

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

November 6, 2015

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Application to the Brazosport Independent School District from The Dow Chemical Company
(First Qualifying Year 2017, First Value Limitation Year 2018)

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Brazosport Independent School District is notifying The Dow Chemical Company of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. The Applicant submitted the Application to the school district on September 24, 2015. The Board voted to accept the application on October 13, 2015. The application has been determined complete as of November 6, 2015. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered. The Applicant has requested that the value limitation begin in 2018. Please prepare the economic impact report.

A copy of the application will be submitted to the Brazoria County Appraisal District.

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Brazoria County Appraisal District
The Dow Chemical Company



The Dow Chemical Company
Texas Innovation Center
332 SH 332 E
Lake Jackson, TX 77566
U.S.A.

September 24, 2015

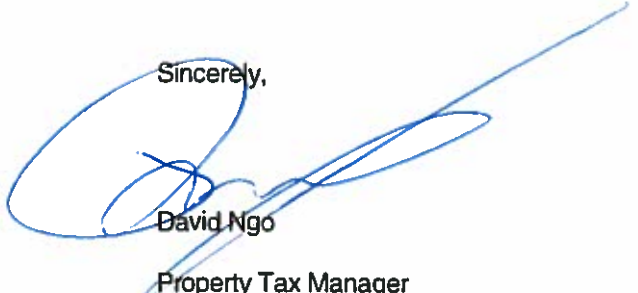
Mr. Danny Massey, Superintendent
Brazosport Independent School
301 W Brazoswood Dr.
Clute, TX 77531-3520

Dear Superintendent Massey:

Please find the attached application for abatement in Brazosport Independent School District's jurisdiction on behalf of The Dow Chemical Company. We hope that this tax abatement will prove to be a valuable incentive and entice the proposed \$1,000,000,000 investment to Freeport (Texas Operations).

We are submitting this application well in advance of any construction and we ask, per the guidelines, that the abatement commencement date be deferred to January 1, 2018. I welcome any questions that you may have and thank you for your continued support of The Dow Chemical Company.

Sincerely,



David Ngo

Property Tax Manager
The Dow Chemical Company
Tax Department, TXINN APB
332 SH 332 E
Lake Jackson, Texas 77566
(979) 238-0065



WORLDWIDE PARTNER

1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001 (7), history of tax default, delinquencies and/or material litigation (if applicable)
4	Detailed description of the project
5	Document to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district-N/A
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property (if applicable)
11	Maps
12	Request for Waiver of Job Creation Requirement and supporting information N/A
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact
15	Economic Impact Analysis, other payments made in the state or other economic information
16	Description of Reinvestment or Enterprise Zone
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative
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TAB 1



Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

Economic Development
and Analysis
Form 50-296-A

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 hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, 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 website. 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. For more information, see guidelines on Comptroller's website.

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. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. 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, issue a certificate for a limitation on appraised value 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 not later than the 150th 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 issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

September 24, 2015

Date Application Received by District

Danny

Massey

First Name

Last Name

Superintendent

Title

Brazosport ISD

School District Name

301 W. Brazoswood Dr., Clute, TX 77531

Street Address

P.O. Drawer Z

Mailing Address

Freeport

TX

77542

City

State

ZIP

979-730-7000

979-266-2486

Phone Number

Fax Number

dmassey@brazosportisd.net

Mobile Number (optional)

Email Address

2. Does the district authorize the consultant to provide and obtain information related to this application?



Yes



No



Application for Appraised Value Limitation on Qualified Property

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

First Name: Dan
Last Name: Casey
Title: Partner
Firm Name: Moak, Casey & Associates
Phone Number: 512-485-7878
Fax Number: 512-485-7888
Email Address: dcasey@moakcasey.com
Mobile Number (optional):

4. On what date did the district determine this application complete? 11/6/2015

5. Has the district determined that the electronic copy and hard copy are identical? ☒ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

First Name: Lowell
Last Name: McLaughlin
Title: State & Local Tax Director
Organization: The Dow Chemical Company
Street Address: 1790 Bldg, Washington St.
Mailing Address:
City: Midland
State: MI
ZIP: 48674
Phone Number: 989-636-0458
Fax Number: 989-638-7142
Business Email Address: ltmclaughlin@dow.com
Mobile Number (optional):

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

2a. If yes, please fill out contact information for that person.

First Name: David
Last Name: Ngo
Title: Property Tax Manager
Organization: The Dow Chemical Company
Street Address: Tax Dept, TXINN APB
City: Lake Jackson
State: TX
ZIP: 77566
Phone Number: 979-238-0065
Fax Number: 979-238-0207
Business Email Address: dngo@dow.com
Mobile Number (optional):

3. Does the applicant authorize the consultant to provide and obtain information related to this application? ☒ Yes ☐ No

For more information, visit our website: www.TexasAhead.org/tax_programs/chapter313/

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? The Dow Chemical Company
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 13812851288
3. List the NAICS code 325320
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
172, Brazosport ISD, 2011; 213, 214, 215, 216, Brazosport ISD, 2012

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Corporation
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)

Application for Appraised Value Limitation on Qualified Property

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? ☒ Yes ☐ No
2. The property will be used for 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
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 ☐ Yes ☒ No
3. Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☒ No
4. Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☒ No
5. Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☒ No
6. Are you including property that is owned by a person other than the applicant? ☐ Yes ☒ No
7. 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

SECTION 7: Project Description

1. In Tab 4, attach 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.
2. Check the project characteristics that apply to the proposed project:

☒ Land has no existing improvements
☐ Expansion of existing operation on the land (complete Section 13)

☐ Land has existing improvements (complete Section 13)
☐ Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? ☒ Yes ☐ No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? ☐ Yes ☒ No
3. Does the applicant have current business activities at the location where the proposed project will occur? ☐ Yes ☒ No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? ☒ Yes ☐ No
5. Has the applicant received any local or state permits for activities on the proposed project site? ☐ Yes ☒ No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? ☒ Yes ☐ No
7. Is the applicant evaluating other locations not in Texas for the proposed project? ☒ Yes ☐ No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? ☐ Yes ☒ No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? ☐ Yes ☒ No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? ☒ Yes ☐ No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

Application for Appraised Value Limitation on Qualified Property



SECTION 9: Projected Timeline

1. Application approval by school board 3/30/2016
2. Commencement of construction 4/1/2017
3. Beginning of qualifying time period 1/2/2017
4. First year of limitation 1/1/2018
5. Begin hiring new employees 1/1/2018
6. Commencement of commercial operations 12/31/2018
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? 12/31/2018

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Brazoria
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Brazoria Central Appraisal Dist.
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: Brazoria, 100%, \$0.4985/\$100 (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: Velasco Drainage Dist, 100%, \$0.098018/\$100 (Name, tax rate and percent of project)
 Other (describe): Brzsport Coll, 100%, \$0.280878/\$100 (Name, tax rate and percent of project)
 Other (describe): Port Freeport, 100%, \$0.045/\$100 (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 www.texasahead.org/tax_programs/chapter313/.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00
 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

Application for Appraised Value Limitation on Qualified Property

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. 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 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? ☒ Yes ☐ No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new 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
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone?

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In Tab 10, attach a specific and detailed description of all existing property. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In Tab 10, attach a specific and detailed description of all proposed new property that will not become new improvements as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): \$ 0.00
5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

Application for Appraised Value Limitation on Qualified Property



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)? 0
2. What is the last complete calendar quarter before application review start date:
☐ First Quarter ☒ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2015
(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)? 7,053
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? 35
5. What is the number of new non-qualifying jobs you are estimating you will create? 17
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 1,070.50
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 2,230.80
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,153.00
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? 59,968.48
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 59,968.48
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.

Application for Appraised Value Limitation on Qualified Property



APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	Maps that clearly show: a) Project vicinity b) Qualified investment including 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 c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size Note: Electronic maps should be high resolution files. Include map legends/markers.
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	Description of Reinvestment or Enterprise Zone, including: a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* * To be submitted with application or before date of final application approval by school board
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

TAB 2

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)*

TAB 3

**Documentation of combined
group received by the
Texas Comptroller
of Public Accounts**

TAB 4

Ethylene Glycol Plant

(Tab 4)

Project Description

This project will design and construct a new Ethylene Glycol plant that will produce a range of chemical intermediate and final products.

Site Information

The plant is proposed to be built primarily at the Oyster Creek East Plant site. The current project is site development for Dow's infrastructure and to enhance drainage of the land. This work was started prior to and independently of the MEGlobal project. The removal of grass and addition of clean soil is to contour the area to allow adequate drainage of the property. Dow has a permit from the U.S. Army Corps of Engineers which was granted an extension in December 2009 to perform this work.

Proposed Improvements

The proposed improvements for this project include: Site improvements such as roads, rail line extensions, buildings, pipeways, utilities, foundations and process equipment including reactors, compressors, purification systems, separation equipment, raw material unloading facilities, vessels, pumps, valves, filters, electrical and instrument systems and other miscellaneous equipment.

Construction Timeline

Construction estimated to begin in April, 2017 and be completed by December, 2018

TAB 5

The Dow Chemical Company

School Limitation on Appraised Value

September 21, 2015

The Dow Chemical Company has analyzed the property tax liability of constructing the same Ethylene Glycol manufacturing plant in Alberta, Canada as an alternate location. Property taxes in the State of Texas are levied on Real and Personal property as well as Inventory while the Province of Alberta taxes Real and Personal Property. Projected property taxes, based on the same \$1 Billion capital investment in Texas compared to Alberta Canada, are higher by a multiple of three (in Texas) after deducting estimated tax savings from negotiated agreements with local authorities in the two locations.

Mali Hanley

From: Ngo, David (M) <DNgo@dow.com>
Sent: Friday, November 06, 2015 2:08 PM
To: Mali Hanley
Subject: FW: MEGlobal News Release Updated to Include Canada

From: McLaughlin, Lowell (LT)
Sent: Friday, November 06, 2015 1:43 PM
To: Ngo, David (M)
Subject: FW: MEGlobal News Release Updated to Include Canada

MEGlobal Initiates FEED Study for New MEG Manufacturing Facility

Dubai—December. 16, 2014

MEGlobal is pleased to announce that it has secured board approval to launch a FEED study for construction of a world-scale monoethylene glycol (MEG) manufacturing plant. The plant will be built on the United States Gulf Coast or in Canada and is expected to be on stream in 2018.

About MEGlobal

MEGlobal is a world leader in the manufacture and marketing of merchant monoethylene glycol and diethylene glycol (EG). Established in July 2004, the company is a joint venture between The Dow Chemical Company and Petrochemical Industries Company of Kuwait and is headquartered in Dubai, United Arab Emirates. MEGlobal produces about 1.0 million metric tons per year of EG, and markets in excess of 2.5 million metric tons of EG per year. With approximately 200 employees worldwide, MEGlobal serves customers around the world, and has production facilities in Fort Saskatchewan and Prentiss, Alberta, Canada. EG is used as a raw material in the manufacture of polyester fibers, polyethylene terephthalate resins (PET), antifreeze formulations and other industrial products. For more information, visit www.MEGlobal.biz.

No virus found in this message.

Checked by AVG - www.avg.com

Version: 2015.0.6173 / Virus Database: 4455/10910 - Release Date: 10/29/15

Internal Virus Database is out of date.

TAB 6

TAB 6

N/A

TAB 7

Ethylene Glycol Plant

(Tabs 7 & 8)

Project Description

This project will design and construct a new Ethylene Glycol plant that will produce a range of chemical intermediate and final products.

Site Information

The plant is proposed to be built primarily at the Oyster Creek East Plant site.

Proposed Improvements

The proposed improvements for this project include: Site improvements such as roads, rail line extensions, buildings, pipeways, utilities, foundations and process equipment including reactors, compressors, purification systems, separation equipment, raw material unloading facilities, storage facilities, vessels, pumps, valves, filters, electrical and instrument systems and other miscellaneous equipment.

Project will also include any other necessary equipment and structures to construct and operate a fully functioning manufacturing plant.

TAB 8

Ethylene Glycol Plant

(Tabs 7 & 8)

Project Description

This project will design and construct a new Ethylene Glycol plant that will produce a range of chemical intermediate and final products.

Site Information

The plant is proposed to be built primarily at the Oyster Creek East Plant site.

Proposed Improvements

The proposed improvements for this project include: Site improvements such as roads, rail line extensions, buildings, pipeways, utilities, foundations and process equipment including reactors, compressors, purification systems, separation equipment, raw material unloading facilities, storage facilities, vessels, pumps, valves, filters, electrical and instrument systems and other miscellaneous equipment.

Project will also include any other necessary equipment and structures to construct and operate a fully functioning manufacturing plant.

TAB 9

**BRAZORIA COUNTY APPRAISAL DISTRICT
CERTIFICATION OF APPRAISED VALUE OF PROPERTIES
AS OF JANUARY 1, 2014**

TO: BRAZORIA COUNTY

FROM: BRAZORIA COUNTY APPRAISAL DISTRICT

DATE: June 1, 2015

The Brazoria County Appraisal District hereby certifies that the following appraised values as of January 1, 2014, for property of "**Dow Chemical Company**" described in Exhibit "A" attached hereto are listed in the records of the Brazoria County Appraisal District and indicated by the following account numbers:

PERSONAL PROPERTY ACCOUNT(S).

APPRAISED VALUE(S)

n/a

LAND ACCOUNT(S)

0074-0002-000	2,253,820
2106-0011-000	280,460
2107-0042-000	50,440

IMPROVEMENT ACCOUNT(S)

n/a

110.78 acres = \$276,920

Certified this 1st day of June, 2015.

BRAZORIA COUNTY APPRAISAL DISTRICT


Cheryl Evans, Chief Appraiser

PROPOSED ME GLOBAL PROJECT SITE

OYSTER CREEK EAST

110.78 ACRE SITE

J.A. WHARTON SURVEY, ABSTRACT 383

F.J. CALVIT LEAGUE, ABSTRACT 51

MAURICE HENRY ¼ LEAGUE, ABSTRACT 74

BRAZORIA COUNTY, TEXAS

ALL THAT CERTAIN 110.78 ACRE TRACT OF LAND, out of the Brazos Coast Invest Company (BCIC) Subdivision, Division 6 as recorded in Volume 2 Page 143 of the Plat Records of Brazoria County, Texas (PRBCT) and the Brazos Coast Invest Company (BCIC) Subdivision, Division 7, as recorded in Volume 2 Page 144 of the Plat Records of Brazoria County, Texas (PRBCT) and being located in the Dow Chemical Company Oyster Creek East Plant Site and being situated in the J. A. Wharton Survey, Abstract 383, in the F. J. Calvit League, Abstract 51, and in the Maurice Henry ¼ League, Abstract 74, in Brazoria County, Texas, and being more particularly described by metes and bounds using survey terminology as referenced to the Texas State Plane Coordinate System of 1927 (NAD 27), South Central Zone 4204, with the directions being called as Lambert grid bearings and the distances being called as horizontal surface level lengths, having a scale factor of 0.999880, as follows:

COMMENCING at a brass disk set in a concrete monument, being a National Geodetic Survey Triangulation Station, called "Plant A, 1954", at the called position of X=3177921.80 and Y= 426933.20, said monument being the POINT OF COMMENCEMENT of this 110.78 acre tract:

THENCE North 62 degrees 04 minutes 10 seconds West, a distance of 6,639.20 feet to a point for corner at the position of X=3172056.68 and Y= 430042.66, said point for corner being the POINT OF BEGINNING of this 110.78 acre tract;

THENCE South 87 degrees 30 minutes 59 seconds West, a distance of 207.47 feet to a point for corner of this 110.78 acre tract at the position of X=3171849.42 and Y= 430033.67;

THENCE North 53 degrees 18 minutes 50 seconds West, a distance of 1,432.33 feet to a point for corner of this 110.78 acre tract at the position of X=3170700.94 and Y= 430889.29;

THENCE North 02 degrees 32 minutes 44 seconds West, a distance of 2,713.21 feet to a point for corner of this 110.78 acre tract at the position of X=3170580.45 and Y= 433599.49;

THENCE North 87 degrees 30 minutes 57 seconds East, a distance of 294.21 feet to a point for corner of this 110.78 acre tract at the position of X=3170874.34 and Y= 433612.24;

**PROPOSED ME GLOBAL PROJECT SITE
OYSTER CREEK EAST
110.78 ACRE SITE
PAGE 2**

THENCE North 17 degrees 17 minutes 56 seconds East, a distance of 796.48 feet to a point for corner of this 110.78 acre tract at the position of X=3171111.15 and Y= 434372.60;

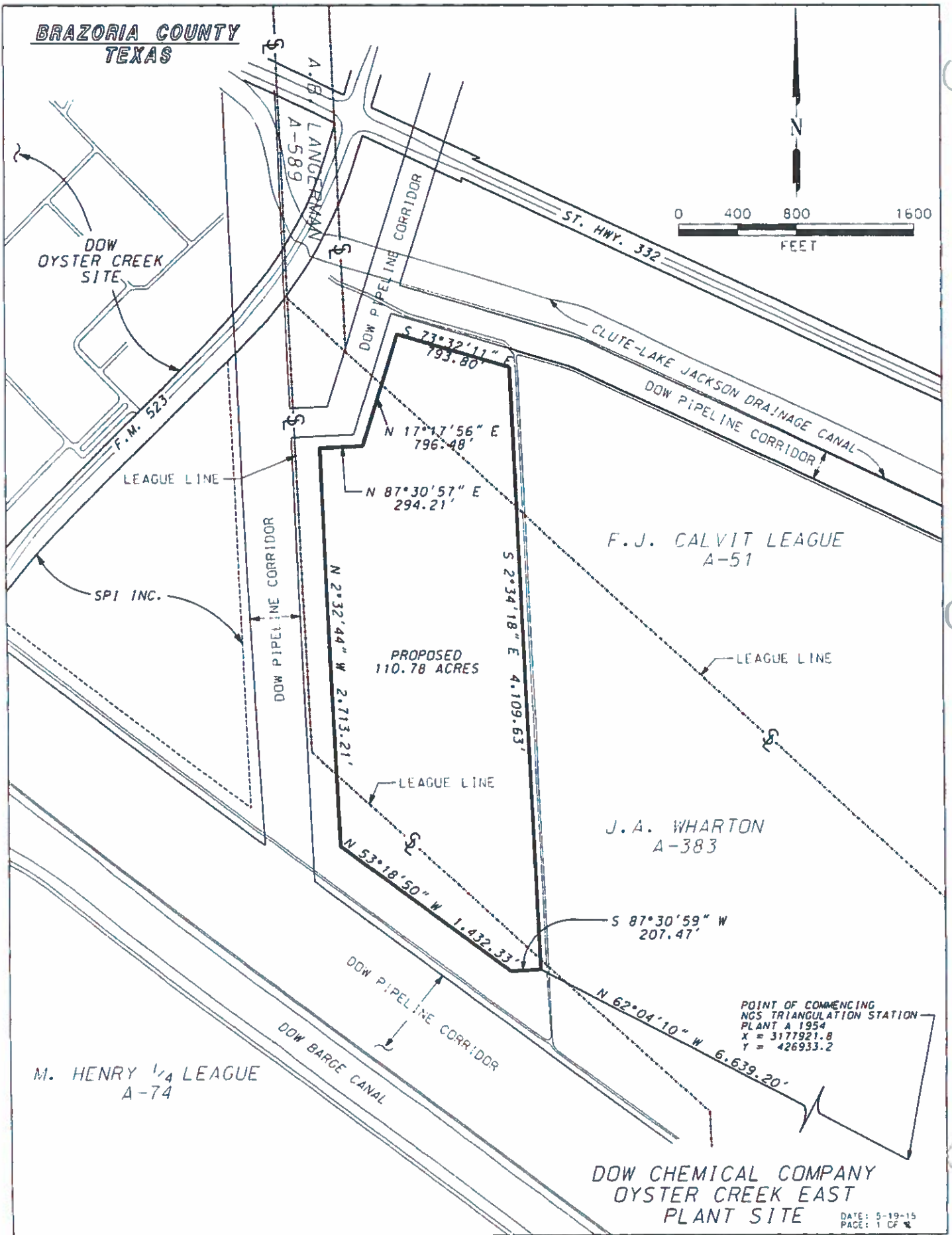
THENCE South 73 degrees 32 minutes 11 seconds East, a distance of 793.80 feet to a point for corner of this 110.78 acre tract at the position of X=3171872.31 and Y= 434147.66;

THENCE South 02 degrees 34 minutes 18 seconds East, a distance of 4,109.63 feet to POINT OF BEGINNING of the herein described tract containing 110.78 acres of land.

This metes and bounds description is for the sole purpose of creating a tax abatement description and for performing a title insurance search. It is not a reflection of an on the ground survey and is not to be recorded as a boundary survey.

**Rene Damian
Registered Professional Land Surveyor
State of Texas Registration No. 5900
May 26, 2015**

**BRAZORIA COUNTY
TEXAS**



TAB 10

Ethylene Glycol Plant
(Tab 10)

Proposed new property that will not become new improvements: Inventories (estimated) \$18,500,000

TAB 11

RICHWOOD

LAKE JACKSON

CLUTE

OYSTER CREEK

REINVESTMENT ZONE 20

JONES CREEK

FREEPORT

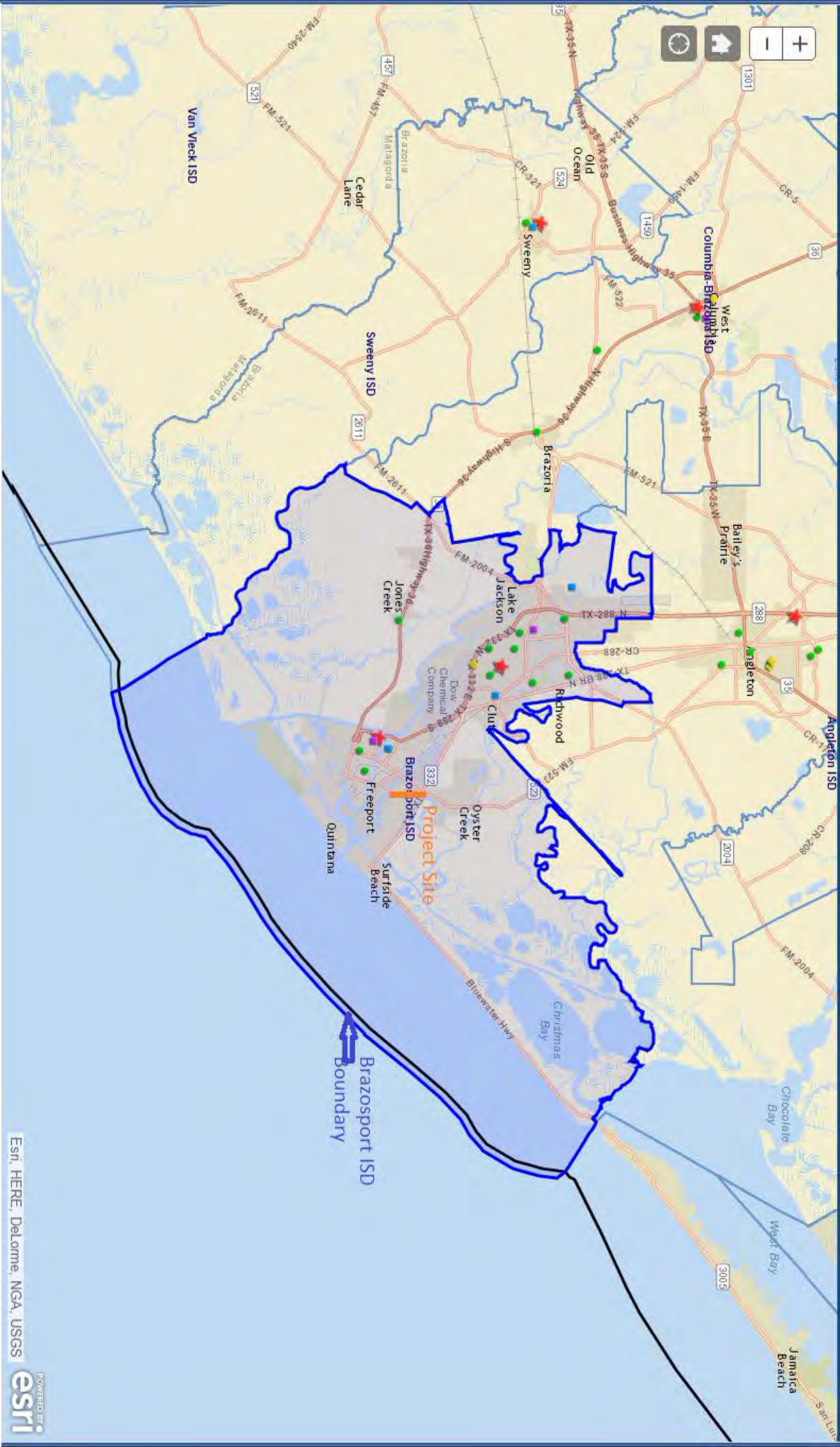
SURFSIDE

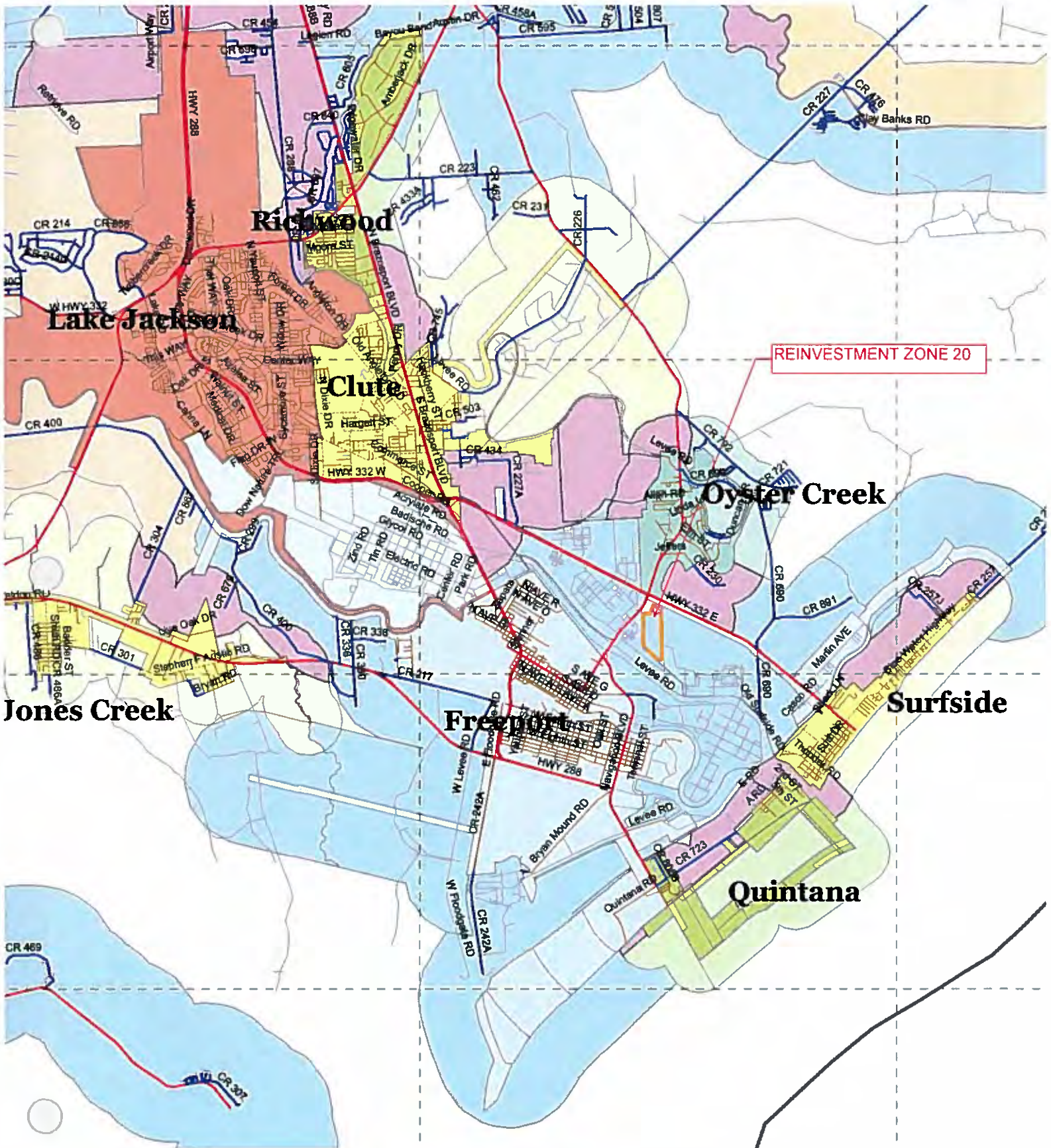
QUINTANA



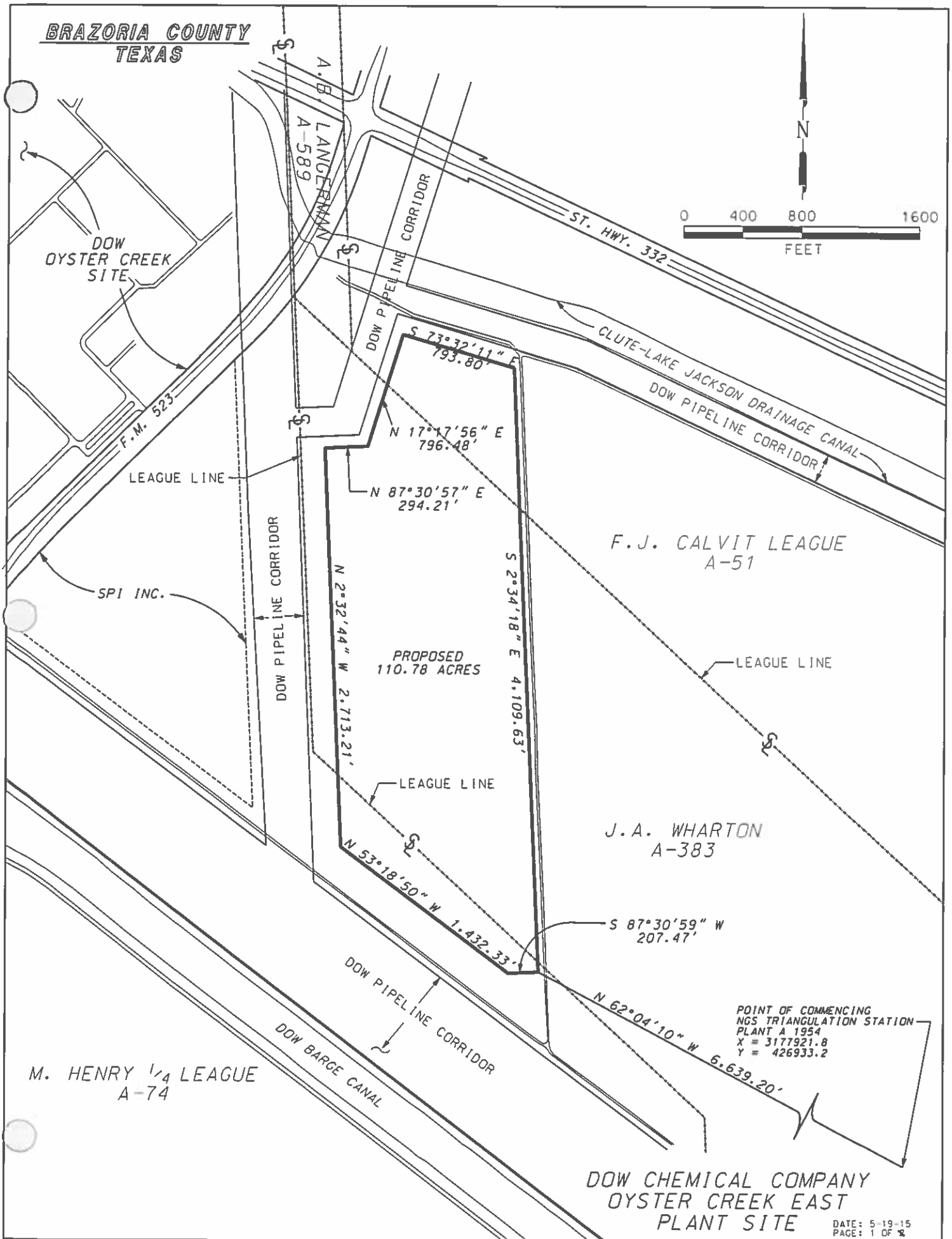


Texas School District Locator





**BRAZORIA COUNTY
TEXAS**







Map of Qualified Investment/Qualified
Property Within Reinvestment Zone
Boundary

TAB 12

TAB 12

N/A

TAB 13

Ethylene Glycol Plant

(Tab 13)

Calculations of Wage Information - Based on Most Recent Data Available for Brazoria Co. (as of 8/5/15)

a. Average Weekly Wage for all jobs (all industries) in the county:

Year	Period	A.W.Wage
2014	3rd Qtr.	\$ 1,002
2014	4th Qtr.	\$ 1,101
2015	1st Qtr.	\$ 1,136
2015	2nd Qtr.	\$ 1,043

Average WW (4Qtrs) \$ 1,070.50 average weekly wage for all jobs in county

b. Average Weekly Wage for manufacturing jobs in the county:

Year	Period	A.W.Wage
2014	3rd Qtr.	\$ 1,842
2014	4th Qtr.	\$ 1,947
2015	1st Qtr.	\$ 2,395
2015	2nd Qtr.	\$ 1,928

Average WW (4Qtrs) \$ 2,028

@ 110%: \$ 2,230.80 110% of average weekly wage for manufacturing jobs in county

c. Average Weekly Wage for manufacturing jobs in the region:

Houston - Galveston Area Council (2014 Data)

\$26.21 per hour

x40 hr per week

= \$ 1,048.40 average weekly wage

@ 110%

\$ 1,153.24

x 52 weeks per year

= \$ 59,968.48 110% of average weekly wage (annualized) for manufacturing jobs in the region

2014	1st Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$2,403
2014	2nd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,891
2014	3rd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,842
2014	4th Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,947

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Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2015	1st Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$2,395
2015	2nd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,928

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2014	3rd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,842
2014	2nd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,891
2014	1st Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$2,403
2015	1st Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$2,395
2015	2nd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,928
2014	4th Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,947
2014	4th Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$1,101
2015	1st Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$1,136
2015	2nd Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$1,043
2014	1st Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$1,102
2014	2nd Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$999
2014	3rd Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$1,002

**2014 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$24.18	\$50,305
<u>1. Panhandle Regional Planning Commission</u>	\$21.07	\$43,821
<u>2. South Plains Association of Governments</u>	\$16.75	\$34,834
<u>3. NORTEX Regional Planning Commission</u>	\$20.23	\$42,077
<u>4. North Central Texas Council of Governments</u>	\$25.32	\$52,672
<u>5. Ark-Tex Council of Governments</u>	\$17.80	\$37,017
<u>6. East Texas Council of Governments</u>	\$19.87	\$41,332
<u>7. West Central Texas Council of Governments</u>	\$19.41	\$40,365
<u>8. Rio Grande Council of Governments</u>	\$17.82	\$37,063
<u>9. Permian Basin Regional Planning Commission</u>	\$23.65	\$49,196
<u>10. Concho Valley Council of Governments</u>	\$18.70	\$38,886
<u>11. Heart of Texas Council of Governments</u>	\$20.98	\$43,636
<u>12. Capital Area Council of Governments</u>	\$28.34	\$58,937
<u>13. Brazos Valley Council of Governments</u>	\$17.57	\$36,547
<u>14. Deep East Texas Council of Governments</u>	\$17.76	\$36,939
<u>15. South East Texas Regional Planning Commission</u>	\$29.21	\$60,754
* <u>16. Houston-Galveston Area Council</u>	\$26.21	\$54,524 *
<u>17. Golden Crescent Regional Planning Commission</u>	\$23.31	\$48,487
<u>18. Alamo Area Council of Governments</u>	\$19.46	\$40,477
<u>19. South Texas Development Council</u>	\$13.91	\$28,923
<u>20. Coastal Bend Council of Governments</u>	\$25.12	\$52,240
<u>21. Lower Rio Grande Valley Development Council</u>	\$16.25	\$33,808
<u>22. Texoma Council of Governments</u>	\$20.51	\$42,668
<u>23. Central Texas Council of Governments</u>	\$18.02	\$37,486
<u>24. Middle Rio Grande Development Council</u>	\$20.02	\$41,646

Source: Texas Occupational Employment and Wages

Data published: July 2015

Data published annually, next update will be July 31, 2016

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.

TAB 14

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)

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		Column B	Column C	Column D	Column E	
				New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investments 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 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		600,000,000	400,000,000	Enter amounts from TOTAL row in Schedule A1 in the row below				
Each year prior to start of value limitation period** (Start at entry time if necessary)	0	2017-2018	2017	0	0	0	0	0	1,000,000,000	
	1	2018-2019	2018							
	2	2019-2020	2019							
	3	2020-2021	2020							
	4	2021-2022	2021							
	5	2022-2023	2022							
	6	2023-2024	2023							
	7	2024-2025	2024							
	8	2025-2026	2025							
	9	2026-2027	2026							
Value limitation period***	10	2027-2028	2027							
	Total Investment made through limitation									
	11	2028-2029	2028							
	12	2029-2030	2029							
	13	2030-2031	2030							
	14	2031-2032	2031							
	15	2032-2033	2032							
	16	2033-2034	2033							
	17	2034-2035	2034							
	18	2035-2036	2035							
Additional years for 25 year economic impact as required by 313.026(c)(1)	19	2036-2037	2036							
	20	2037-2038	2037							
	21	2038-2039	2038							
	22	2039-2040	2039							
	23	2040-2041	2040							
	24	2041-2042	2041							
	25	2042-2043	2042							
	26	2043-2044	2043							

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

Only investment made during the start of the limitation (after the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). 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

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 as. 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

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

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

Dollar value of 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 9.105.1. This is proposed property that ~~has~~ finally replaces existing property, or is utilized to existing property—described in SECTION 13, question #5 of the application.

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.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE _____

51-325

24-Sep-15

The Dow Chemical Company
Brazosport ISD

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Form 50-296A
Revised May 2014

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year)	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 IAS after all reductions	Final taxable value for MSO after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2017-2018	2017		0		276,920	276,920
Value Limitation Period	1	2018-2019	2018		175,000,000	125,000,000	300,000,000	300,000,000
	2	2019-2020	2019		400,000,000	600,000,000	955,276,920	30,000,000
	3	2020-2021	2020		384,000,000	576,000,000	915,276,920	30,000,000
	4	2021-2022	2021		368,640,000	552,960,000	876,876,920	30,000,000
	5	2022-2023	2022		353,894,400	530,841,600	840,012,920	30,000,000
	6	2023-2024	2023		339,738,624	509,607,936	804,623,480	30,000,000
	7	2024-2025	2024		326,149,079	489,223,619	770,649,618	30,000,000
	8	2025-2026	2025		313,103,116	469,654,674	738,034,710	30,000,000
	9	2026-2027	2026		300,578,991	450,868,487	706,724,398	30,000,000
	10	2027-2028	2027		288,555,832	432,833,747	676,666,499	30,000,000
Continue to maintain viable presence	11	2028-2029	2028		277,013,598	415,520,397	647,810,916	647,810,916
	12	2029-2030	2029		265,933,054	398,899,582	620,109,556	620,109,556
	13	2030-2031	2030		255,285,732	382,943,598	593,516,251	593,516,251
	14	2031-2032	2031		245,083,903	367,625,854	567,986,677	567,986,677
	15	2032-2033	2032		235,280,547	352,920,820	543,478,287	543,478,287
	16	2033-2034	2033		225,869,325	338,803,987	519,950,232	519,950,232
	17	2034-2035	2034		216,834,552	325,251,828	497,363,300	497,363,300
	18	2035-2036	2035		208,161,170	312,241,755	475,679,845	475,679,845
	19	2036-2037	2036		199,834,723	299,752,085	454,863,728	454,863,728
	20	2037-2038	2037		191,841,334	287,762,001	434,880,255	434,880,255
Additional years for 25 year economic impact as required by 313.026(c)(1)	21	2038-2039	2038		184,167,681	276,251,521	415,696,122	415,696,122
	22	2039-2040	2039		176,800,974	265,201,460	397,279,354	397,279,354
	23	2040-2041	2040		169,728,935	254,593,402	379,599,257	379,599,257
	24	2041-2042	2041		162,939,777	244,409,666	362,626,363	362,626,363
	25	2042-2043	2042		156,422,186	234,633,279	346,332,385	346,332,385
	25	2042-2043	2042		156,422,186	234,633,279	346,332,385	346,332,385

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.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

9-24-15

24-Sep-15

The Dow Chemical Company
Brazosport ISD

Schedule C: Employment Information

Form 50-296A
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 Insert as many rows as necessary	0	2017-2018	2017	150 FTE	60,000	0	0		
Value Limitation Period The qualifying time period could overlap the value limitation period.	1	2018-2019	2018	1400 FTE	60,000	17	35	60,000	
	2	2019-2020	2019	400 FTE	60,000	17	35	60,000	
	3	2020-2021	2020			17	35	60,000	
	4	2021-2022	2021			17	35	60,000	
	5	2022-2023	2022			17	35	60,000	
	6	2023-2024	2023			17	35	60,000	
	7	2024-2025	2024			17	35	60,000	
	8	2025-2026	2025			17	35	60,000	
	9	2026-2027	2026			17	35	60,000	
	10	2027-2028	2027			17	35	60,000	
Years Following Limitation Period	11 through 25					17	35	60,000	

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) ☐ 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 ☒ NoC1b. Will the applicant avail itself of the provision in 313.021(3)(F)? ☐ Yes ☒ No

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

9-24-15
DATE

24-Sep-15

The Dow Chemical Company
Brazosport ISD

Schedule D: Other Incentives (Estimated)

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	Brazoria County	2016	10 yr	16,000,000	4,000,000	12,000,000
	Brazosport College	2016	10 yr	9,000,000	2,000,000	7,000,000
	Port Freeport	2016	10 yr	1,500,000	400,000	1,100,000
	Velasco Drainage District	2016	10 yr	3,300,000	800,000	2,500,000
Local Government Code Chapters 380/381	County					
	City					
	Other					
Freeport Exemptions	Brazosport ISD, Port Freeport, Velasco Drainage District		Life of Plant	7,102,874	175,908	6,700,000
Non-Annexation Agreements	Brazosport Industrial District		Through 2026	9,200,000	2,200,000	7,000,000
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				46,102,874	9,575,908	36,300,000

Additional information on incentives for this project:

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

5-24-15

TAB 15

A Report of the Economic Impact of
The Dow Chemical Company/MEGlobal MEG Plant
in
Freeport
Texas

July 22, 2015

Prepared by:

**The Economic Development Alliance for Brazoria County
4005 Technology Drive, Suite 1010
Angleton, TX 77515
979.848.0560
979.848.0403 Fax
www.eda-bc.com**

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**The Economic Impact Analysis Report
The Dow Chemical Company/MEGlobal MEG Plant**

Introduction

This report projects the economic impact of this firm over a ten year period. In addition, the costs and benefits over this same period were projected for the city, county, school district and special taxing districts in which the firm is or will be located.

Location of the Firm

City in which the facility is or will be located: Freeport

The facility is or will be located in Brazoria County and in the following taxing districts:

City:	Freeport
School District:	Brazosport ISD
Special Taxing District 1:	Brazosport Junior College
Special Taxing District 2:	Velasco Drainage Dist.
Special Taxing District 3:	Port Freeport
Special Taxing District 4:	None
Special Taxing District 5:	None
Special Taxing District 6:	None
Special Taxing District 7:	None

Description of the Firm and its Operations

This impact analysis is for a new DOW plant for the manufacture of mono ethylene glycol (MEG) which is used for antifreeze and deicing fluids, as well as a chemical intermediate for a variety of polyester resins, synthetic rubber, adhesives and coatings.

Also, the company plans to spend the following amounts on turnaround projects at its facility and the benefits to the area from this spending are calculated in the economic impact report:

Amounts to be Spent on Turnaround Projects at the Facility	
Year 1	\$10,000,000
Year 2	\$10,100,000
Year 3	\$10,200,000
Year 4	\$10,300,000
Year 5	\$10,400,000
Year 6	\$10,500,000
Year 7	\$10,600,000
Year 8	\$10,700,000
Year 9	\$10,800,000
Year 10	\$10,900,000
Total	\$104,500,000

The Company's Contribution to the Community

Economic Impact of the Facility and Its Employees Over the First Ten Years

The facility, its new employees and workers in new spin-off jobs created in the county will have the following economic impact on the area over the first ten years:

Economic Impact of the Firm Over the First Ten Years	
Number of new direct and indirect jobs to be created	172
Number of new residents in the area	153
Number of new students expected in the school district	33
Salaries to be paid to direct and indirect employees	\$109,100,020
Taxable spending expected in the City where the firm is located	\$125,655,482
Spending on local motel rooms	\$436,463
Number of new residential units to be built in the area	10
Taxable value, in the tenth year, of residential property to be constructed for some new direct and indirect workers who move to the area	\$2,420,062
Taxable assets at firm's facility in Year 10	\$965,573,426

The portion of the economic impacts shown above, consisting of new spin-off jobs and spin-off sales expected over the first ten years in existing or new local businesses, is shown below.

Additional Spin-off Jobs and Spin-off Sales in Local Businesses Over the First Ten Year		
	Additional Spin-off Jobs in Other Local Businesses	Additional Spin-off Sales in Other Local Businesses
Local firms supplying goods and services to the firm	21	\$18,848,322
Restaurants	27	\$25,131,096
Grocery and convenience stores	21	\$18,848,322
Other local retail businesses	34	\$31,413,871
Health services	7	\$6,282,774
Other service businesses	27	\$25,131,096
Total	137	\$125,655,482

Costs and Benefits for Local Taxing Districts Over the First Ten Years

The city, county, school district, and special taxing districts in which the firm is or will be located can expect costs and benefits over the first ten years from the firm, its new or expanded facility, its new employees and workers in new indirect and induced jobs. These costs and benefits are discussed below, beginning with benefits.

Benefits or Additional Revenues for Local Taxing Districts

The city, county, school district, and special taxing districts can expect to receive benefits or additional revenues as a result of the new or expanded facility, over the first ten years as shown in the following three tables:

Sales and Property Tax Collections and Utilities Revenues

Sales and Property Tax Collections and Utility Revenues over the First Ten Years				
		Sales Taxes	Property Taxes	Utilities
City:	Freeport	\$0	\$0	\$0
County	Brazoria	\$723,740	\$902,865	
School district:	Brazosport ISD		\$111,578,372	
STD 1:	Brazosport Junior College	\$0	\$508,716	
STD 2:	Velasco Drainage Dist.	\$0	\$126,229	
STD 3:	Port Freeport	\$0	\$57,962	
STD 4:	None	\$0	\$0	
STD 5:	None	\$0	\$0	
STD 6:	None	\$0	\$0	
STD 7:	None	\$0	\$0	
Total		\$723,740	\$113,174,146	\$0

Utility Franchise Fees, Hotel Occupancy Tax Collections and Miscellaneous Taxes and User Fees

Utility Franchise Fees, Hotel Occupancy Tax Collections and Miscellaneous Taxes and User Fees over the First Ten Years		Utility Franchise Fees	Hotel Occupancy Taxes	Miscellaneous Taxes and User Fees
City:	Freeport	\$0	\$0	\$0
County	Brazoria		\$0	\$83,765
School district:	Brazosport ISD			
STD 1:	Brazosport Junior College			
STD 2:	Velasco Drainage Dist.			
STD 3:	Port Freeport			
STD 4:	None			
STD 5:	None			
STD 6:	None			
STD 7:	None			
Total		\$0	\$0	\$83,765

Building Permits, Additional State, Federal and Other School Funding and Total Revenues

Building Permits, Additional State, Federal and Other School Funding and Total Revenues over the First Ten Years		Building Permits	Additional State, Federal and Other School Funding	Total
City:	Freeport	\$0		\$0
County	Brazoria			\$1,710,371
School district:	Brazosport ISD		\$1,951,240	\$113,529,612
STD 1:	Brazosport Junior College			\$508,716
STD 2:	Velasco Drainage Dist.			\$126,229
STD 3:	Port Freeport			\$57,962
STD 4:	None			\$0
STD 5:	None			\$0
STD 6:	None			\$0
STD 7:	None			\$0
Total		\$0	\$1,951,240	\$115,932,891

Costs for Local Taxing Districts

The city, county, school district, and special taxing districts may incur additional costs, as a result of the firm's new or expanded facility and new direct and indirect employees moving to the area, over the first ten years, as shown in the two following tables:

Costs of Services to New Residents and the Costs of Providing Utilities

Costs of Services to New Residents and the Costs of Providing Utilities Over the First Ten Years			
		Costs of Providing Services to New Residents	Costs of Providing Utility Services
City:	Freeport	\$0	\$0
County	Brazoria	\$83,765	
School district:	Brazosport ISD		
STD 1:	Brazosport Junior College	\$0	
STD 2:	Velasco Drainage Dist.	\$0	
STD 3:	Port Freeport	\$0	
STD 4:	None	\$0	
STD 5:	None	\$0	
STD 6:	None	\$0	
STD 7:	None	\$0	
Total		\$83,765	\$0

Costs of Services to New Students, Reduction in State School Funding from New Property being Added to School District Tax Rolls, and Total Costs

Costs of Services to New Students, Reduction in State School Funding as a Result New Property being Added to School District Tax Rolls, and Total Costs Over the First Ten Years				
		Costs of Providing Services to New Students	Reduction in State School Funding	Total Costs
City:	Freeport			\$0
County	Brazoria			\$83,765
School district:	Brazosport ISD	\$1,134,924	\$101,274,846	\$102,409,770
STD 1:	Brazosport Junior College			\$0
STD 2:	Velasco Drainage Dist.			\$0
STD 3:	Port Freeport			\$0
STD 4:	None			\$0
STD 5:	None			\$0
STD 6:	None			\$0
STD 7:	None			\$0
Total		\$1,134,924	\$101,274,846	\$102,493,535

Net Benefits for Local Taxing Districts Over the First Ten Years

The net benefits (the extent to which revenues exceed costs) over the first ten years for the city, county, school district and special taxing districts in which the new or expanded firm is or will be located are shown below.

Net Benefits for Local Taxing Districts Over the First Ten Years				
		Benefits	Costs	Net Benefits
City:	Freeport	\$0	\$0	\$0
County	Brazoria	\$1,710,371	\$83,765	\$1,626,605
School district:	Brazosport ISD	\$113,529,612	\$102,409,770	\$11,119,843
STD 1:	Brazosport Junior College	\$508,716	\$0	\$508,716
STD 2:	Velasco Drainage Dist.	\$126,229	\$0	\$126,229
STD 3:	Port Freeport	\$57,962	\$0	\$57,962
STD 4:	None	\$0	\$0	\$0
STD 5:	None	\$0	\$0	\$0
STD 6:	None	\$0	\$0	\$0
STD 7:	None	\$0	\$0	\$0
Total		\$115,932,891	\$102,493,535	\$13,439,356

Discounted Cash Flow

The net benefits, shown on the previous page, result in discounted cash flow over the first ten years for each taxing district, as follows:

Discounted Cash Flow Over the First Ten Years		
City:	Freeport	\$0
County	Brazoria	\$1,332,293
School district:	Brazosport ISD	\$10,382,681
STD 1:	Brazosport Junior College	\$398,847
STD 2:	Velasco Drainage Dist.	\$100,687
STD 3:	Port Freeport	\$46,234
STD 4:	None	\$0
STD 5:	None	\$0
STD 6:	None	\$0
STD 7:	None	\$0
Total		\$12,260,742

Discounted cash flow is a way of expressing in today's dollars, dollars to be paid or received in the future. Today's dollar and a dollar to be received or paid at differing time in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of six percent to make the dollars each taxing will receive and the dollars that they will pay comparable -- by expressing them in today's dollars or in present value.

Property Taxes that May be Abated for the Firm by Local Taxing Districts

The firm may qualify for abatement of property taxes on its real and personal property. If tax abatement is considered, the abatement will be at the following percentages:

Percentage of Property Taxes that May Be Abated	
Year	
1	100%
2	100%
3	100%
4	100%
5	100%
6	100%
7	100%
8	100%
9	100%
10	100%

If tax abatement is being considered for the firm, then the following property taxes will be abated or not collected over the first ten years.

Property Taxes that May be Abated Over the First Ten Years		
City:	Freeport	\$0
County	Brazoria	\$43,667,487
School district:	Brazosport ISD	\$0
STD 1:	Brazosport Junior College	\$24,604,286
STD 2:	Velasco Drainage Dist.	\$8,584,581
STD 3:	Port Freeport	\$3,941,900
STD 4:	None	\$0
STD 5:	None	\$0
STD 6:	None	\$0
STD 7:	None	\$0
Total		\$80,798,254

Inventories that May be Subject to Freeport Exemption

The firm's inventories may qualify for freeport exemption. If requested by the firm, those taxing districts granting freeport exemption will exempt or not collect property taxes on the following percent of the firm's inventories:

Percentage of inventories the may be subject to freeport exemption 100%

If freeport exemption is requested and granted, the following taxes will not be collected over the first ten years as a result of freeport exemption:

Property Taxes Not Collected as a Result of Freeport Exemption Over the First Ten Years		
City:	Freeport	\$0
County	Brazoria	\$0
School district:	Brazosport ISD	\$656,661
STD 1:	Brazosport Junior College	\$0
STD 2:	Velasco Drainage Dist.	\$51,265
STD 3:	Port Freeport	\$23,540
STD 4:	None	\$0
STD 5:	None	\$0
STD 6:	None	\$0
STD 7:	None	\$0
Total		\$731,466

Incentives, Other than Tax Abatement, That May be Offered to the Firm

Financial incentives, other than tax abatement, being considered for the firm by the City/City's EDC or the County are scheduled below:

Incentives, Other than Tax Abatement Being Considered for the Firm			
Description of Incentive	City/ City's EDC	County	Total
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
Total financial incentives	\$0	\$0	\$0

Analysis of Incentives that May be Offered to the Firm by the City

This analysis considers the incentives that the City or the City's economic development corporation may provide to the firm as City investments in the firm.

Four calculations analyzing these investment were made – net benefits, discounted cash flow, rate of return on investment and payback period. Total net benefits and discounted cash flow for the City are scheduled above. Rate of return on investment and payback period are discussed below and scheduled on the next page.

Rate of return on investment is the average annual rate of return over the first ten years, that the City will receive from additional revenues as a result of the City's investment in the facility. Payback period is the

number of years that it will take the City to recover the investment in the facility from additional revenues that the City will receive from the facility and its direct and indirect employees.

Analysis of City Incentives	
Public investment in the facility by the City	\$0
Net benefits that will be received by the City over the first ten years	\$0
Average annual rate of return on investment over the first ten years	Not applicable
Payback period of the investment	Not applicable

Analysis of Incentives that May be Offered to the Firm by the County

Rates of return on investment and investment payback calculations on incentives that the County may consider are scheduled below

Analysis of County Incentives	
Public investment in the facility by the County	\$0
Net benefits that will be received by the County over the first ten years	\$1,626,605
Average annual rate of return on investment over the first ten years	Not applicable
Payback period of the investment	Not applicable

State Aid for the School District

According to the Texas Education Agency, any property added to local tax rolls reduces funding from the state – dollar for dollar. However, it takes a year for this to affect. Therefore, the analysis shows that the school district keeps or benefits from the first year's property taxes but state funding in subsequent years is reduced by the amount of local property taxes collected. However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenue for the school district is calculated in this analysis.

Conduct of This Analysis

This analysis was prepared by The Economic Development Alliance for Brazoria County.

This analysis uses some estimates and assumptions, as well as tax rates and other data obtained from

local taxing districts and data supplied by the firm being analyzed in this report. Data used in this analysis is shown in the Data and Rates Used in This Analysis section that follows.

Using this data, the economic impact of the facility and the costs and benefits for the City where the firm is located, along with other local taxing districts where the firm is or will be located, were calculated for a ten year period.

In addition to the direct economic impact of the firm and its employees, spin-off or indirect and induced benefits were also calculated. Indirect jobs and salaries are created in new or existing area firms, such as service companies, that may supply goods and services to the firm. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to workers and their families.

To estimate the indirect and induced economic impact of the facility and its employees on the area, regional economic multipliers were used. Those multipliers for Brazoria County were obtained from the the US Department of Commerce's Regional Input-Output Modeling System (RIMS II).

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier.

An employment multiplier was used to estimate the number of indirect and induced jobs created and supported in the county. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The multipliers show the estimated number of indirect and induced jobs created for every one direct job at the facility and the amount of salaries paid to these workers for every dollar paid to a direct worker at the facility. The multipliers used in this analysis are below:

Employment multiplier	3.9087
Earnings multiplier	\$1.7191

Information and rates used in this analysis follow on the next page. In addition, schedules of the results of economic impact calculations are also attached, along with schedules showing the results of calculations of costs and benefits for local taxing districts.

Data and Rates Used in This Analysis

About the Firm

Name of the firm The Dow Chemical Company/MEGlobal MEG Plant

The firm's primary NAICS 325199

The Firm's Taxable Assets, Employees and Operations

Taxable value of the firm's new or additional property added each year at its local facility, that will be on local property tax rolls on January 1:

Year	Land	Buildings and Improvements	Furniture, Fixtures and Equipment	Total
1	\$276,920	\$800,000,000	\$18,500,000	\$818,776,920
2	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0
Total	\$276,920	\$800,000,000	\$18,500,000	\$818,776,920

Percent of construction costs for materials and labor:

Materials	60%
Labor	40%

Percent of construction materials that will be purchased in the City and subject to sales taxes 5%

Percent of taxable spending by construction workers that will be in the City 30%

Percent of furniture, fixtures and equipment that will be purchased in the City 5%

Percent of furniture, fixtures and equipment to be purchased that will be subject to sales taxes 50%

Expected City building permits and fees, if applicable:

Year	
1	\$0
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$0

Estimated taxable inventories, at the end of each year:

Year 1	\$5,000,000
Year 2	\$5,050,000
Year 3	\$5,100,500
Year 4	\$5,151,505
Year 5	\$5,203,020
Year 6	\$5,255,050
Year 7	\$5,307,601
Year 8	\$5,360,677
Year 9	\$5,414,284
Year 10	\$5,468,426
Total	\$52,311,063

The firm's monthly utilities:

Year	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

 The number of telephone lines at the firm's facility

Year	Number
1	0
2	0
3	0
4	0
5	0
6	0
7	0
8	0
9	0
10	0

Percent of the firm's taxable electricity and natural gas that will be for
for manufacturing or processing operations

98%

The firm's estimated taxable purchases in the community:

Year 1	\$2,000,000
Year 2	\$2,040,000
Year 3	\$2,080,800
Year 4	\$2,122,416
Year 5	\$2,164,864
Year 6	\$2,208,162
Year 7	\$2,252,325
Year 8	\$2,297,371
Year 9	\$2,343,319
Year 10	\$2,390,185
Total	\$21,899,442

The firm's estimated taxable sales in the community:

Year 1	\$0
Year 2	\$0
Year 3	\$0
Year 4	\$0
Year 5	\$0
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0
Total	\$0

New employees to be hired:

Year	New employees to be hired each year	The number of these new employees who will move to the City from somewhere else to take the job with the firm
1	35	30
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
7	0	0
8	0	0
9	0	0
10	0	0
Total	35	30

Average annual salaries of new employees in the first year \$100,000

Percent of expected annual salary increases after the first year 3%

Multipliers for calculating the number of indirect and induced jobs and earnings in the community:

Earnings	\$1.719
Employment	3.909

This economic impact analysis uses the above multipliers to project the indirect and induced benefits in the community as a result of the direct economic activity. The employment multiplier shows the number of spin-off jobs that will be created from each direct job. Similarly, the earnings multiplier estimates the salaries and wages to be paid to workers in these spin-off jobs for each \$1 paid to direct workers.

Indirect jobs and earnings, as a percent of total, will be created in the following local businesses:

Indirect jobs -- businesses that supply goods and services to the firm or buy the firm's products	15%
---	-----

Induced jobs -- businesses that supply goods and services to the employees of the firm and their families and to indirect workers and their families:

Restaurants	20%
Grocery and convenience stores	15%
Other retail businesses	25%
Medical services	5%
Other service businesses	20%

Total	100%
-------	------

Percent of workers in new indirect and induced jobs created who will move to the City to take a job at the firm	15%
Estimated percent of workers moving to the community who will have new residential property built for them the first year that they move to the City	20%
Household size of a typical new worker moving to the City	3.00
Number of school age children in the household of a typical new worker who will be moving to the City	0.65
Percent of taxable shopping by a typical new worker that will be in:	
The City	50%
Anywhere in the County, including the city where the firm is located	90%

Out-of-Town Visitors to the Firm

Number of out-of-town visitors expected at the firm in the first year	250
Percent of annual increase in the number of visitors	1%
Average number of days that each visitor will stay in the community	1
Average daily taxable visitor spending, excluding lodging	\$60
Average number of nights that a typical visitor will stay in a local motel	1
Average nightly room rate in a local motel	\$125

Out-of-Town Truckers Loading or Unloading at the Firm

Number of out-of-town truckers expected to load or unload at the firm in the first year	200
Percent of annual increase in the number out-of-town truckers	1%
Average daily taxable by a typical trucker	\$200.00
Percent of truckers who will stay one night in a local motel	20%

Tax Abatements for the Firm

Property taxes, if applicable, will be abated on the following property that will be acquired each year:

Year	Land	Buildings and Improvements	Furniture, Fixtures, and Equipment	Total
1	\$0	\$800,000,000	\$0	\$800,000,000
2	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0
Total	\$0	\$800,000,000	\$0	\$800,000,000

City of Information and Rates

City property tax rate: 0.0000 City sales tax rate, including ED and other municipal sales taxes 0%

City hotel occupancy tax rate: 0%

The City's utility franchise fee rates:

	Residential	Industrial
Electricity	0%	0%
Natural gas	0%	0%
Telephone (per line per month access charge)	\$0.00	\$0.00
Solid Waste	0%	0%
Cable	0%	0%

The City provides the following residential utilities:

Water	No
Wastewater	No
Electricity	No
Natural gas	No
Solid waste	No
Cable	No

The City will provide utilities and collect sales taxes on the firm's utilities for the following:

	Provides the Utility	Collects Sales Taxes on the Utility	
Water	No	No	
Wastewater	No	No	
Electricity	No	No	
Natural gas	No	No	
Solid waste	No	Yes	
Cable	No	No	
Average annual bills for city-owned utilities per household			\$0.00
Rate of expected annual increase in the above household utility bills (Example: .03 for 3%)			0%
Average annual utility franchise fees to be collected from each household			\$0.00
The City's cost of providing utilities, as a percent of total utility billings:			
For residential customers			0.00%
For the firm included in this analysis			0.00%
Miscellaneous taxes and user fees to be collected annually from each new resident			\$0
Rate of expected annual increase in the above miscellaneous taxes and user fees			0%
The city's expected annual operating expenditures for each new resident in the city, excluding utilities			\$0
Rate of expected annual increase in the above expenditures			0%

County Information and Rates

County property tax rate	0.4985
County sales tax rate	0.5%
County hotel occupancy tax rate	0%

The County's annual miscellaneous taxes and user fees to be collected from each new resident in the County	\$50	
Rate of expected annual increase in the above expenditures	2%	
The County's expected annual expenditures for each new resident in the County	\$50	
Rate of expected annual increase in the above expenditures	2%	

School District Information and Rates

Property tax rate		1.2553	
The school district's marginal cost of providing services to each new child in the district		\$3,000	
The school district's average cost per child	\$7,500		
Estimated additional cost that the school district will incur for each child that moves to the district, as a percent of average cost	40%		
Rate of expected annual increase in the above costs		3%	
Annual state, federal and other funding per child received by the district		\$5,400	
Funding received per child from:			
State aid	\$4,000		
Federal and other	\$1,000		
Rate of expected annual increase in the above state funding		2%	

Tax Rates for Special Taxing District 1

Name of STD	Brazosport Junior College	
Property tax rate		0.28088
Sales tax rate		0.0%

Tax Rates for Special Taxing District 2

Name of STD	Velasco Drainage Dist.	
Property tax rate		0.09800
Sales tax rate		0.0%

Tax Rates for Special Taxing District 3

Name of STD	Port Freeport	
Property tax rate		0.04500
Sales tax rate		0.0%

Tax Rates for Special Taxing District 4

Name of STD	None	
Property tax rate		0.00000
Sales tax rate		0.0%

Tax Rates for Special Taxing District 5

Name of STD	None	
Property tax rate		0.00000
Sales tax rate		0.0%

Tax Rates for Special Taxing District 6

Name of STD	None	
Property tax rate		0.0000
Sales tax rate		0.0%

Tax Rates for Special Taxing District 7

Name of STD	None	
Property tax rate		0.0000
Sales tax rate		0.0%

Other Community Rates

Discount rate for calculating the present value of costs and benefits		6%
Inflation rate		3.00%

Percent of the gross salary of a typical worker spends on taxable goods and services	35%	☐
Average taxable value of a new single family residence constructed in the City	\$225,000	
Average taxable value of a new multi-family residence constructed in the City	\$120,000	
Percent of total new residences that may be built for some new workers moving to the the City:		
Single family residences	80%	
Multi-family residences	20%	
Average taxable value of new residential property (single and multifamily) constructed in the City	\$225,000	
Rate of expected annual increase in the taxable value of residential property in the area	2%	
Rate of expected annual increase in the taxable value of commercial property in the area	2%	
Percent of the total value of a new house and multi-family housing unit in the area which is for the structure only -- excluding the land cost	90%	
Percent of construction costs of new residential property which is for:		
Construction materials	50%	
Labor	50%	☐
Percent of total construction materials for new residential property that will be purchased in the City	50%	
Percent of salaries of workers constructing residential property in the community that will be spent in the City	50%	
Multiplier for calculating salaries to be paid workers in indirect and induced jobs created in the community as a result of construction activities -- construction of the firm's facility, if applicable, and new residential property	0.750	

Percentages for computing depreciable or taxable values of FFE and machinery and heavy equipment each year:

Year	Taxable Value of FFE
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	20%

FFE will be depreciated using straight line depreciation, a 10 year life and a 20% salvage value.

Schedules of Economic Impacts

Number of new local jobs and worker salaries to be paid each year:

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
1	35	137	172	\$3,500,000	\$6,016,850	\$9,516,850
2	0	0	0	\$3,605,000	\$6,197,356	\$9,802,356
3	0	0	0	\$3,713,150	\$6,383,276	\$10,096,426
4	0	0	0	\$3,824,545	\$6,574,774	\$10,399,319
5	0	0	0	\$3,939,281	\$6,772,018	\$10,711,299
6	0	0	0	\$4,057,459	\$6,975,178	\$11,032,637
7	0	0	0	\$4,179,183	\$7,184,434	\$11,363,617
8	0	0	0	\$4,304,559	\$7,399,967	\$11,704,525
9	0	0	0	\$4,433,695	\$7,621,966	\$12,055,661
10	0	0	0	\$4,566,706	\$7,850,625	\$12,417,331
Total	35	137	172	\$40,123,578	\$68,976,442	\$109,100,020

Indirect jobs to be created in the following local businesses:

Businesses Supplying Goods and Services to the Firm and Purchasing the Firm's Products							
Yr.	Products	Restaurants	Grocery and Convenience Stores	Other Retail Businesses	Medical Services	Other Service Businesses	Total
1	20.6	27.4	20.6	34.3	6.9	27.4	137
2	0.0	0.0	0.0	0.0	0.0	0.0	0
3	0.0	0.0	0.0	0.0	0.0	0.0	0
4	0.0	0.0	0.0	0.0	0.0	0.0	0
5	0.0	0.0	0.0	0.0	0.0	0.0	0
6	0.0	0.0	0.0	0.0	0.0	0.0	0
7	0.0	0.0	0.0	0.0	0.0	0.0	0
8	0.0	0.0	0.0	0.0	0.0	0.0	0
9	0.0	0.0	0.0	0.0	0.0	0.0	0
10	0.0	0.0	0.0	0.0	0.0	0.0	0
Total	20.6	27.4	20.6	34.3	6.9	27.4	137

Additional sales can be expected in the following local businesses:

Yr.	Businesses Supplying Goods and Services to the Firm and Purchasing the Firm's Products	Restaurants	Grocery and Convenience Stores	Other Retail Businesses	Medical Services	Other Service Businesses	Total
1	\$13,157,647	\$17,543,529	\$13,157,647	\$21,929,411	\$4,385,882	\$17,543,529	\$87,717,644
2	\$571,894	\$762,526	\$571,894	\$953,157	\$190,631	\$762,526	\$3,812,629
3	\$586,080	\$781,439	\$586,080	\$976,799	\$195,360	\$781,439	\$3,907,197
4	\$600,633	\$800,844	\$600,633	\$1,001,054	\$200,211	\$800,844	\$4,004,218
5	\$615,564	\$820,752	\$615,564	\$1,025,940	\$205,188	\$820,752	\$4,103,758
6	\$630,883	\$841,177	\$630,883	\$1,051,471	\$210,294	\$841,177	\$4,205,886
7	\$646,601	\$862,134	\$646,601	\$1,077,668	\$215,534	\$862,134	\$4,310,671
8	\$662,728	\$883,637	\$662,728	\$1,104,546	\$220,909	\$883,637	\$4,418,186
9	\$679,276	\$905,701	\$679,276	\$1,132,126	\$226,425	\$905,701	\$4,528,505
10	\$697,018	\$929,358	\$697,018	\$1,161,697	\$232,339	\$929,358	\$4,646,790
	\$18,848,322	\$25,131,096	\$18,848,322	\$31,413,871	\$6,282,774	\$25,131,096	\$125,655,482

Number of new direct and indirect workers and their families who will move to the City and the number of new students in local schools:

Year	New Residents	New Students
1	153	33
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
7	0	0
8	0	0
9	0	0
10	0	0
Total	153	33

Taxable spending in the City on which sales taxes will be collected:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Utilities	Total
1	\$83,997,195	\$1,665,449	\$55,000	\$0	\$2,000,000	\$87,717,644
2	\$0	\$1,715,412	\$57,217	\$0	\$2,040,000	\$3,812,629
3	\$0	\$1,766,875	\$59,522	\$0	\$2,080,800	\$3,907,197
4	\$0	\$1,819,881	\$61,921	\$0	\$2,122,416	\$4,004,218
5	\$0	\$1,874,477	\$64,416	\$0	\$2,164,864	\$4,103,758
6	\$0	\$1,930,712	\$67,012	\$0	\$2,208,162	\$4,205,886
7	\$0	\$1,988,633	\$69,713	\$0	\$2,252,325	\$4,310,671
8	\$0	\$2,048,292	\$72,523	\$0	\$2,297,371	\$4,418,186
9	\$0	\$2,109,741	\$75,445	\$0	\$2,343,319	\$4,528,505
10	\$0	\$2,173,033	\$83,572	\$0	\$2,390,185	\$4,646,790
Total	\$83,997,195	\$19,092,503	\$666,342	\$0	\$21,899,442	\$125,655,482

Spending on motel rooms by out-of-town visitors to the firm:

Year	Motel Spending
1	\$36,250
2	\$37,711
3	\$39,231
4	\$40,812
5	\$42,456
6	\$44,167
7	\$45,947
8	\$47,799
9	\$49,725
10	\$52,365
Total	\$436,463

Number of new residential units to be built in the City:

Year	Number of New Residential Units in the City	Cumulative Number of New Units
1	10	10
2	0	10
3	0	10
4	0	10
5	0	10
6	0	10
7	0	10
8	0	10
9	0	10
10	0	10
Total	10	

The taxable value of new residential property constructed for some new direct and indirect workers who move to the City:

Year	New Residential Property
1	\$2,025,000
2	\$2,065,500
3	\$2,106,810
4	\$2,148,946
5	\$2,191,925
6	\$2,235,764
7	\$2,280,479
8	\$2,326,088
9	\$2,372,610
10	\$2,420,062

The taxable value of new residential property constructed for some new direct and indirect workers who move to the City and the firm's taxable property on local tax rolls:

Year	Taxable Value of New Residential Property Constructed for Some New Direct and Indirect Workers Who Move to the City	Value of the Firm's Property on Tax Rolls	Total Taxable Property on Local Tax Rolls
1	\$2,025,000	\$823,776,920	\$825,801,920
2	\$2,065,500	\$837,982,458	\$840,047,958
3	\$2,106,810	\$852,508,608	\$854,615,418
4	\$2,148,946	\$867,361,775	\$869,510,721
5	\$2,191,925	\$882,548,495	\$884,740,420
6	\$2,235,764	\$898,075,435	\$900,311,198
7	\$2,280,479	\$913,949,393	\$916,229,872
8	\$2,326,088	\$930,177,305	\$932,503,393
9	\$2,372,610	\$946,766,244	\$949,138,854
10	\$2,420,062	\$965,573,426	\$967,993,489

Schedule of Costs and Benefits

Costs and Benefits for the City

Benefits for the City:

Sales tax collections on spending:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Property tax collections on:

Year	Residential Property	The Firm's Property	Total
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$0	\$0	\$0

Cost and Benefits for the City - Continued

Other taxes and user fees to be collected from new residents:

Year	Misc. Taxes and User Fees	Hotel Occupancy Taxes	Total
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$0	\$0	\$0

Utility franchise fees collected from new residents and from the firm's facility:

Year	From New Residents	From the Firm	Total Utility Franchise Fees to be Collected
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$0	\$0	\$0

Cost and Benefits for the City - Continued

Utility revenues from new residents and from the firm's facility:

Year	From New Residents	From the Firm	Total Utility Revenues
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$0	\$0	\$0

Building permits and fees to be collected from the firm:

Year	Building Permits & Fees
1	\$0
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$0

Cost and Benefits for the City - Continued

Costs for the City:

The City's additional costs for new residents and the firm:

Year	Cost of Providing Services to New Residents	Costs of Providing Utilities	Total
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$0	\$0	\$0

Net Benefits for the City:

Year	Benefits	Costs	Net Benefits	Discounted Cash Flow
1	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0

Costs and Benefits for the County:

Sales tax collections on spending:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$419,986	\$16,654	\$275	\$0	\$10,000	\$446,915
2	\$0	\$17,154	\$286	\$0	\$10,200	\$27,640
3	\$0	\$17,669	\$298	\$0	\$10,404	\$28,370
4	\$0	\$18,199	\$310	\$0	\$10,612	\$29,120
5	\$0	\$18,745	\$322	\$0	\$10,824	\$29,891
6	\$0	\$19,307	\$335	\$0	\$11,041	\$30,683
7	\$0	\$19,886	\$349	\$0	\$11,262	\$31,497
8	\$0	\$20,483	\$363	\$0	\$11,487	\$32,332
9	\$0	\$21,097	\$377	\$0	\$11,717	\$33,191
10	\$0	\$21,730	\$418	\$0	\$11,951	\$34,099
Total	\$419,986	\$190,925	\$3,332	\$0	\$109,497	\$723,740

Property tax collections on:

Year	Residential Property	The Firm's Taxes	Total Tax Collections
1	\$10,095	\$118,528	\$128,623
2	\$10,297	\$109,583	\$119,879
3	\$10,502	\$100,640	\$111,143
4	\$10,712	\$91,701	\$102,413
5	\$10,927	\$82,765	\$93,692
6	\$11,145	\$73,832	\$84,977
7	\$11,368	\$64,902	\$76,270
8	\$11,596	\$55,975	\$67,571
9	\$11,827	\$47,052	\$58,880
10	\$12,064	\$47,354	\$59,418
Total	\$110,533	\$792,332	\$902,865

Costs and benefits for the County - continued

Other taxes and user fees collected from new residents:

Year	Other Taxes and User Fees
1	\$7,650
2	\$7,803
3	\$7,959
4	\$8,118
5	\$8,281
6	\$8,446
7	\$8,615
8	\$8,787
9	\$8,963
10	\$9,142
Total	\$83,765

Hotel occupancy tax collections:

Year	Hotel Occupancy Taxes
1	\$0
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$0

Costs and benefits for the County - continued

County additional costs:

Year	County Costs for New Residents	Total
1	\$7,650	\$7,650
2	\$7,803	\$7,803
3	\$7,959	\$7,959
4	\$8,118	\$8,118
5	\$8,281	\$8,281
6	\$8,446	\$8,446
7	\$8,615	\$8,615
8	\$8,787	\$8,787
9	\$8,963	\$8,963
10	\$9,142	\$9,142
Total	\$83,765	\$83,765

Net Benefits for the County:

Year	Benefits	Costs	Net Benefits	Discounted Cash Flow
1	\$583,188	\$7,650	\$575,538	\$545,534
2	\$155,322	\$7,803	\$147,519	\$132,539
3	\$147,472	\$7,959	\$139,513	\$118,811
4	\$139,652	\$8,118	\$131,534	\$106,176
5	\$131,863	\$8,281	\$123,583	\$94,557
6	\$124,106	\$8,446	\$115,660	\$83,882
7	\$116,382	\$8,615	\$107,767	\$74,083
8	\$108,691	\$8,787	\$99,903	\$65,097
9	\$101,034	\$8,963	\$92,071	\$56,866
10	\$102,660	\$9,142	\$93,517	\$54,748
Total	\$1,710,371	\$83,765	\$1,626,605	\$1,332,293

Costs and Benefits for the School District:

Benefits for the School District:**Property tax collections on:**

Year	Residential Property	The Firm's Property	Total Tax Collections
1	\$25,420	\$10,278,107	\$10,303,527
2	\$25,928	\$10,455,801	\$10,481,729
3	\$26,447	\$10,637,514	\$10,663,961
4	\$26,976	\$10,823,326	\$10,850,301
5	\$27,515	\$11,013,318	\$11,040,833
6	\$28,066	\$11,207,574	\$11,235,640
7	\$28,627	\$11,406,180	\$11,434,807
8	\$29,199	\$11,609,223	\$11,638,423
9	\$29,783	\$11,816,791	\$11,846,575
10	\$30,379	\$12,052,198	\$12,082,577
Total	\$278,340	\$111,300,032	\$111,578,372

**Reduction in State Aid to the School District as a Result of New Property Being
Added to the School District's Tax Rolls:**

Year	Reduction in State Aid
1	\$0
2	\$10,481,729
3	\$10,663,961
4	\$10,850,301
5	\$11,040,833
6	\$11,235,640
7	\$11,434,807
8	\$11,638,423
9	\$11,846,575
10	\$12,082,577
Total	#####

Costs and Benefits for the School District - Continued

Additional state, federal and other school funding:

Year	Additional School Funding
1	\$178,200
2	\$181,764
3	\$185,399
4	\$189,107
5	\$192,889
6	\$196,747
7	\$200,682
8	\$204,696
9	\$208,790
10	\$212,965
Total	\$1,951,240

Costs for the school district to educate children of new workers who move to the district:

Year	Costs of Educating New Students
1	\$99,000
2	\$101,970
3	\$105,029
4	\$108,180
5	\$111,425
6	\$114,768
7	\$118,211
8	\$121,758
9	\$125,410
10	\$129,173
Total	\$1,134,924

Costs and Benefits for the School District - Continued

Net Benefits for the School District:

Year	Benefits	Reduction in State Aid and Additional Costs	Net Benefits	Discounted Cash Flow
1	\$10,481,727	\$99,000	\$10,382,727	\$9,841,447
2	\$10,663,493	\$10,583,699	\$79,794	\$71,691
3	\$10,849,360	\$10,768,990	\$80,370	\$68,444
4	\$11,039,409	\$10,958,481	\$80,927	\$65,326
5	\$11,233,722	\$11,152,258	\$81,464	\$62,331
6	\$11,432,387	\$11,350,408	\$81,979	\$59,455
7	\$11,635,489	\$11,553,018	\$82,471	\$56,694
8	\$11,843,118	\$11,760,180	\$82,938	\$54,042
9	\$12,055,364	\$11,971,985	\$83,379	\$51,498
10	\$12,295,543	\$12,211,750	\$83,793	\$51,753
Total	#####	\$102,409,770	\$11,119,843	\$10,382,681

Benefits for Special Taxing District 1:

Sales tax collections on spending:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Property tax collections on:

Year	Residential Property	The Firm's Property	Total Tax Collections
1	\$5,688	\$66,784	\$72,472
2	\$5,802	\$61,744	\$67,545
3	\$5,918	\$56,705	\$62,623
4	\$6,036	\$51,669	\$57,704
5	\$6,157	\$46,634	\$52,790
6	\$6,280	\$41,600	\$47,880
7	\$6,405	\$36,569	\$42,974
8	\$6,533	\$31,539	\$38,073
9	\$6,664	\$26,511	\$33,175
10	\$6,797	\$26,682	\$33,479
Total	\$62,280	\$446,437	\$508,716

Benefits for Special Taxing District 1 - Continued

Total benefits for Special Taxing District 1:

Year	Total Benefits	Discounted Cash Flow
1	\$72,472	\$68,694
2	\$67,545	\$60,686
3	\$62,623	\$53,331
4	\$57,704	\$46,580
5	\$52,790	\$40,392
6	\$47,880	\$34,725
7	\$42,974	\$29,542
8	\$38,073	\$24,808
9	\$33,175	\$20,490
10	\$33,479	\$19,600
Total	\$508,716	\$398,847

Benefits for Special Taxing District 2:

Sales tax collections on spending:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Property tax collections on:

Year	Residential Property	The Firm's Property	Total Tax Collections
1	\$1,985	\$18,401	\$20,386
2	\$2,024	\$16,594	\$18,618
3	\$2,065	\$14,786	\$16,851
4	\$2,106	\$12,979	\$15,085
5	\$2,148	\$11,172	\$13,320
6	\$2,191	\$9,365	\$11,556
7	\$2,235	\$7,558	\$9,792
8	\$2,280	\$5,751	\$8,030
9	\$2,325	\$3,944	\$6,269
10	\$2,372	\$3,950	\$6,322
Total	\$21,730	\$104,500	\$126,229

Benefits for Special Taxing District 2 - Continued

Total benefits for Special Taxing District 2:

Year	Total Benefits	Discounted Cash Flow
1	\$20,386	\$19,323
2	\$18,618	\$16,727
3	\$16,851	\$14,351
4	\$15,085	\$12,177
5	\$13,320	\$10,191
6	\$11,556	\$8,381
7	\$9,792	\$6,732
8	\$8,030	\$5,233
9	\$6,269	\$3,872
10	\$6,322	\$3,701
Total	\$126,229	\$100,687

Benefits for Special Taxing District 3:

Sales tax collections on spending:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Property tax collections on:

Year	Residential Property	The Firm's Property	Total Tax Collections
1	\$911	\$8,450	\$9,361
2	\$929	\$7,620	\$8,549
3	\$948	\$6,790	\$7,738
4	\$967	\$5,960	\$6,927
5	\$986	\$5,130	\$6,116
6	\$1,006	\$4,300	\$5,306
7	\$1,026	\$3,470	\$4,497
8	\$1,047	\$2,641	\$3,687
9	\$1,068	\$1,811	\$2,879
10	\$1,089	\$1,814	\$2,903
Total	\$9,978	\$47,984	\$57,962

Benefits for Special Taxing District 3 - Continued

Total benefits for Special Taxing District 3:

Year	Total Benefits	Discounted Cash Flow
1	\$9,361	\$8,873
2	\$8,549	\$7,681
3	\$7,738	\$6,590
4	\$6,927	\$5,591
5	\$6,116	\$4,680
6	\$5,306	\$3,848
7	\$4,497	\$3,091
8	\$3,687	\$2,403
9	\$2,879	\$1,778
10	\$2,903	\$1,699
Total	\$57,962	\$46,234

Benefits for Special Taxing District 4:**Sales tax collections on spending:**

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Property tax collections on:

Year	Residential Property	The Firm's Property	Total Tax Collections
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$0	\$0	\$0

Benefits for Special Taxing District 4 - Continued

Total benefits for Special Taxing District 4:

Year	Total Benefits	Discounted Cash Flow
1	\$0	\$0
2	\$0	\$0
3	\$0	\$0
4	\$0	\$0
5	\$0	\$0
6	\$0	\$0
7	\$0	\$0
8	\$0	\$0
9	\$0	\$0
10	\$0	\$0
Total	\$0	\$0

Benefits for Special Taxing District 5:

Sales tax collections on spending:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Property tax collections on:

Year	Residential Property	The Firm's Property	Total Tax Collections
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$0	\$0	\$0

Benefits for Special Taxing District 5 - Continued

Total benefits for Special Taxing District 5:

Year	Total Benefits	Discounted Cash Flow
1	\$0	\$0
2	\$0	\$0
3	\$0	\$0
4	\$0	\$0
5	\$0	\$0
6	\$0	\$0
7	\$0	\$0
8	\$0	\$0
9	\$0	\$0
10	\$0	\$0
Total	\$0	\$0

Benefits for Special Taxing District 6:**Sales tax collections on spending:**

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Property tax collections on:

Year	Residential Property	The Firm's Property	Total Tax Collections
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$0	\$0	\$0

Benefits for Special Taxing District 6 - Continued

Total benefits for Special Taxing District 6:

Year	Total Benefits	Discounted Cash Flow
1	\$0	\$0
2	\$0	\$0
3	\$0	\$0
4	\$0	\$0
5	\$0	\$0
6	\$0	\$0
7	\$0	\$0
8	\$0	\$0
9	\$0	\$0
10	\$0	\$0
Total	\$0	\$0

Benefits for Special Taxing District 7:

Sales tax collections on spending:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Property tax collections on:

Year	Residential Property	The Firm's Property	Total Tax Collections
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$0	\$0	\$0

Benefits for Special Taxing District 7 - Continued

Total benefits for Special Taxing District 7:

Year	Total Benefits	Discounted Cash Flow
1	\$0	\$0
2	\$0	\$0
3	\$0	\$0
4	\$0	\$0
5	\$0	\$0
6	\$0	\$0
7	\$0	\$0
8	\$0	\$0
9	\$0	\$0
10	\$0	\$0
Total	\$0	\$0

TAB 16

**CERTIFIED COPY
BRAZORIA COUNTY COMMISSIONERS' COURT**

**ORDER NO. VIII.B.1.c. RE: THE DOW CHEMICAL COMPANY TAX ABATEMENT
APPLICATION: ORDER CREATING REINVESTMENT
ZONE AND GRANTING TAX ABATEMENT**

Designation of Reinvestment Zone:

Whereas, a public hearing was held on the Designation of The Dow Chemical Company Reinvestment Zone No. 20 and the public was given an opportunity to speak and present evidence for or against such designation; and

Whereas, notice of the hearing was given in the manner as provided by law;

Therefore, based upon the information presented to the Court and the public hearing, the Court finds that the designation of this zone would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property included in the zone and would contribute to the economic development of the County.

Further that the subject location described in the attached application be designated The Dow Chemical Company Reinvestment Zone No. 20 for tax abatement purposes in accordance with the guidelines and criteria of Brazoria County and applicable law; and

Granting of Tax Abatement

It is Ordered that the application for tax abatement of THE DOW CHEMICAL COMPANY attached hereto be granted in accordance with the Guidelines and Criteria for Granting Tax Abatement in The Dow Chemical Company Reinvestment Zone No. 20 created in Brazoria County for a term of ten (10) years, and at 100% abatement of eligible real and personal properties; Said Company will be investing \$1 billion dollars and creating 35 new jobs in Brazoria County.

Further that the County Judge is authorized to execute a tax abatement agreement with THE DOW CHEMICAL COMPANY in accordance with the same guidelines and criteria.

Motion to Approve by Commissioner Payne, seconded by Commissioner Linder that the above action be taken by the Court.

Motion to Amend by Commissioners Adams, Motion failed for lack of second.

Passed: 4-1

Aye: Commissioner Payne, Commissioner Linder, Commissioner Cade, Judge Sebesta
Nay: Commissioner Adams

STATE OF TEXAS §
COUNTY OF BRAZORIA §

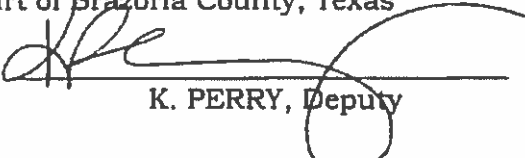
I, Joyce Hudman, Clerk County Court and Ex-Officio Clerk of the Commissioners' Court of Brazoria County, Texas, do hereby certify that the foregoing is a true and correct copy of that certain:

**ORDER NO. VIII.B.1.c. RE: THE DOW CHEMICAL COMPANY TAX ABATEMENT
APPLICATION: ORDER CREATING REINVESTMENT
ZONE AND GRANTING TAX ABATEMENT**

as passed by the Commissioners' Court on the 28th day of JULY, A.D., 2015, SPECIAL Term of Commissioners' Court and as the same appear(s) in the Commissioners' Court Records of Brazoria County, Texas.

**GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 3rd
DAY OF AUGUST, A. D., 2015.**

JOYCE HUDMAN, Clerk County Court
and Ex-Officio Member of the Commissioners'
Court of Brazoria County, Texas

By: 

K. PERRY, Deputy



PROPOSED ME GLOBAL PROJECT SITE

OYSTER CREEK EAST

110.78 ACRE SITE

J.A. WHARTON SURVEY, ABSTRACT 383

F.J. CALVIT LEAGUE, ABSTRACT 51

MAURICE HENRY ¼ LEAGUE, ABSTRACT 74

BRAZORIA COUNTY, TEXAS

ALL THAT CERTAIN 110.78 ACRE TRACT OF LAND, out of the Brazos Coast Invest Company (BCIC) Subdivision, Division 6 as recorded in Volume 2 Page 143 of the Plat Records of Brazoria County, Texas (PRBCT) and the Brazos Coast Invest Company (BCIC) Subdivision, Division 7, as recorded in Volume 2 Page 144 of the Plat Records of Brazoria County, Texas (PRBCT) and being located in the Dow Chemical Company Oyster Creek East Plant Site and being situated in the J. A. Wharton Survey, Abstract 383, in the F. J. Calvit League, Abstract 51, and in the Maurice Henry ¼ League, Abstract 74, in Brazoria County, Texas, and being more particularly described by metes and bounds using survey terminology as referenced to the Texas State Plane Coordinate System of 1927 (NAD 27), South Central Zone 4204, with the directions being called as Lambert grid bearings and the distances being called as horizontal surface level lengths, having a scale factor of 0.999880, as follows:

COMMENCING at a brass disk set in a concrete monument, being a National Geodetic Survey Triangulation Station, called "Plant A, 1954", at the called position of X=3177921.80 and Y= 426933.20, said monument being the **POINT OF COMMENCEMENT** of this 110.78 acre tract:

THENCE North 62 degrees 04 minutes 10 seconds West, a distance of 6,639.20 feet to a point for corner at the position of X=3172056.68 and Y= 430042.66, said point for corner being the **POINT OF BEGINNING** of this 110.78 acre tract;

THENCE South 87 degrees 30 minutes 59 seconds West, a distance of 207.47 feet to a point for corner of this 110.78 acre tract at the position of X=3171849.42 and Y= 430033.67;

THENCE North 53 degrees 18 minutes 50 seconds West, a distance of 1,432.33 feet to a point for corner of this 110.78 acre tract at the position of X=3170700.94 and Y= 430889.29;

THENCE North 02 degrees 32 minutes 44 seconds West, a distance of 2,713.21 feet to a point for corner of this 110.78 acre tract at the position of X=3170580.45 and Y= 433599.49;

THENCE North 87 degrees 30 minutes 57 seconds East, a distance of 294.21 feet to a point for corner of this 110.78 acre tract at the position of X=3170874.34 and Y= 433612.24;

**PROPOSED ME GLOBAL PROJECT SITE
OYSTER CREEK EAST
110.78 ACRE SITE
PAGE 2**

THENCE North 17 degrees 17 minutes 56 seconds East, a distance of 796.48 feet to a point for corner of this 110.78 acre tract at the position of X=3171111.15 and Y= 434372.60;

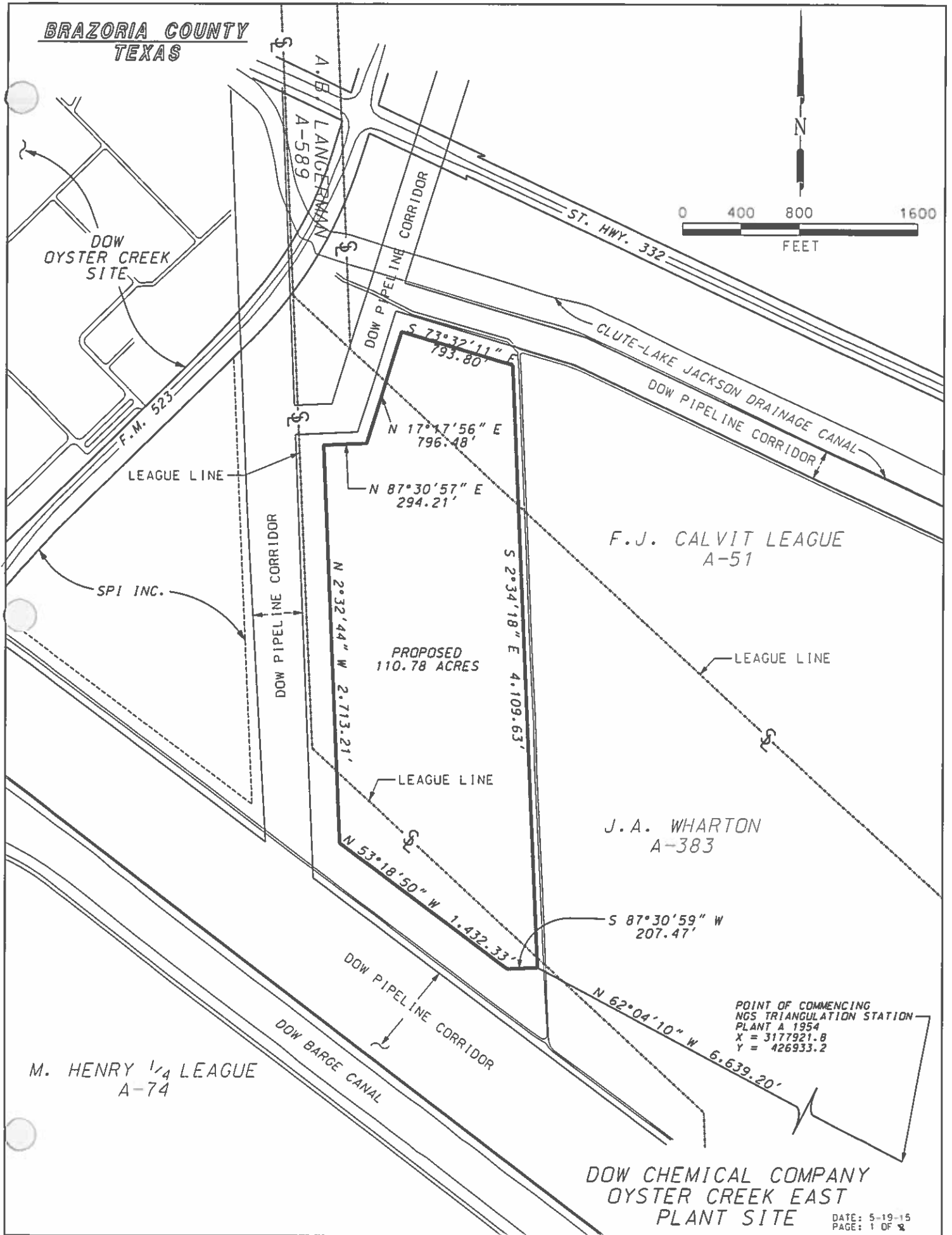
THENCE South 73 degrees 32 minutes 11 seconds East, a distance of 793.80 feet to a point for corner of this 110.78 acre tract at the position of X=3171872.31 and Y= 434147.66;

THENCE South 02 degrees 34 minutes 18 seconds East, a distance of 4,109.63 feet to **POINT OF BEGINNING** of the herein described tract containing 110.78 acres of land.

This metes and bounds description is for the sole purpose of creating a tax abatement description and for performing a title insurance search. It is not a reflection of an on the ground survey and is not to be recorded as a boundary survey.

**Rene Damian
Registered Professional Land Surveyor
State of Texas Registration No. 5900
May 26, 2015**

**BRAZORIA COUNTY
TEXAS**



GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN A REINVESTMENT ZONE CREATED IN BRAZORIA COUNTY

WHEREAS, the creation, retention and diversification of job opportunities that bring new wealth are among the highest civic priority; and

WHEREAS, the purpose of tax abatement is to provide an incentive offered by the tax-payers, i.e. citizens of Brazoria County, to attract investments, that lead to better quality of life and better services. The wealth created by these enterprises leads to more service and retail businesses, which in addition to improving quality of life, increases the tax base. In summary, by giving incentive in terms of tax abatement, the citizens agree to give up short term tax benefits, for long term benefits; and

WHEREAS, new jobs, investment and industrial diversification will benefit the area economy, provide needed opportunities, strengthen the real estate market and generate tax revenue to support local services; and

WHEREAS, the communities within Brazoria County must compete with other localities across the nation currently offering tax inducements to attract new plant and modernization projects; and

WHEREAS, any tax incentives offered in Brazoria County would reduce needed tax revenue unless strictly limited in application to those new and existing industries that bring new wealth to the community; and

WHEREAS, the abatement of property taxes, when offered to attract capital investment and primary jobs in industries which bring in money from outside a community instead of merely recirculating dollars within a community, has been shown to be an effective method of enhancing and diversifying an area of economy; and

WHEREAS, Texas law requires any eligible taxing jurisdiction to establish Guidelines and Criteria as to eligibility for tax abatement agreements prior to granting of any future tax abatement, and said Guidelines and Criteria to be unchanged for a two year period unless amended by a three-quarters vote;

Now, therefore, be it resolved that Brazoria County does hereby adopt these Guidelines and Criteria for granting tax abatement in reinvestment zones in Brazoria County.

DEFINITIONS Section 1

- (a) "Abatement" means the full or partial exemption from ad valorem taxes on certain property in a reinvestment zone designated by Brazoria County for economic development purposes.
- (b) "Abatement Period" means the period during which all or a portion of the value of real property or tangible personal property that is the subject of a tax abatement agreement is exempt from taxation.
- (c) "Abated Facility Site" (or "proposed abated facility site") means the tract(s) or area of land underlying the proposed improvements to be abated.
- (d) "Agreement" means a contractual agreement between a property owner and/or lessee and Brazoria County for the purpose of tax abatement.

- (e) "Base year value" means the assessed value of eligible property January 1 preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1 but before the execution of the agreement.
- (f) "Brazoria County Vendor and Services" means a company that employs Brazoria County residents and pays Brazoria County taxes.
- (g) "Deferred maintenance" means the improvements necessary for continued operations which do not improve productivity or alter the process technology.
- (h) "Distribution Center Facility" means buildings and structures, including machinery and equipment, used or to be used primarily to receive, store, service, or distribute goods or materials owned by the facility operator where seventy percent (70%) of the goods or services are distributed outside of Brazoria County.
- (i) "Economic Development" means participation in or support of an organized program or entity which for the purpose of its mission, engages in activities designed to encourage employment opportunities development/commercial and manufacturing business/industry to locate and/or expand in Brazoria County, thus expanding and diversifying the tax base as well as increasing the economic strength and stability of Brazoria County.
- (j) "Eligible jurisdiction" means Brazoria County and any municipality or other local taxing jurisdictions eligible to abate taxes according to Texas law, the majority of which is located in Brazoria County that levies ad valorem taxes upon and provides services to reinvestment zone designated by Brazoria County.
- (k) "Employee" for the purposes of the economic qualifications of Section 2(h)(2) of these Guidelines and Criteria shall include all persons directly employed by the owner of the planned improvement at the abated facility site/reinvestment zone together with any independent contractor or employee of independent contractors employed on a full-time (40 hours per week equivalent) basis at the facility site/reinvestment zone continuously for the duration of the abatement agreement.
- (l) "Existing facility" is the facility described in Section 2 (a) that will be expanded or modernized and which contains the proposed improvements to be abated. A manufacturing or processing unit or units of a larger plant complex that separately comprise a manufacturing or production sub-unit of the larger plant shall be considered the existing facility for purposes of the Section 2 (h) (2) employment retention requirement (that the planned improvements cause the retention or prevention of loss of employment of 10 employees or 50% of the employees of the existing facility, whichever is greater). For example, if an existing facility has 100 employees, an expansion or modernization of all or part of that facility must result in the retention of at least 50 employees employed at or in connection with the expanded or modernized "existing facility" in order for the facility improvements to qualify for abatement.
- (m) "Expansion" means the addition of buildings, structures, machinery or equipment for purposes of increasing production capacity.
- (n) "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.

- (o) "Manufacturing Facility" means buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (p) "Modernization" means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing, or repairing.
- (q) "New Facility" means a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (r) "Other Basic Industry" means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services which serve a market primarily outside Brazoria County.
- (s) "Productive Life" means the number of years a property improvement is expected to be in service. After a cessation of production, the productive life of property improvements may be deemed to end, at County's election, on the date of cessation of production either upon (1) a determination by the County that it is unlikely the improvement(s) will be reactivated as an integral part of a producing facility, and/or (2) the expiration of eighteen (18) continuous or non-consecutive months of non-production in any twenty-four (24) month period following the date the property improvement(s) cease to be in active service as part of a facility operating in a producing capacity. Upon cessation of production and for calculation of the recapture amount of taxes, the "productive life" will be determined to begin on the effective date of the tax abatement as set forth in the Agreement.
- (t) "Qualified Vendors and Services" means those vendors and services that meet the company's individual stated requirements, which can include but are not limited to: safety, financial condition, environmental record, quality or ability to perform.
- (u) "Regional Entertainment Facility" means buildings and structures, including machinery and equipment, used or to be used to provide entertainment through the admission of the general public where seventy percent (70%) of users reside at least 50 miles from its location in Brazoria County.
- (v) "Research Facility" means buildings and structures, including machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- (w) "Regional Service Facility" means buildings and structures, including machinery and equipment, used or to be used to service goods where seventy percent (70%) of the goods being serviced originate outside of Brazoria County.
- (x) "Tangible personal property" means tangible personal property classified as such under state law, but excludes inventory and/or supplies, ineligible property as defined herein, and tangible personal property that was located in the investment zone at any time before the period covered by the agreement with the County.

ABATEMENT AUTHORIZED Section 2

- (a) **Authorized Facility.** A facility may be eligible for abatement if it is a: Manufacturing Facility, Research Facility, Distribution Center or Regional Service Facility, Regional Entertainment Facility, Other Basic Industry, or a facility that Commissioners Court determines would enhance job creation and the economic future of Brazoria County.
- (b) **Creation of New Value.** Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between Brazoria County and the real property owner, tangible personal property owner, leasehold interest, and/or lessee, subject to such limitations as Brazoria County may require.
- (c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.
- (d) **Eligible Property.** Abatement may be extended to the value of buildings, structures, tangible personal property as defined in the Tax Code including fixed machinery and equipment, site improvements and related fixed improvements necessary to the operation and administration of the facility.

Tangible Personal Property: Abatement may be granted with the owner of tangible personal property located on real property in a reinvestment zone to exempt from taxation (1) all or a portion of the value of the real property, (2) all or a portion of the value of the tangible personal property located on the real property, or (3) all or a portion of the value of both.

An abatement may be granted with the owner of tangible personal property or an improvement located on tax-exempt real property that is located in a designated reinvestment zone to exempt all or a portion of the value of the tangible personal property or improvement located on the real property.

- (e) **Ineligible Property.** The following type of property shall be fully taxable and ineligible for tax abatement: land, existing improvements, tangible personal property that the Brazoria County Appraisal District classifies as inventory or supplies, tools, furnishings, and other forms of movable personal property; vehicles, watercraft, aircraft, housing, convalescent homes, assisted living homes/centers, hotel accommodations, retail facilities, deferred maintenance investments, property to be rented or leased except as provided in Section 2(f), tangible personal property located in the reinvestment zone prior to the effective date of the tax abatement agreement, property already subject to real or personal property tax(es) moved from one location in Brazoria County to the reinvestment zone, real property with a productive life of less than 10 years, property owned or used by the State of Texas or its political subdivisions or by any organizations owned, operated or directed by a political subdivision of the State of Texas, or any other property for which abatement is not allowed by State law.
- (f) **Leased Facilities. Leasehold Interest:** Abatement may be granted with the owner of a leasehold interest in tax-exempt real property located in a reinvestment zone designated to exempt all or a portion of the value of the leasehold interest in the real property.

Lessee Interest: Abatement may be granted with a lessee of taxable real property located in a reinvestment zone to exempt from taxation (1) all or a portion of the value of the fixtures, improvements, or other real property owned by the lessee and located on the property that is subject to the lease, (2) all or a portion of the value of tangible personal property owned by the lessee and located

on the real property that is the subject of the lease, or (3) all or a portion of the value of both the fixtures, improvements, or other real property and the tangible personal property defined herein.

Leasehold Interest/Lessee shall be required to submit with its application a copy of the executed lease agreement between lessor/lessee demonstrating a minimum lease term double the abatement term granted.

- (g) **Value and Term of Abatement.** Abatement shall be granted effective with the January 1 valuation date immediately following the date of the Commissioners Court Order granting the abatement and approving the abatement application. Commissioners Court shall consider the percent of value and the term of the abatement based upon the overall value of the project and the number of new jobs being created. The term of abatement may be up to 10 years or one-half (1/2) of the productive life of the improvement, whichever is less. The "productive life" will be calculated from the effective date of the tax abatement and the date the equipment ceased to be in service. The abatement may be extended through an initial agreement and a subsequent agreement may be required to comply with state law regarding the term of the reinvestment zone.

If it is determined that the abatement period would better benefit the County and the Applicant by deferring the commencement date beyond the January 1 following the Commissioners Court Order granting the abatement and approving the abatement application, the County may defer the commencement date of the abatement period to a future date certain. The deferral of the commencement date will not allow the duration of the abatement period to extend beyond ten (10) years. However, in no event shall the abatement begin later than the January 1 following the commencement of construction.

If a modernization project includes facility replacement, the abated value shall be the value of the new unit(s) less the value of the old unit(s).

New eligible properties must be in active service and operation as part of a facility operating in a producing capacity for a period equal to double the abatement period (*i.e.* seven year abatement, then in producing capacity for 14 years) in order to receive the full term of the abatement granted and not be subject to the term reduction and recapture/payment obligation provisions.

- (h) **Economic Qualification.** In order to be eligible for designation as a reinvestment zone and to qualify for tax abatement the planned improvement:
- (1) must be reasonably expected to increase and must actually increase the value of the property in the amount of \$1 million or more;
 - (2) must create employment for at least 10 people on a full-time (40 hours per week equivalent) basis in Brazoria County for the duration of the abatement period at the abated facility site described in the tax abatement application; or alternatively, must retain and prevent the loss of employment of 10 employees or fifty percent (50%) of the existing number of employees, at the time of application, employed at or in connection with the existing facility containing the abated facility site described in the tax abatement application, whichever is greater, for the duration of the abatement period. The following is applicable to the employment retention/preventing loss of employment requirement:

a. "Existing facility" is the facility described in Section 2 (a) that will be expanded or modernized and which contains the proposed improvements to be abated. A manufacturing or processing unit or units of a larger plant complex that separately comprise a manufacturing or production sub-unit of the larger plant shall be considered the existing facility for purposes of the Section 2(h)(2) employment retention requirement (that the planned improvements cause the retention or prevention of loss of employment of 10 employees or 50% of the employees of the existing facility, whichever is greater). For example, if a large plant complex has a sub-unit that produces chlorine and 100 employees are employed at or in connection with that unit, an expansion or modernization of all or part of that facility must result in the retention of at least 50 employees employed at or in connection with the expanded or modernized "existing facility" in order for the facility improvements to qualify for abatement.

b. Employees of a larger plant unit transferred or assigned to and employed at or in connection with a new sub-unit containing the planned improvements, constructed on undeveloped land constituting the proposed abated facility site/reinvestment zone shall be considered "created" employment for purposes of this sub-section.

The proposed number of employees to be employed at the abated facility as stated in the abatement application for the property that is the subject of the tax abatement agreement (including the projected creation or retention of employment) must be maintained for the duration of the abatement period at the abated facility site. For purposes of this sub-section, in order for a planned improvement to be considered as preventing the loss of employment or retaining employment, the abated facility/project must be necessary in order to retain or keep employment at levels as indicated in the application and in order to retain the proposed number of employees at the abated facility as indicated in the application. The owner/Applicant seeking to qualify on the basis of retention or preventing loss of employment must provide a detailed statement as an attachment to its application affirmatively representing compliance with this sub-section and explaining the necessity of this project to prevent loss of employment. Any variance from the requirements of this sub-section is subject to approval of Commissioners Court in accordance with the variance section of these Guidelines & Criteria.

- (3) must be not expected to solely or primarily have the effect of transferring employment from one part of the county to another part of the county. A variance may be requested relative to this provision which approval shall be at the sole discretion of the County.
- (4) must be necessary because capacity cannot be provided efficiently utilizing existing improved property;

Additionally, the owner of the project:

- (5) must provide for and pay, at the time of filing an application for tax abatement, a non-refundable application fee of \$1,000. A part of the application fee will be dedicated by Brazoria County to economic development programs authorized by Local Government Code, Section 381.004.
- (6) must file a plan statement with application demonstrating willingness and planned efforts to use qualified Brazoria County union and/or nonunion vendors and services where applicable in the

construction and operations of the facility. Brazoria County vendors and services must be competitive with non-county union and/or nonunion vendors and services regarding price, quality, safety, availability and ability perform. It is preferred that applicant seek qualified workers who are United States citizens and veterans and also legal residents prior to seeking workers from other countries.

- (7) will annually, for the term of the abatement, contribute .000207 of the value reported in "Part IV Section F" of the abatement application (estimated value of abated improvements at the conclusion of the abatement period). Air carriers receiving abatement will contribute an amount equal to .000207 of the estimated value of the personal property of the air carrier indicated in its Application. Each project will contribute no more than \$25,000.00 for projects \$500 million or less in capital investment and no more than \$50,000 for project greater than \$500 million in capital investment nor less than 2,000 annually to be used specifically to fund economic development in Brazoria County as authorized by Local Government Code, Section 381.004. The annual contribution shall be paid to Brazoria County through the County Auditor's Office on or before January 1 of each year of the tax abatement contract term.
 - (8) must not file with the Brazoria County Appraisal District a valuation or taxpayer protest or notice of protest pursuant to the Texas Property Tax Code during the abatement period legally protesting the valuation of the abated improvements of a manufacturing facility pursuant to an appraisal method that produces a valuation of improvements based on each improvement's value as a separate item of personal property rather than the improvements' value as integral fixtures of a producing manufacturing facility. An owner's legal protest of the improvements' value pursuant to the Texas Property Tax Code must be based on and use accepted appraisal methods and techniques allowed by law (Texas Property Tax Code) and uniform standards of professional appraisal practice. The filing of a valuation protest or notice of protest contrary to this standard shall cause the tax abatement agreement to be subject to termination and recapture of all previously abated taxes.
 - (9) must not be a defendant in any litigation by the County seeking recovery or recapture of previously abated taxes.
- (i) Taxability. From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:
- (1) The value of ineligible property as provided in Section 2(e) shall be fully taxable;
 - (2) the base year value of existing eligible property as determined each year shall be fully taxable; and
 - (3) the additional value of new eligible property shall be taxable in the manner described in Section 2(g).

APPLICATION Section 3

- (a) The Application for tax abatement may be obtained from the County Judge's Office or on the Brazoria County website at www.brazoria-county.com. Applicant may contact the Judge's Office at (979) 864-1200 or (281) 756-1200.
- (b) Any present or potential owner of taxable property in Brazoria County may request the creation of a reinvestment zone and tax abatement by filing a tax abatement application with Brazoria County. The application shall be filed with the County Judge by providing twelve (12) copies or an electronic version and five (5) copies. The additional copies provided will be furnished to each member of Commissioners Court and the Tax Abatement Review Committee (TARC). After filing the application, the Applicant shall provide an economic impact analysis report, in a format comparable to the Texas Governor's economic impact analysis report, to the County Judge's Office prior to the TARC meeting on the Applicant's tax abatement application.
- (c) The application shall consist of a completed application form accompanied by: a general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements which will be a part of the facility; a map and property description; a time schedule for undertaking and completing the planned improvements. In the case of modernizing, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form shall require such financial and other information as Brazoria County deems appropriate for evaluating the financial capacity and other factors of the Applicant. Applicant should not submit confidential information as part of the application. If doing so cannot be avoided, a general description in non-confidential terms should be included on the application, along with a sealed document containing the confidential information as an attachment and clearly marked "CONFIDENTIAL".
- (d) Upon receipt of a completed application, the County Judge shall notify in writing the presiding officer of the legislative body of each eligible jurisdiction. Before acting upon the application, Brazoria County Commissioners' Court shall hold a public hearing at which interested parties shall be entitled to speak and present written materials for or against the approval of the tax abatement. The public hearing shall also afford the Applicant and the designated representative of any eligible jurisdiction opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on a Brazoria County notice to be posted at least 30 days prior to the hearing.
- (e) After receipt of an application for creation of a reinvestment zone and application for abatement, the Tax Abatement Review Committee (TARC) shall prepare a feasibility study setting out the impact of the proposed reinvestment zone and tax abatement. The feasibility study shall include, but not be limited to, an estimate of the economic effect of the creation of the zone and the abatement of taxes and the benefit to the eligible jurisdiction and the property to be included in the zone. The economic impact analysis report provided by the Applicant shall be attached to the feasibility study and included as part of the feasibility study report.
- (f) If upon written request for a legal opinion or interpretation from the Commissioners' Court or its members, the legal counsel for Brazoria County determines that the application does not appear to comply with the written language of the Guidelines and Criteria, a public hearing on said application if already set, shall be postponed for a period of at least thirty days from the scheduled date of public hearing to allow time for further review by the Commissioners' Court or any duly appointed review

committee, or if an initial setting has not been made, the hearing on such application shall be set on the Commissioners' Court agenda no sooner than sixty (60) days from the time the Court enters an order to set the public hearing date.

The Applicant shall file a supplement or addendum to its application to show cause why the application should be approved and shall present reasons at the public hearing on the same.

Provided that any final decision or interpretation as to the intent and meaning or policy of any provision or its written language; any final decision as to whether or not an application complies or does not comply with the guidelines and criteria; and any final decision as to whether to grant or deny tax abatement shall be made by the Commissioners' Court at its sole discretion.

- (g) Brazoria County shall not establish a reinvestment zone for the purpose of abatement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility.
- (h) Variance. Requests for variance from the provisions of Subsections (a) (b) (e) (g), (h) (1), (h) (2) and/or (h) (3) of Section 2 may be made in written form to the County Judge with a copy forwarded to the TARC. Such requests shall include a complete description of the circumstances explaining why the Applicant should be granted a variance. Approval of a request requires a four-fifths (4/5) vote of the Commissioners Court.
- (i) Special Variance: Air Carriers. A special variance from all applicable provisions of these guidelines and criteria, with the exception of Section 2 (h) (5) and (h) (7) may be granted allowing abatement or partial abatement of ad valorem taxes on the personal property of a certificated or non-certificated air carrier that owns or leases taxable real property in Brazoria County provided that the personal property has a value of at least \$10,000,000. Approval of a request for this variance requires a three-fourth (3/4) vote of the Commissioners Court.

PUBLIC HEARING Section 4

- (a) Neither a reinvestment zone nor abatement agreement shall be authorized if it is determined that:
 - (1) there would be a substantial adverse affect on the provision of government service or tax base;
 - (2) the Applicant has insufficient financial capacity;
 - (3) planned or potential use of the property would constitute hazard to public safety, health or morals; or,
 - (4) violation of other codes or laws.

AGREEMENT Section 5

- (a) After approval, Brazoria County Commissioners' Court shall formally pass a resolution and execute an agreement with the Applicant as required which shall include:

- (1) estimated value to be abated and the base year value;
 - (2) percent of value to be abated each year as provided in Section 2(g);
 - (3) the commencement date and the termination date of abatement;
 - (4) the proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provided in Application, Sections II and III;
 - (5) contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections 2(a), 2(f), 2(g), 2(h) 6, 7, and 8;
 - (6) size of investment and average number of jobs involved for the period of abatement; and
 - (7) provision that Applicant shall annually furnish information necessary for Brazoria County's evaluation of Applicant's compliance with the terms and conditions of the tax abatement agreement and these guidelines and criteria (in the form of an annual report/statement of compliance), together with an additional provision that Brazoria County may, at its election, request and obtain information from Applicant as is necessary for the County's evaluation of Applicant's compliance with the terms and conditions of the tax abatement agreement and these guidelines and criteria. See Attachment A.
 - (8) provision that, upon expiration of the tax abatement agreement, Applicant shall begin annually reporting the status of the abated improvements regarding active service and operation as part of a facility operating in a producing capacity. Reporting will be for the same amount of years as the tax abatement period (*i.e.* seven year abatement, then follow-up reporting for seven more years). See Attachment B.
- (b) Such agreement shall be executed within sixty (60) days after the Applicant has forwarded all necessary information and documentation to Brazoria County.

RECAPTURE Section 6

- (a) In the event the facility contemplated herein is completed and begins producing product or service, but the company fails to maintain the level of employment (including the projected creation or retention of employment) stated in the abatement application for the property that is the subject of the abatement agreement, the county may elect to: (1) Declare a default and terminate the abatement agreement without recapturing prior years' abated taxes; (2) Declare a default, terminate the agreement and order a recapture of all or part of the previous years' abated taxes; or (3) Set specific terms and conditions for the continuation of the abatement exemption for the duration of the term of the agreement under its present terms or alter the amount of the abatement for the remaining term of the agreement.
- (b) Should Brazoria County determine that the company or individual is in default according to the terms and conditions of its agreement, Brazoria County shall notify the company or individual in writing at the address stated in the agreement and if such is not cured within sixty (60) days from the date of such notice ("Cure Period"), then the agreement may be terminated.

- (c) In the event that the company or individual (1) allows its ad valorem taxes owed the County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the Cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.
- (d) Failure to provide any requested statement or information pursuant to the provisions described in Section 5(a)(7) without just cause within sixty (60) days of the request for the information or the presentation of any false or misleading statement may, at the County's option, be construed as a default by the company or individual and cause for immediate termination of the tax abatement agreement and recapture of all previously abated taxes, if after written notice of default, the company or individual has not cured such default prior to the expiration of thirty (30) days from such written notice. The Cure Period provisions of sub-sections (b) and (c) above are not applicable to a default and termination under this paragraph.

ADMINISTRATION Section 7

- (a) The Chief Appraiser of the County shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the eligible jurisdictions which levy taxes on the amount of the assessment.

- (b) The agreement shall stipulate that TARC of Brazoria County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with their safety standards.

- (c) Tax Abatement Review Committee:

The Commissioners' Court shall appoint a standing Tax Abatement Review Committee (TARC) for purposes of (i) reviewing the tax abatement application and preparing the feasibility study report required by Section 3(d) of these guidelines; (ii) conducting annual inspections and/or evaluations of the abated facilities to insure compliance with the terms/conditions of the tax abatement agreement.

- (d) The Tax Abatement Review Committee shall be comprised of, but not limited to, a representative appointed by each Commissioners' Court member. The County Auditor, County Treasurer, District Attorney representative, and County Tax Assessor Collector shall serve as ex-officio members of the Committee to advise on abatement qualifications and procedures. The County Judge and the Commissioner of the Precinct in which a proposed abated facility will be located will serve on the Committee during the period when the Committee is preparing the feasibility study report and conducting the annual inspection and/or evaluation of the facility.

- (e) Upon completion of construction, the owner of an abated facility must submit a written report/statement of compliance annually during the life of the abatement to the Brazoria County Commissioners' Court

and the Tax Abatement Review Committee clearly detailing the status of the facility and how it is complying with the abatement guidelines. The Committee shall annually evaluate each abated facility and report possible violations to the contract and agreement to the Brazoria County Commissioners' Court. A form of annual report that may be used by the owner is attached as Attachment A to these Guidelines & Criteria, and the owner's annual report shall, at a minimum, contain the information shown in the Attachment A form.

- (f) Upon expiration of the Tax Abatement term, the owner of the abated improvements must submit a written report/statement of compliance annually, beginning January 1 after the expiration of the tax abatement term, documenting that the abated improvements remain in active service and operation as part of a facility operating in a producing capacity for an additional period equal to the abatement period granted and completed (*i.e.* seven year abatement, then in producing capacity for an additional 7 years after expiration of the tax abatement agreement) in order to receive the full term of the abatement granted and not be subject to the term reduction and recapture/payment obligation provisions. The Report shall be delivered to the County Judge. The Committee shall annually evaluate each abated facility and report possible violations to the contract and agreement to the Brazoria County Commissioners' Court. A form of annual report that may be used by the owner is attached as Attachment B to these Guidelines & Criteria, and the owner's annual report shall, at a minimum, contain the information shown in the Attachment B form.
- (g) The County shall timely file with the Texas Department of Commerce and the Property Tax Division of the State Comptroller's office all information required by the Tax Code.

ASSIGNMENT Section 8

Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of Brazoria County subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with Brazoria County. No assignment or transfer shall be approved if the new parties to the existing agreement, the new owner or new lessee are liable to Brazoria County or any eligible jurisdiction for delinquent taxes or other obligations. Approval shall not be unreasonably withheld.

PROVISIONS REGARDING CITY-INITIATED ABATEMENTS Section 9

- (a) This section is applicable to tax abatement applications for property located in a reinvestment zone designated by a city and applications by Applicants who have previously entered into a tax abatement agreement with a city regarding that property.
- (b) All provisions of these Guidelines & Criteria are applicable to city-initiated reinvestment zones and abated areas within a city's territorial limits unless otherwise stated herein or provided by law.
- (c) An Applicant shall file a tax abatement application on the County's application form together with all attachments and statements described in the application instructions and in subsection (d) herein below.
- (d) Upon receipt of a tax abatement application applicable to property within a city-designated reinvestment zone subject to a city's tax abatement agreement, the application shall be reviewed for approval as to (a)

correct application form, (b) represented compliance with economic value estimates and employment criteria of Section 2(h) of the Guidelines & Criteria, (c) legal description requirements, (d) attachment of a correct copy of the city's ordinance designating the area as a reinvestment zone and granting abatement and (e) attachment of a correct copy of the fully executed tax abatement agreement between the city and the Applicant.

- (e) After review (and subject to approval of the matters in (d) above), the public hearing on the tax abatement shall be scheduled at the Commissioners Court meeting that next follows the one at which the Order Setting Hearing Date is entered, unless otherwise ordered by Commissioners Court. If there are any compliance problems with the application (including any problems to be resolved or amendments to the application to be made prior to the public hearing), the County Judge and Precinct Commissioners shall be advised of these compliance problems/matters to be resolved in a memo from the Civil Division-District Attorney's Office transmitting the Order Setting Hearing Date. No hearing shall be set on any application that fails to attach both the ordinance designating reinvestment zone and the copy of the fully executed tax abatement agreement between the city and the Applicant, or which is deficient as to application form or legal description. In such case the Applicant shall be informed of the necessity of attaching those documents or making necessary corrections, and there will be no further processing of the application until the same are received.
- (f) The notice provisions of Section 3 (c) are not applicable to an application under this section.
- (g) The percentage of property value abated and the term of abatement shall be the same as that stated in the city's tax abatement agreement unless otherwise specifically ordered in the Commissioners Court order granting abatement.

SUNSET PROVISION Section 10

- (a) These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by Brazoria County to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed or eliminated, provided that such actions shall not affect existing contracts or applications for tax abatement filed prior to the expiration of said Guidelines and Criteria. Applications for abatement filed prior to the expiration of the Guidelines and Criteria shall be governed by the provisions of these Guidelines and Criteria regardless of any subsequent modification or amendment.
- (b) This policy is mutually exclusive of existing Industrial District Contracts and owners of real property in areas deserving of special attention as agreed by the eligible jurisdictions.
- (c) These guidelines and policies for Tax Abatement shall be effective May 31, 2014, and shall remain in force until May 31, 2016, unless amended or superseded, modified, renewed, or eliminated by Commissioners' Court prior to that date.

TAB 17

Application for Appraised Value Limitation on Qualified Property

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

Danny Massey

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here



Signature (Authorized School District Representative)

10-13-15

Date

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

Lowell McLaughlin

Print Name (Authorized Company Representative (Applicant))

State & Local Tax Director

Title

sign
here



Signature (Authorized Company Representative (Applicant))

9.24.15

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

24 day of September, 2015



Notary Public in and for the State of Texas

My Commission expires: **CYNTHIA J. STAUFFER**
NOTARY PUBLIC, MIDLAND COUNTY, MI
MY COMMISSION EXPIRES: MAY 11, 2019

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.