



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

December 4, 2025

AMENDED COMPLETENESS,
CERTIFICATE & AGREEMENT
APPROVAL

Dr. Greg Poole
Superintendent
Barbers Hill Independent School District
9600 Eagle Drive
Mont Belvieu, Texas 77523

Re: Amendment Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Barbers Hill Independent School District and Targa Downstream, LLC, Application 1725

Dear Dr. Poole:

This application (Application 1725) was originally submitted on February 28, 2022, to the Barbers Hill Independent School District (school district) by Targa Downstream, LLC (applicant) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ On April 22, 2022, the Comptroller issued written notice that the applicant submitted a completed application; and later issued a certificate for a limitation on appraised value on July 12, 2022. The applicant and school district executed an agreement for a limitation on appraised value (agreement) on November 14, 2022.

On November 21, 2025, the Comptroller received an amendment to the agreement to reduce the number of qualified jobs from 12 to 10 and, subsequently, determined that it includes the information necessary to be determined as complete. This presents the Comptroller's review of that amendment per Section 10.2 of the agreement and determinations required:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter B; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

The information provided by the applicant related to eligibility has not changed and therefore, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter B.

¹ All statutory references are to the Texas Tax Code, unless otherwise noted.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

Based on the amended information provided by the applicant, the Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem* tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller previously determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.

Based on these determinations, the Comptroller approves changes to the certificate for a limitation on appraised value for the amendment.

The Comptroller's review of the amended application and amended agreement assumes the accuracy and completeness of the statements in the amendment. If the amendment is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) and all amendments, executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This approval is no longer valid if the information presented in the amendment changes, or the amended limitation agreement does not conform to the amended application. Additionally, this approval is contingent on the school district approving and executing the amendment to the agreement by **December 31, 2025**.

This office has also been provided with the Amended Agreement for Limitation on Appraised Value. As requested, the amendment to the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1). Based on our review, this office concludes that the agreement complies with the provisions of Tax Code, Chapter 313 and 34 TAC Chapter 9, Subchapter F.

Should you have any questions, please contact Desiree Caufield, Manager, Data Analysis & Transparency, by email at desiree.caufield@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-8597, or at 512-936-8597.

Sincerely,

DocuSigned by:


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Will Counihan
Director
Data Analysis & Transparency

cc: Sara Leon, Leon Alcala, PLLC
Aric Mann, Targa Resources LLC
Dorothy Pearson, Targa Resources LLC
Mike Fry, KE Andrews

Amended Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller's economic impact analysis of Targa Downstream, LLC (project) applying to Barbers Hill Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Targa Downstream, LLC.

	Original	Amendment No. 1
Applicant	Targa Downstream LLC	Targa Downstream LLC
Tax Code, 313.024 Eligibility Category	Manufacturing	Manufacturing
School District	Barbers Hill ISD	Barbers Hill ISD
2020-2021 Average Daily Attendance	6,350	6,350
County	Chambers	Chambers
Proposed Total Investment in District	\$240,000,000	\$240,000,000
Proposed Qualified Investment	\$240,000,000	\$240,000,000
Limitation Amount	\$80,000,000	\$80,000,000
Qualifying Time Period (Full Years)	2024-2025	2024-2025
Number of new qualifying jobs committed to by applicant	12*	10*
Number of new non-qualifying jobs estimated by applicant	0	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,312.61	\$1,312.61
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,312.59	\$1,312.59
Minimum annual wage committed to by applicant for qualified jobs	\$68,255.50	\$68,255.50
Minimum weekly wage required for non-qualifying jobs	\$1,194.00	\$1,194.00
Minimum annual wage required for non-qualifying jobs	\$62,088.00	\$62,088.00
Investment per Qualifying Job	\$20,000,000	\$24,000,000
Estimated M&O levy without any limit (15 years)	\$29,619,756	\$29,957,579
Estimated M&O levy with Limitation (15 years)	\$16,420,032	\$16,757,855
Estimated gross M&O tax benefit (15 years)	\$13,199,724	\$13,199,724

*Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).

Table 2 is the estimated statewide economic impact of Targe Downstream, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2023	500	537	1037	\$20,000,000	\$57,600,000	\$77,600,000
2024	500	560	1060	\$20,000,000	\$67,780,000	\$87,780,000
2025	10	91	101	\$682,555	\$18,327,445	\$19,010,000
2026	10	55	65	\$682,555	\$12,987,445	\$13,670,000
2027	10	20	30	\$682,555	\$8,497,445	\$9,180,000
2028	10	6	16	\$682,555	\$5,987,445	\$6,670,000
2029	10	4	14	\$682,555	\$4,907,445	\$5,590,000
2030	10	9	19	\$682,555	\$4,807,445	\$5,490,000
2031	10	18	28	\$682,555	\$5,317,445	\$6,000,000
2032	10	27	37	\$682,555	\$6,157,445	\$6,840,000
2033	10	36	46	\$682,555	\$7,137,445	\$7,820,000
2034	10	43	53	\$682,555	\$8,177,445	\$8,860,000
2035	10	46	56	\$682,555	\$8,877,445	\$9,560,000
2036	10	49	59	\$682,555	\$9,597,445	\$10,280,000
2037	10	51	61	\$682,555	\$10,227,445	\$10,910,000
2038	10	52	62	\$682,555	\$10,807,445	\$11,490,000
2039	10	52	62	\$682,555	\$11,277,445	\$11,960,000

Source: CPA REMI, Targe Downstream, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Barbers Hill ISD I&S Tax Levy	Barbers Hill ISD M&O Tax Levy	Barbers Hill M&O and I&S Tax Levies	Chambers County Tax Levy	City of Mont Belvieu Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2698	0.8847		0.5395	0.4547	
2024	\$38,185,000	\$38,185,000		\$103,023	\$337,823	\$440,846	\$206,004	\$173,644	\$820,494
2025	\$240,000,000	\$240,000,000		\$647,520	\$2,123,280	\$2,770,800	\$1,294,776	\$1,091,388	\$5,156,964
2026	\$237,600,000	\$237,600,000		\$641,045	\$2,102,047	\$2,743,092	\$1,281,828	\$1,080,474	\$5,105,394
2027	\$235,200,000	\$235,200,000		\$634,570	\$2,080,814	\$2,715,384	\$1,268,880	\$1,069,560	\$5,053,825
2028	\$232,800,000	\$232,800,000		\$628,094	\$2,059,582	\$2,687,676	\$1,255,933	\$1,058,646	\$5,002,255
2029	\$230,400,000	\$230,400,000		\$621,619	\$2,038,349	\$2,659,968	\$1,242,985	\$1,047,732	\$4,950,685
2030	\$228,000,000	\$228,000,000		\$615,144	\$2,017,116	\$2,632,260	\$1,230,037	\$1,036,819	\$4,899,116
2031	\$225,600,000	\$225,600,000		\$608,669	\$1,995,883	\$2,604,552	\$1,217,089	\$1,025,905	\$4,847,546
2032	\$223,200,000	\$223,200,000		\$602,194	\$1,974,650	\$2,576,844	\$1,204,142	\$1,014,991	\$4,795,977
2033	\$220,800,000	\$220,800,000		\$595,718	\$1,953,418	\$2,549,136	\$1,191,194	\$1,004,077	\$4,744,407
2034	\$218,400,000	\$218,400,000		\$589,243	\$1,932,185	\$2,521,428	\$1,178,246	\$993,163	\$4,692,837
2035	\$216,000,000	\$216,000,000		\$582,768	\$1,910,952	\$2,493,720	\$1,165,298	\$982,249	\$4,641,268
2036	\$213,600,000	\$213,600,000		\$576,293	\$1,889,719	\$2,466,012	\$1,152,351	\$971,335	\$4,589,698
2037	\$211,200,000	\$211,200,000		\$569,818	\$1,868,486	\$2,438,304	\$1,139,403	\$960,421	\$4,538,128
2038	\$208,800,000	\$208,800,000		\$563,342	\$1,847,254	\$2,410,596	\$1,126,455	\$949,508	\$4,486,559
2039	\$206,400,000	\$206,400,000		\$556,867	\$1,826,021	\$2,382,888	\$1,113,507	\$938,594	\$4,434,989
			Total	\$9,135,927	\$29,957,579	\$39,093,506	\$18,268,129	\$15,398,507	\$72,760,142

Source: CPA, Targe Downstream, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Chambers County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Barbers Hill ISD I&S Tax Levy	Barbers Hill ISD M&O and I&S Tax Levies	Chambers County Tax Levy	City of Mont Belvieu Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2698	0.8847	0.5395	0.4547	
2024	\$38,185,000	\$38,185,000		\$103,023	\$337,823	\$440,846	\$206,004	\$173,644
2025	\$240,000,000	\$80,000,000		\$647,520	\$707,760	\$1,355,280	\$556,754	\$545,694
2026	\$237,600,000	\$80,000,000		\$641,045	\$707,760	\$1,348,805	\$551,186	\$540,237
2027	\$235,200,000	\$80,000,000		\$634,570	\$707,760	\$1,342,330	\$545,619	\$534,780
2028	\$232,800,000	\$80,000,000		\$628,094	\$707,760	\$1,335,854	\$540,051	\$529,323
2029	\$230,400,000	\$80,000,000		\$621,619	\$707,760	\$1,329,379	\$534,484	\$523,866
2030	\$228,000,000	\$80,000,000		\$615,144	\$707,760	\$1,322,904	\$528,916	\$518,409
2031	\$225,600,000	\$80,000,000		\$608,669	\$707,760	\$1,316,429	\$523,348	\$512,952
2032	\$223,200,000	\$80,000,000		\$602,194	\$707,760	\$1,309,954	\$517,781	\$507,495
2033	\$220,800,000	\$80,000,000		\$595,718	\$707,760	\$1,303,478	\$512,213	\$502,038
2034	\$218,400,000	\$80,000,000		\$589,243	\$707,760	\$1,297,003	\$506,646	\$496,582
2035	\$216,000,000	\$216,000,000		\$582,768	\$1,910,952	\$2,493,720	\$1,165,298	\$982,249
2036	\$213,600,000	\$213,600,000		\$576,293	\$1,889,719	\$2,466,012	\$1,152,351	\$971,335
2037	\$211,200,000	\$211,200,000		\$569,818	\$1,868,486	\$2,438,304	\$1,139,403	\$960,421
2038	\$208,800,000	\$208,800,000		\$563,342	\$1,847,254	\$2,410,596	\$1,126,455	\$949,508
2039	\$206,400,000	\$206,400,000		\$556,867	\$1,826,021	\$2,382,888	\$1,113,507	\$938,594
			Total	\$9,135,927	\$16,757,855	\$25,893,782	\$11,220,016	\$10,187,129
			Diff	\$0	\$13,199,724	\$13,199,724	\$7,048,113	\$5,211,378
								\$25,459,215

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Targe Downstream, LLC

*Tax Rate per \$100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller's determination that Targa Downstream, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2022	\$0	\$0	\$0	\$0
	2023	\$0	\$0	\$0	\$0
	2024	\$337,823	\$337,823	\$0	\$0
Limitation Period (10 Years)	2025	\$707,760	\$1,045,583	\$1,415,520	\$1,415,520
	2026	\$707,760	\$1,753,343	\$1,394,287	\$2,809,807
	2027	\$707,760	\$2,461,103	\$1,373,054	\$4,182,862
	2028	\$707,760	\$3,168,863	\$1,351,822	\$5,534,683
	2029	\$707,760	\$3,876,623	\$1,330,589	\$6,865,272
	2030	\$707,760	\$4,584,383	\$1,309,356	\$8,174,628
	2031	\$707,760	\$5,292,143	\$1,288,123	\$9,462,751
	2032	\$707,760	\$5,999,903	\$1,266,890	\$10,729,642
	2033	\$707,760	\$6,707,663	\$1,245,658	\$11,975,299
	2034	\$707,760	\$7,415,423	\$1,224,425	\$13,199,724
Maintain Viable Presence (5 Years)	2035	\$1,910,952	\$9,326,375	\$0	\$13,199,724
	2036	\$1,889,719	\$11,216,094	\$0	\$13,199,724
	2037	\$1,868,486	\$13,084,580	\$0	\$13,199,724
	2038	\$1,847,254	\$14,931,834	\$0	\$13,199,724
	2039	\$1,826,021	\$16,757,855	\$0	\$13,199,724
Additional Years as Required by 313.026(c)(1) (10 Years)	2040	\$1,804,788	\$18,562,643	\$0	\$13,199,724
	2041	\$1,783,555	\$20,346,198	\$0	\$13,199,724
	2042	\$1,762,322	\$22,108,520	\$0	\$13,199,724
	2043	\$1,741,090	\$23,849,610	\$0	\$13,199,724
	2044	\$1,719,857	\$25,569,467	\$0	\$13,199,724
	2045	\$1,698,624	\$27,268,091	\$0	\$13,199,724
	2046	\$1,677,391	\$28,945,482	\$0	\$13,199,724
	2047	\$1,656,158	\$30,601,640	\$0	\$13,199,724
	2048	\$1,634,926	\$32,236,566	\$0	\$13,199,724
	2049	\$1,613,693	\$33,850,259	\$0	\$13,199,724
		\$33,850,259	is greater than	\$13,199,724	
Analysis Summary					
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?					Yes

Source: CPA, Targa Downstream, LLC

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.