



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

September 15, 2023

AMENDED COMPLETENESS,
CERTIFICATE & AGREEMENT
APPROVAL

Jan McCown
Superintendent
Stanton Independent School
District PO Box 730
Stanton, TX 79782

Re: Amendment Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Stanton Independent School District and Brazos Midland, LLC, Application 1924

Dear Superintendent McCown:

This application (Application 1924) was originally submitted on May 17, 2022, to the Stanton Independent School District (school district) Brazos Midland, LLC (applicant) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ On October 11, 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 November 30, 2022. The applicant and school district executed an agreement for a limitation on appraised value (agreement) on December 22, 2022.

On August 23, 2023, the Comptroller received an amendment to the agreement to update reinvestment zone map 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 C; 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 C.

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)(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.

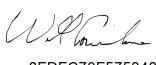
The Comptroller's review of the amended application and amended agreement assumes the accuracy and completeness of the statements in the amendment. If the amendment is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (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, 2023**.

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 John Villarreal, Manager, Data Analysis & Transparency, by email at john.villarreal@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 3-5241, or at 512-463-5241.

Sincerely,

DocuSigned by:

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Will Counihan
Director
Data Analysis & Transparency

cc: Mali Hanley, O'Hanlon, McCollom, Demerath
William Butler, Brazos Midland LLC
John Billingsley, Brazos Midland LLC
William Presson, Merit Advisors, LLC

Amended Attachment A - Economic Impact Analysis

The following tables summarize the Comptroller's economic impact analysis of Brazos Midland, LLC (project) applying to Stanton 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 Brazos Midland, LLC.

	Original	Amendment No. 1
Applicant	Brazos Midland, LLC	Brazos Midland, LLC
Tax Code, 313.024 Eligibility Category	Manufacturing	Manufacturing
School District	Stanton ISD	Stanton ISD
2020-2021 Average Daily Attendance	981	981
County	Martin	Martin
Proposed Total Investment in District	\$100,000,000	\$100,000,000
Proposed Qualified Investment	\$100,000,000	\$100,000,000
Limitation Amount	\$30,000,000	\$30,000,000
Qualifying Time Period (Full Years)	2023-2024	2023-2024
Number of new qualifying jobs committed to by applicant	5*	5*
Number of new non-qualifying jobs estimated by applicant	0	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,029	\$1,029
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,029	\$1,029
Minimum annual wage committed to by applicant for qualified jobs	\$53,482	\$53,482
Minimum weekly wage required for non-qualifying jobs	\$1,117.00	\$1,117.00
Minimum annual wage required for non-qualifying jobs	\$58,084	\$58,084
Investment per Qualifying Job	\$20,000,000	\$20,000,000
Estimated M&O levy without any limit (15 years)	\$8,921,940	\$8,921,940
Estimated M&O levy with Limitation (15 years)	\$4,592,175	\$4,592,175
Estimated gross M&O tax benefit (15 years)	\$4,329,765	\$4,329,765

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