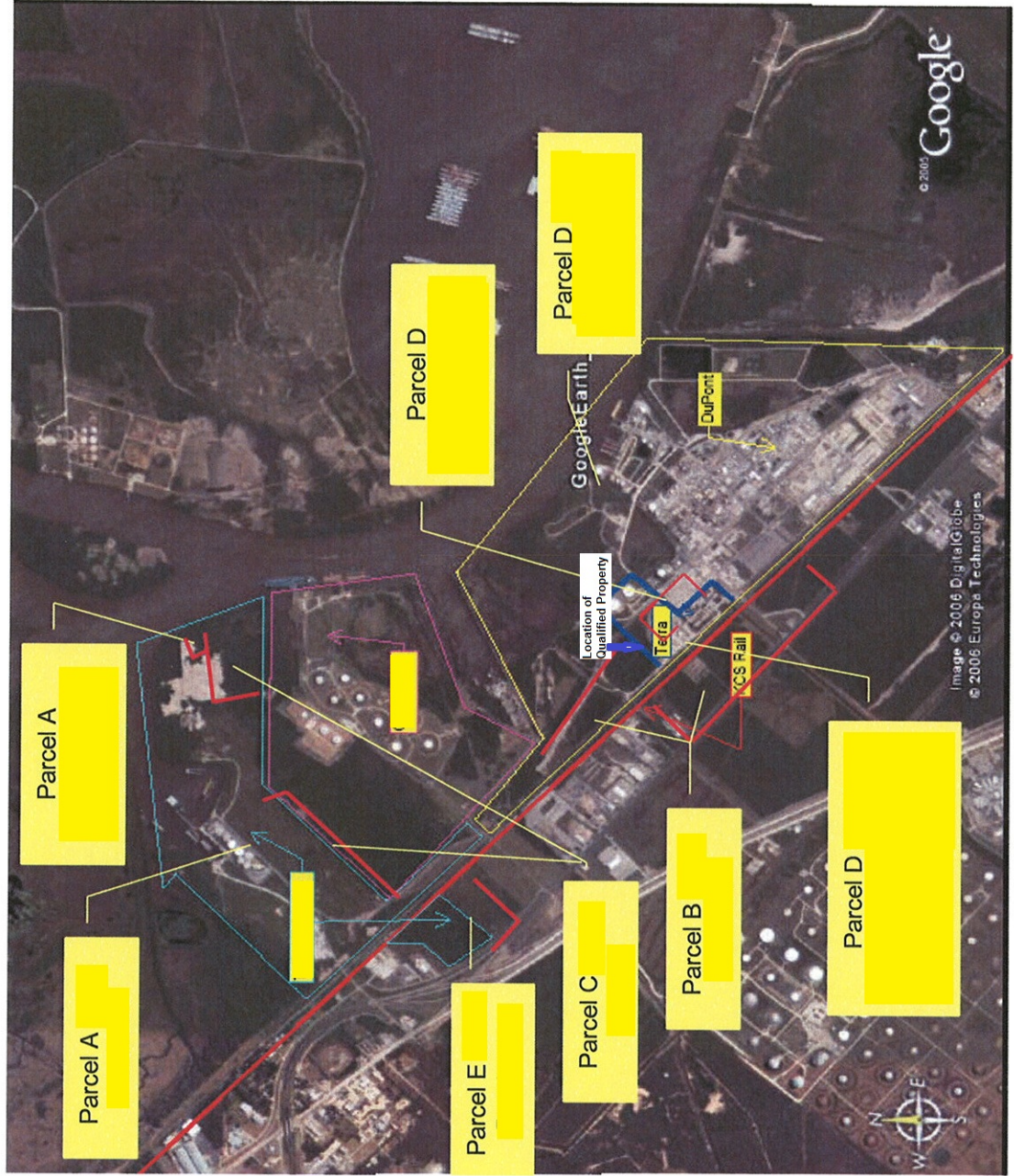
Attachment 10

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 11

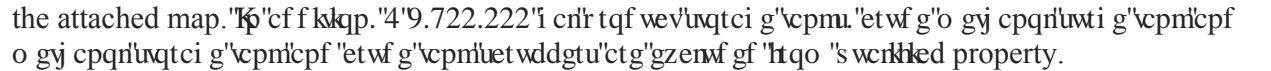
See Attached Map

Map of Reinvestment Zone
To be redesignated by Beaumont ISD because County Zone expiring



**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 12

The existing ammonia facilities that will not be included in the application include: 800 STPD Haldor Topsoe designed ammonia Synthesis Loop consisting of purge gas conditioning equipment, hydrogen and nitrogen import systems, Pressure Swing Adsorption Hydrogen Recovery Unit, Syn-Gas compressor, Ammonia Reactor and associated Ammonia Synthesis Loop, refrigeration compressor and all associated exchangers, piping and vessels considered to be part of the Ammonia Synthesis Loop. A 20,000 Ton Cryogenic Storage Tank and refrigeration unit are also in existence. Also excluded from qualified property is the wharf slip. The location of these items is indicated on the attached map. The map shows the property boundaries and the location of the excluded items, including the wharf slip and the ammonia facilities. The map is a technical drawing with various lines and labels indicating the layout of the property and the specific areas being excluded from the qualified property.

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 13

Not applicable

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 14

Calculations of wages information---Based on Most Recent Data Available

110% of County Average Weekly Wage for all Jobs

Year	Period	Wages
2011	1Q	928
2011	2Q	880
2011	3Q	925
2011	4Q	984

Average= \$929.25 average weekly salary
X 1.1 (110%)
\$1022.18 110% of County Average Weekly Wage for all Jobs

110% of County Average Weekly Wage for manufacturing Jobs

Year	Period	Wages
2011	1Q	1,901
2011	2Q	1,520
2011	3Q	1,587
2011	4Q	1,613

Average= \$1,655.25 average weekly salary
X 1.1 (110%)
\$1,820.78 110% of County Average Weekly Wage for all Jobs

110 % of County Average Weekly Wage for Manufacturing Jobs in Region
(South East Texas Regional Planning Commission)

\$27.56 per hour
X 40 hr per week
\$ 1,102.40 average weekly salary
X 1.10 (110%)
\$1,212.64
X 52 weeks
\$63,057.28 110% of County Average Weekly Wage for all Jobs in Region

Quarterly Employment and Wages (QCEW)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2011	1st Qtr	Jefferson County	Private	00	0	10	Total, All Industries	\$928
2011	2nd Qtr	Jefferson County	Private	00	0	10	Total, All Industries	\$880
2011	3rd Qtr	Jefferson County	Private	00	0	10	Total, All Industries	\$925
2011	4th Qtr	Jefferson County	Private	00	0	10	Total, All Industries	\$984
2011	4th Qtr	Jefferson County	Private	31	2	31-33	Manufacturing	\$1,613
2011	3rd Qtr	Jefferson County	Private	31	2	31-33	Manufacturing	\$1,587
2011	2nd Qtr	Jefferson County	Private	31	2	31-33	Manufacturing	\$1,520
2011	1st Qtr	Jefferson County	Private	31	2	31-33	Manufacturing	\$1,901

2010 Manufacturing Wages by Council of Government Region
Wages for All Occupations

COG	Wages	
	Hourly	Annual
Texas		
1. Panhandle Regional Planning Commission	\$18.60	\$38,683
2. South Plains Association of Governments	\$16.21	\$33,717
3. NORTEX Regional Planning Commission	\$18.34	\$38,153
4. North Central Texas Council of Governments	\$23.45	\$48,777
5. Ark-Tex Council of Governments	\$15.49	\$32,224
6. East Texas Council of Governments	\$17.63	\$36,672
7. West Central Texas Council of Governments	\$17.48	\$36,352
8. Rio Grande Council of Governments	\$15.71	\$32,683
9. Permian Basin Regional Planning Commission	\$19.90	\$41,398
10. Concho Valley Council of Governments	\$15.33	\$31,891
11. Heart of Texas Council of Governments	\$17.91	\$37,257
12. Capital Area Council of Governments	\$25.37	\$52,778
13. Brazos Valley Council of Governments	\$15.24	\$31,705
14. Deep East Texas Council of Governments	\$15.71	\$32,682
15. South East Texas Regional Planning Commission	\$27.56	\$57,333
16. Houston-Galveston Area Council	\$24.52	\$51,002
17. Golden Crescent Regional Planning Commission	\$20.07	\$41,738
18. Alamo Area Council of Governments	\$17.28	\$35,952
19. South Texas Development Council	\$13.27	\$27,601
20. Coastal Bend Council of Governments	\$21.55	\$44,822
21. Lower Rio Grande Valley Development Council	\$14.35	\$29,846
22. Texoma Council of Governments	\$18.10	\$37,651
23. Central Texas Council of Governments	\$17.21	\$35,788
24. Middle Rio Grande Development Council	\$13.21	\$27,471

Source: Texas Occupational Employment and Wages

Data published: June 2011

Data published annually, next update will be June 2012.

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 15

Wage and Employment Information

Pandora pays at least 80% of its employees' health insurance premiums. Pandora also provides long-term and short-term disability insurance and vision and dental plans.

**Supplement to Pandora Methanol LLC's
Application for Appraised Value Limitation on Qualified Property**

Attachment 16

Not Applicable

Schedule A (Rev. May 2010): Investment

Applicant Name
ISD Name

Pandora Methanol LLC
Beaumont ISD

Form 50-296

PROPERTY INVESTMENT AMOUNTS

(Estimated investment in each year. Do not put cumulative totals.)

		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying Investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)		2011-12	2011				26,000,000	26,000,000
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)		2012-13	2012		144,420,000			144,420,000
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)		2012-13	2012		9,000,000	9,000,000		9,000,000
	Complete tax years of qualifying time period	1	2013-14	2013		9,000,000	9,000,000		9,000,000
		2	2014-15	2014		9,000,000	9,000,000		9,000,000
		3	2015-16	2015		40,000,000	40,000,000		40,000,000
		4	2016-17	2016					
		5	2017-18	2017					
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	6	2018-19	2018					
		7	2019-20	2019					
		8	2020-21	2020					
		9	2021-22	2021					
		10	2022-23	2022					
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2023-24	2023					
		12	2024-25	2024					
		13	2025-26	2025					
	Post- Settle-Up Period	14	2026-27	2026					
	Post- Settle-Up Period	15	2027-28	2027					

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D).

For the purposes of investment, please list amount invested each year, not cumulative totals.

[For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property].

Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).

For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value-for planning, construction and operation of the facility.

The most significant example for many projects would be land. Other examples may be items such as professional services, etc.

Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed.

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

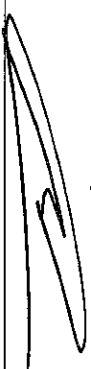
4/26/2012

Schedule B (Rev. May 2010): Estimated Market And Taxable Value
Pandora Methanol LLC

Applicant Name **Pandora Methanol LLC** Beaumont ISD Form 50-296

				Qualified Property			Reductions from Market Value	Estimated Taxable Value	
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Total Market Value of tangible personal property in the new building or "in or on the new		Final taxable value for I&S - after all reductions	Final taxable value for M&O--after all reductions
	Year	School Year (yyyy-yyyy)	Tax Year (Fill in actual tax year) yyyy				Exempted Value		\$ 197,560
	pre-year 1	2012-13	2012	\$197,560					
	Complete tax years of qualifying time period								
	1	2013-14	2013	\$197,560	\$110,368,394			\$ 110,565,954	\$ 110,565,954
	2	2014-15	2014	\$197,560	\$117,234,300			\$ 117,431,860	\$ 117,431,860
	3	2015-16	2015	\$197,560	\$127,659,356			\$ 127,856,916	\$ 30,000,000
	4	2016-17	2016	\$197,560	\$128,800,623			\$ 128,998,183	\$ 30,000,000
	5	2017-18	2017	\$197,560	\$123,214,501			\$ 123,412,061	\$ 30,000,000
	6	2018-19	2018	\$197,560	\$141,424,953			\$ 141,622,513	\$ 30,000,000
	7	2019-20	2019	\$197,560	\$111,349,710			\$ 111,547,270	\$ 30,000,000
	8	2020-21	2020	\$197,560	\$105,144,895			\$ 105,342,455	\$ 30,000,000
	9	2021-22	2021	\$197,560	\$ 98,795,584			\$ 98,993,144	\$ 30,000,000
	10	2022-23	2022	\$197,560	\$ 92,319,720			\$ 92,517,280	\$ 30,000,000
	11	2023-24	2023	\$197,560	\$ 85,788,380			\$ 85,985,940	\$ 85,985,940
	12	2024-25	2024	\$197,560	\$ 79,214,063			\$ 79,411,623	\$ 79,411,623
	13	2025-26	2025	\$197,560	\$ 72,651,401			\$ 72,848,961	\$ 72,848,961
	14	2026-27	2026	\$197,560	\$ 66,151,081			\$ 66,348,641	\$ 66,348,641
	15	2027-28	2027	\$197,560	\$ 59,810,852			\$ 60,008,412	\$ 60,008,412

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE DATE 4/26/2012

Applicant Name	Pandora Methanol LLC
ISD Name	Beaumont ISD

			Construction		New Jobs		Qualifying Jobs			
			Column A: Number of Construction FTEs or man- hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs		
		pre-year 1	2012-13	2012	660 FTE	55,000	10	90,000	8	90,000
		1	2013-14	2013	660 FTE	55,000	10	90,000	8	90,000
	Complete tax years of qualifying time period	2	2014-15	2014			10	90,000	8	90,000
		3	2015-16	2015			10	90,000	8	90,000
		4	2016-17	2016			10	90,000	8	90,000
		5	2017-18	2017			10	90,000	8	90,000
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	6	2018-19	2018			10	90,000	8	90,000
		7	2019-20	2019			10	90,000	8	90,000
		8	2020-21	2020			10	90,000	8	90,000
		9	2021-22	2021			10	90,000	8	90,000
		10	2022-23	2022			10	90,000	8	90,000
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2023-24	2023			10	90,000	8	90,000
		12	2024-25	2024			10	90,000	8	90,000
		13	2025-26	2025			10	90,000	8	90,000
Post- Settle-Up Period		14	2026-27	2026			10	90,000	8	90,000
Post- Settle-Up Period		15	2027-28	2027			10	90,000	8	90,000

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

4/26/2012

Applicant Name

ISD Name

Form 50-296

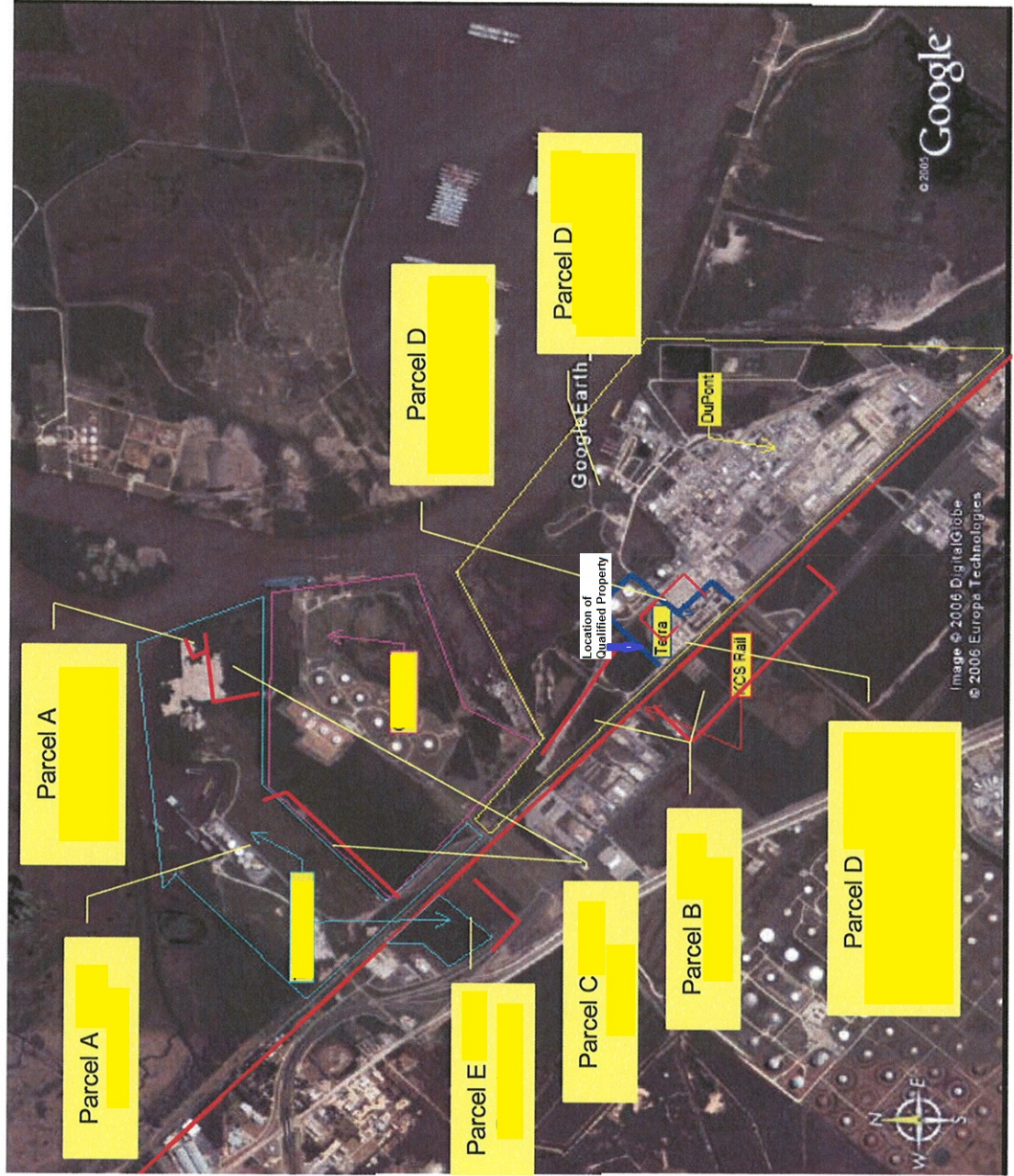
Sales Tax Information				Other Property Tax Abatements Sought					
Sales Taxable Expenditures				Franchise Tax	County	City	Hospital	Other	
	Year	School Year (yyyy-yyyy)	Tax/ Calendar Year yyyy	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)		2012-13	2012	36,600,000	146,400,000	1610000			
	Complete tax years of qualifying time period	2013-14	2013	1,800,000	7,200,000	\$1,610,000	100%	100%	
		2014-15	2014	8,000,000	32,000,000	\$1,610,000	90%	100%	
		2015-16	2015			\$1,610,000	80%	100%	
		2016-17	2016			\$1,610,000	70%	100%	
		2017-18	2017			\$1,610,000	60%		
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	2018-19	2018			\$1,610,000	50%		
		2019-20	2019			\$1,610,000			
		2020-21	2020			\$1,610,000			
		2021-22	2021			\$1,610,000			
		2022-23	2022			\$1,610,000			
Credit Settle- Up Period	Continue to Maintain Viable Presence	2023-24	2023			\$1,610,000			
		2024-25	2024			\$1,610,000			
		2025-26	2025						
Post- Settle-Up Period		2026-27	2026						
Post- Settle-Up Period		2027-28	2027						

1

DATE _____

9/26/2012

Map of Reinvestment Zone
To be redesignated by Beaumont ISD because County Zone expiring



PARCEL A.

Real Estate

Name: Parcel A - Triangle Marine

Acreage: 397 acres (approx.)

Description: Real estate; consists of ten distinct parcels; two inside Beaumont city limits; de-annexation being pursued.

JCAD Account

Number(s): 300032-000-002000-00000-8
300032-000-002050-00000-3
300032-000-002600-00000-5
300032-000-008200-00000-8
300032-000-009600-00000-8
300163-000-000100-00000-1
300435-000-000400-00000-7
300032-000-009601-00000-6
300689-000-000200-00000-3
300435-000-000450-00000-2

**Legal
Description:** Included - see attached

Survey: Included - see attached

Map: Included - see attached

Other

Taxing Districts: Jefferson County, Beaumont ISD, Port of Beaumont, Sabine-Neches Navigation District, Farm and Lateral Road; two parcels also located in Drainage District #7

PARCEL B.

Real Estate

Name: Parcel B - DuPont Land

Acreage: 114 acres (approx.)

Description: Real estate; consists of two JCAD parcels; sits in close proximity to Parcel B.

JCAD Account Number(s): 300435-000-000450-00000-2
300689-000-000200-00000-3

Legal Description: Included - see attached

Survey: Included - see attached

Map: Included - see attached

Other Taxing Districts: Jefferson County, Beaumont ISD, Sabine-Neches Navigation District, Farm and Lateral Road jurisdictions. Four of the parcels are in the Port of Beaumont, and five are in Drainage District #7 taxing jurisdictions.

PARCEL C.

Real Estate

Name:	Parcel C
Acreage:	24 acres (approx.)
Description:	Real estate; adjacent to Parcel A; currently not subdivided.
JCAD Account Number(s):	None in existence because property is not yet subdivided
Legal Description:	None in existence because property is not yet subdivided
Survey:	Included - see attached
Map:	Included - see attached
Other Taxing Districts:	Jefferson County, Beaumont ISD, Port of Beaumont, Sabine-Neches Navigation District, and Farm and Lateral Road.

PARCEL D.

Real Estate

Name: Parcel D - Terra Land Lease

Acreage: 26 acres (approx.) + 17 additional acres to be purchased in 2009

**JCAD Account
Number(s):**

018400-000/000100-00000

018400-000/000200-00000

018400-000-000310-00000-5

(updated from last application) - close in 2009

018400-000-000320-00000-4

(updated from last application) - close in 2009

018400-000-000330-00000-3

(updated from last application) - close in 2009

018400-000-000340-00000-2

(updated from last application) - close in 2009

Legal

Description:

Included - see attached (updated from last application). No existing legal descriptions for four new parcels; this will be provided in 2009 at closing.

Survey:

Included - see attached (updated from last application)

Map:

Included - see attached (updated from last application)

Other

Taxing Districts:

Jefferson County, Beaumont ISD, Port of Beaumont, Sabine-Neches Navigation District, and Farm and Lateral Road.

PARCEL E

Real Estate

Name: Parcel E - Twin Cities

Acreage: 20 acres (approx.)

Description: Real estate; consists of one parcel.

JCAD Account Number(s): 300435-000-000400-00000-7 (

Legal Description: Included - see attached

Survey: Included - see attached

Map: Included - see attached

Other Taxing Districts: BISD, City of Beaumont (de-annexation requested), County of Jefferson, Port of Beaumont, Sabine-Neches Navigation District, Drainage District #7

**Beaumont Independent School District
Resolution for Designation of Reinvestment Zone**

WHEREAS, Section 312.0025 of the Texas Tax Code permits a school district to designate a reinvestment zone if that designation is reasonably likely to contribute to the expansion of primary employment in the reinvestment zone, or attract major investment in the reinvestment zone that would be a benefit to property in the reinvestment zone and to the school district and contribute to the economic development of the region of this state in which the school district is located; and,

WHEREAS, the Beaumont Independent School District (the "District") desires to encourage the development of primary employment and to attract major investment in the District that would be a benefit to property in a reinvestment zone created by the District and to the school district and contribute to the economic development of the region in which the school district is located; and,

WHEREAS, the District has received an application for limitation on appraised value of property for school district maintenance and operations taxes (the "Application") by Pandora Methanol; and,

WHEREAS, a public hearing is required by Chapter 312 of the Texas Tax Code prior to approval of a reinvestment zone; and

WHEREAS, the District published notice of a public hearing to be held on May 1, 2012, regarding the designation of the area described in the attached Exhibit 1 as a reinvestment zone for the purposes of Chapter 313 of the Texas Tax Code; and

WHEREAS, the improvements set forth in the Application by Pandora Methanol are feasible and of benefit to the reinvestment zone after expiration of an agreement for limitation on appraised value; and

WHEREAS, the District wishes to create a reinvestment zone within the boundaries of the school district in Jefferson county as shown on the map attached as Exhibit 1; and

WHEREAS, all interested members of the public were given an opportunity to make comments at the public hearing.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE BEAUMONT COUNTY INDEPENDENT SCHOOL DISTRICT:

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the Board of Trustees of the Beaumont County Independent School District, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on the adoption of *Pandora Methanol Reinvestment Zone* has been properly called, held and conducted, and that notices of such hearing have been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and,
- (b) That the boundaries of *Pandora Methanol Reinvestment Zone* be and, by the adoption of this Resolution, is declared and certified to be, the area as described in the description attached hereto as “**Exhibit 1**”; and,
- (c) That the map attached hereto as “**Exhibit 2**” is declared to be and, by the adoption of this Resolution is certified to accurately depict and show the boundaries of *Pandora Methanol Reinvestment Zone* which is normatively described in **Exhibit 1**; and further certifies that the property described in **Exhibit 1** is inside the boundaries shown on Exhibit 2; and,
- (d) That creation of *Pandora Methanol Reinvestment Zone* with boundaries as described in **Exhibit 1** and **Exhibit 2** will result in benefits to the Beaumont County Independent School District and to land included in the zone, and that the improvements sought are feasible and practical; and,
- (e) *Pandora Methanol Reinvestment Zone* described in **Exhibit 1** and **Exhibit 2** meets the criteria set forth in Texas Tax Code §312.0025 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, in that it is reasonably likely that the designation will contribute to the retention or expansion of primary employment, and/or will attract investment in the zone that will be a benefit to the property, and would contribute to economic development within the Beaumont County Independent School District.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, the Beaumont County Independent School District, hereby creates a

reinvestment zone under the provisions of Tex. Tax Code § 312.0025, encompassing the area described by the descriptions in **Exhibit 1** and **Exhibit 2**, and such reinvestment zone is hereby designated and shall hereafter be referred to as *Pandora Methanol Reinvestment Zone*.

SECTION 4. That *Pandora Methanol Reinvestment Zone* shall take effect upon adoption by the Board of Trustees and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of such designation.

SECTION 5. That if any section, paragraph, clause or provision of this Resolution shall for any reason beheld to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject of the meeting of the Beaumont County Independent School District Board of Trustees, at which this Resolution was adopted, was posted at a place convenient and readily accessible at all times, as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended; and that a public hearing was held prior to the designation of such reinvestment zone, and that proper notice of the hearing was published in newspapers of general circulation in Beaumont County of the State of Texas, and furthermore, such notice was, in fact, delivered to the presiding officer of any effected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this _____ day of June, 2012.

**Beaumont County Independent School
District**

By: _____
Reece Woodrow
President
Board of Trustees

ATTEST: _____
Terry Williams
Secretary
Board of Trustees

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**Legal
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Map: Included - see attached

Other

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