

## Project Overview

Affiliated School District  
Point Isabel ISD

Project in Multiple ISD  
Yes

## Company Information

Company Legal Name  
Saronic Technologies, Inc.

Texas Taxpayer I.D.  
32086827782

NAICS Code  
336611

Form of Business  
Ship Building and Repairing

Current on Tax Payment to the State of Texas?  
Yes

## Company Address

Street Address  
400 Industrial Blvd

City  
Austin

State  
TX

Zip Code  
78745

## Parent Company Information

No Information provided

## Parent Company Address

No Information provided

## Authorized Company Representative

Full Name  
Natalie Wiegand

Title  
Vice President of Operations

Organization  
Saronic Technologies, Inc.

Phone Number  
650-847-8485

Email Address  
natalie@saronic.com

Street Address  
400 Industrial Blvd

City	State	Zip Code
Austin	TX	78745

## 2nd Authorized Company Representative

Full Name		
Luke Schwoch		
Title	Organization	
Senior Director of Tax & Treasury	Saronic Technologies, Inc.	
Phone Number	Email Address	
512-826-6371	luke@saronic.com	
Street Address		
400 Industrial Blvd		
City	State	Zip Code
Austin	TX	78745

## Authorized Company Consultant

Full Name	
Ann Marie Collins	
Title	Organization
Vice Chairman	Savills, Inc.
Phone Number	Email Address
214-244-5442	acollins@savills.us

## Authorized School District Representative

Full Name	
Teri Capistran	
Title	Organization
Superintendent	Point Isabel ISD
Phone Number	Email Address
956-943-0000	tcapistran@pi-isd.net

## Authorized School District Consultant

No Information provided

## Project Information

County Name	County Population
Cameron	420,000

Minimum Investment Required	Required No. of New Jobs	Property Activity
\$100 million	50 Jobs	Manufacturing Facility

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

Indicate which zone the land on which proposed new construction or new improvements is located

Enterprise Zone under Government Code Chapter 2303

Zone Name

48061012700

Will any of the proposed required investment be leased under a capitalized lease?

Yes

### Compelling Factors

Has the applicant entered into any agreements, contracts or letters of intent related to this project?

No

Has the applicant made any publicly available statements regarding the proposed project?

No

Has the applicant applied for or received any federal, state or local permits for activities at the proposed project site?

No

### Grants and Loans

Program Name	Proposed/Requested Amount
Texas Enterprise Fund	100,000,000

### Taxing Entities

Entity Type	Entity Name	Tax Rate	Percentage
M&O (ISD)	Point Isabel ISD	0.6798	100
County	Cameron	0.424393	100
Other	TX Southmost College	0.111809	100
Other	Emergency Service District #1	0.062736	100
Other	Brownsville Navigation District	0.025589	100
I&S (ISD)	Point Isabel ISD	0.0505	100

### Tax Abatements

Entity Type	Tax Abatement Description	Percentage	Start Year	End Year
County	Chapter 312	100	2035	2044

### Project Timeline

Projected commencement year of construction \*

2033

Projected completion year of construction \*

2034

Projected commencement year of commercial operations

2034

First year of the incentive period

2035

Last year of the incentive period

2044

## Opportunity Zone

Is the project located on a Qualified Opportunity Zone as designated by the United States Treasury?

Yes

Did the Applicant consider locating the proposed project in a Qualified Opportunity Zone?

Yes

## Schedule A

Tax Year	Column A: Planned Investment	Column B: New Eligible Investment	Column C: Total investment
2033	\$ 0	\$ 251,700,000	\$ 251,700,000
2034	\$ 0	\$ 30,000,000	\$ 30,000,000
<b>Total Investments</b>			<b>\$ 281,700,000</b>

## Schedule B - Construction Period

Project Year	Tax Year	Land Market Value	Eligible Property Taxable Value	I&S Final JETI Taxable Value	M&O Final JETI Taxable Value
1	2033	\$36,468,387	\$0	\$36,468,387	\$36,468,387
2	2034	\$36,468,387	\$251,700,000	\$288,168,387	\$36,468,387

## Schedule B - Incentive Period

Project Year	Tax Year	Land Market Value	Eligible Property Taxable Value	I&S Final JETI Taxable Value	M&O Final JETI Taxable Value
3	2035	\$36,468,387	\$286,734,000	\$323,202,387	\$108,151,887
4	2036	\$40,115,226	\$292,468,680	\$332,583,906	\$113,232,396
5	2037	\$40,115,226	\$298,318,054	\$338,433,280	\$114,694,740
6	2038	\$40,115,226	\$304,284,415	\$344,399,641	\$116,186,330
7	2039	\$40,115,226	\$310,370,103	\$350,485,329	\$117,707,752

8	2040	\$40,115,226	\$316,577,505	\$356,692,731	\$119,259,602
9	2041	\$40,115,226	\$322,909,055	\$363,024,281	\$120,842,490
10	2042	\$40,115,226	\$329,367,236	\$369,482,462	\$122,457,035
11	2043	\$40,115,226	\$335,954,581	\$376,069,807	\$124,103,871
12	2044	\$40,115,226	\$342,673,673	\$382,788,899	\$125,783,644

### Schedule B - Post Incentive Period

Project Year	Tax Year	Land Market Value	Eligible Property Taxable Value	I&S Final JETI Taxable Value	M&O Final JETI Taxable Value
13	2045	\$40,115,226	\$349,527,146	\$389,642,372	\$389,642,372
14	2046	\$44,126,748	\$356,517,689	\$400,644,437	\$400,644,437
15	2047	\$44,126,748	\$363,648,043	\$407,774,791	\$407,774,791
16	2048	\$44,126,748	\$370,921,004	\$415,047,752	\$415,047,752
17	2049	\$44,126,748	\$378,339,424	\$422,466,172	\$422,466,172
18	2050	\$44,126,748	\$385,906,212	\$430,032,960	\$430,032,960
19	2051	\$44,126,748	\$393,624,336	\$437,751,084	\$437,751,084
20	2052	\$44,126,748	\$401,496,823	\$445,623,571	\$445,623,571

### Wage Requirements

Wage NAICS Code

336611

Indicate the NAICS level used

County

Texas Workforce Commission Quarterly Census of Employment and Wages Area

Cameron

### Annual Wages

Wage Reporting Year	Wage Reporting Quarter	Average Weekly Wage
2024	Q3	\$848.00
2024	Q4	\$901.00
2025	Q1	\$889.00
2025	Q2	\$896.00
Average Annual Wage: \$45,942		110% of Average Annual Wage: \$50,536

## Required Documents

Category	Name	Type
Description of Project	Description-of-Project+-Description-of-Eligible-Property.pdf	Required
Description of Eligible Property	JETI-Description-of-Eligible-Property-Phase-4.pdf	Required
Economic Benefit Statement	Economic-Benefit-Statement-for-JETI-Application-of-Project-Gondor-Phase-4,-1-23-26.pdf	Required
Limitation as Compelling Factor	JETI-Limitation-As-Compelling-Factor-Confidential.pdf	Confidential
Limitation as Compelling Factor	JETI-Limitation-As-Compelling-Factor-Public.pdf	Required
Legal Description of the Real Property	JETI-Legal-Descriptions.pdf	Required
Description of Ineligible Property	Ineligible-Property-Map-Phase-4.pdf	Required
Map of Project	Map-of-Project,-PIISD,-County,-Zones-Phase-4.pdf	Required
Map of Multiple ISDs	JETI-Map-of-Multiple-ISDs.pdf	Required
Required Fee	CONFIDENTIAL-Phase-4-JETI-Fee.pdf	Confidential
Sworn Affidavit	JETI-Sworn-Affidavit-Notarized.pdf	Required

## Authorized Company Representative (Applicant) Signature

Signature

Natalie Wiegand

Date

Fri Dec 19 2025

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)*

## **DESCRIPTION OF PROJECT**

## Description of Project Hercules – Phase 4

Project Hercules is a proposed greenfield, large-scale shipbuilding and maritime industrial facility designed to support the serial construction, integration, and launch of ships in a controlled, high-throughput production environment. The project will support new vessel construction, with flexibility to accommodate maintenance, repair, and overhaul (MRO) activities.

The facility will be structured around modular and block-based shipbuilding, emphasizing enclosed fabrication, land-level erection, and modern material handling systems. Development is planned in phases, allowing capacity, automation, and workforce levels to scale in alignment with market demand and program requirements.

Primary activities at the site will include:

- Steel fabrication and welding
- Assembly of panels, sub-assemblies, and large structural blocks
- Hull erection and integration at land level
- Surface preparation, blasting, and coating
- Machinery installation and outfitting
- Vessel launch
- Final testing, commissioning, and delivery via waterfront infrastructure
- 

### Job Creation

Phase 4 of the 4-Phase Project Hercules is expected to create 1,424 new jobs—totaling 10,000 jobs between Phases 1, 2, 3 and 4.

### Capital Investment

Phase 4 of the 4-Phase Project Hercules is expected to include real and personal property capital investments of approximately \$281 million—totaling approximately \$3.25 billion over Phases 1, 2, 3, and 4.

### Map of Phase 4:



# **LEGAL DESCRIPTION OF THE REAL PROPERTY**

# Legal Description of the Real Property

Project is located in a portion of a Parcel that does not have an address as it is an unimproved site.

The parcel that contains the project boundaries can be identified in the Cameron County Appraisal District's property search website under PROPERTY ID: 171770, GEOGRAPHIC ID: 82-3000-3000-1000-00.

The legal descriptions in the following pages were provided by the Port of Brownsville, the owner of the property at the time of application.

Project Hercules and the Port may provide an updated Legal Description at a later date.

THE STATE OF TEXAS: I HEREBY certify that the above described premises are the property of

COUNTY OF CAMERON: I HEREBY certify that the above described premises are the property of

File No. 1604

WHEREAS, the Brownsville Navigation District of Cameron County, Texas has by deed of even date herewith conveyed to Alfonso A. Champion that certain tract, piece or parcel of land comprising 57.9 acres, more or less, out of and a part of Share Five (5) of the San Martin Grant, in Cameron County, Texas, and described by metes and bounds in said deed, in consideration of the conveyance hereinafter made; Now, Therefore, therefore

KNOW ALL MEN BY THESE PRESENTS: That ALFONSO A. CHAMPION and ISABEL CRIKELL CHAMPION, husband and wife, of the County of Cameron and the State of Texas, for and in consideration of the aforesaid conveyance, the receipt and sufficiency of which is hereby acknowledged, HAVE GRANTED, SOLD and CONVEYED, and do hereby GRANT, SELL and CONVEY unto the BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS, a navigation district having its domicile in Brownsville, Cameron County, Texas, except as below stated, all that certain tract, piece or parcel of land lying and being situated in Share Five (5) of the San Martin Grant in Cameron County, Texas, and being more fully described as follows:

BEGINNING at a 2" pipe for a point for the SE corner of the tract which is located N 17° 02' 30" W 849.6' from a 4 x 4 concrete monument on the common boundary line between Share 4 and Share 5, San Martin Grant and the North ROW line of State Highway 4;

THENCE N 87° 45' 15" W 1235.9' to a two inch pipe for the SW corner of this tract, (being also the NE corner of the tract traded to Champion by the BND);

THENCE N 17° 02' 30" W 4367.4' to a point for a corner, said point being the SW corner of a 102 acre tract conveyed to the Brownsville Navigation District by Jack A. and Eleanor A. Herwig by a deed dated 30th July 1958 and recorded in Cameron County deed records Vol. 660 Pages 342-344;

THENCE, S 36° 25' E 3516.8' along the South boundary of the aforementioned tract to a point for the NE corner;

THENCE S 17° 02' 30" E 1458.6' along the common boundary between Share 4 and Share 5 of the San Martin Grant to the point of beginning;

The area being 78.0 acres, more or less.

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TO HAVE AND TO HOLD the above described premises together with  
all and singular the rights and appurtenances thereto in anywise belong-  
ing unto the said BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS,  
its successors and assigns, forever; and we do hereby bind ourselves, our  
heirs, executors and administrators to warrant and forever defend all and  
singular the said premises unto the said BROWNSVILLE NAVIGATION DISTRICT  
OF CAMERON COUNTY, TEXAS, its successors and assigns, against every per-  
son whomsoever lawfully claiming or to claim the same or any part thereof.

Out of the grant hereby made there is, however, excepted and  
reserved to the Grantors herein, their heirs and assigns, all oil, gas  
and other minerals in, on and under and that may be produced from the pre-  
mises above described, and it is understood and agreed that the Grantors,  
their heirs and assigns, shall have, and they hereby have, the right and  
power to take all usual, necessary and convenient means for working, get-  
ting, drilling for, laying up, dressing, making merchantable and taking  
away said minerals, including the right and power at any and all times  
to grant oil, gas and mineral leases and to enter into development con-  
tracts therein or with respect thereto.

WITNESS our hands, on this, the 2nd day of August, A. D. 1967.

s/ Alfonso A. Champion  
Alfonso A. Champion

s/ Isabel Crixell Champion  
Isabel Crixell Champion

THE STATE OF TEXAS    |  
COUNTY OF CAMERON    |

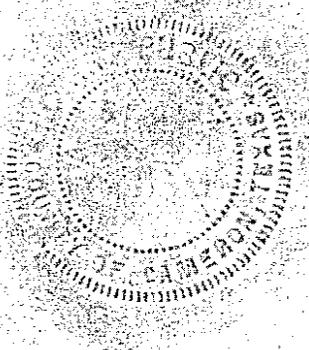
BEFORE ME, the undersigned authority, on this day personally  
appeared ALFONSO A. CHAMPION and ISABEL CRIXELL CHAMPION, his wife, both  
known to me to be the persons whose names are subscribed to the foregoing  
instrument, and acknowledged to me that they each executed the same for  
the purposes and consideration therein expressed, and the said ISABEL  
CRIXELL CHAMPION, wife of ALFONSO A. CHAMPION, having been examined by

1604

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me privily and apart from her husband, and having the same fully explained to her, she, the said ISABEL CRIXELL CHAMPION, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

<sup>August</sup> GIVEN under my hand and seal of office, on this, the 2nd day of ~~June~~, A. D. 1967.



*George E. Metzenthin*

Notary Public in and for Cameron County, Texas *George E. Metzenthin*  
My commission expires 6/1/69.

THE STATE OF TEXAS X 17° 02' 30" E 876' to E 2' W 4

COUNTY OF CAMERON X

File No. 1605

WHEREAS, Alfonso A. Champion and Isabel Crixell Champion, hus-

band and wife, of the County of Cameron and State of Texas, has by deed of the highway and the highway to the corner to the of even date herewith conveyed to the Brownsville Navigation District of

Cameron County, Texas that certain tract, piece or parcel of land compris-

ing 78.0 acres, more or less, out of and a part of Share Five (5) of the

San Martin Grant, in Cameron County, Texas, and described by metes and

bounds in said deed, in consideration of the conveyance hereinafter made; Now, Therefore,

KNOW ALL MEN BY THESE PRESENTS: That the BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS, a navigation district having its domicile in Brownsville, Cameron County, Texas, for and in consideration of the aforesaid conveyance, the receipt and sufficiency of which is hereby acknowledged, HAS GRANTED, SOLD and CONVEYED, and by these presents DOES

GRANT, SELL and CONVEY unto ALFONSO A. CHAMPION, of the County of Cameron and the State of Texas, except as below stated, all that certain tract, piece or parcel of land lying and being situated in Share Five (5) of the San Martin Grant in Cameron County, Texas, and being more fully described as follows:

BEGINNING at a point that is the SE corner of the tract, and is located S 78° 17' 30" W 1164.5' from the intersection of the East line of Share 5 and the West line of Share 4 with the center line of State Highway 4. Said intersection is marked by a bolt and is S 17° 02' 30" E 50.4' from a 4 x 4 concrete monument on the North ROW line of State Highway 4 and on the common boundary line between Share 4 and Share 5;

TENENCE N 17° 02' 30" W 1006' to a 4 x 4 concrete monument and N 17° 02' 30" W 203.9' to a 2" pipe and the NE corner of this tract;

TENENCE N 54° 32' 15" W 1998.2' to a 4 x 4 concrete monument for the NW corner;

TENENCE S 17° 02' 30" E 988' to a 4 x 4 concrete monument;

TENENCE S 17° 02' 30" E 1000' to a 4 x 4 concrete monument;

Post-It brand fax transmittal memo 7671 # of pages ▶
To MARY DOZIER From V. MARTINEZ
Co. Co.
Dept. Phone # 831-4592
Fax # 1-512-882-2162 Fax # 831-5006

29. 2, 1967

THENCE S 17° 02' 30" E 976' to a 4 x 4 concrete monument on the North ROW line of State Highway 4;  
THENCE S 17° 02' 30" E 51.7' to a bolt on the centerline of State Highway 4 for the SW corner of the tract;

THENCE N 58° 17' 30" E 1004.3' along the centerline of the highway and the tangent to the curve to the P. 1 of said curve for a point;

THENCE N 78° 17' 30" E 245.3' to the point of beginning;

The area being 57.9 acres, more or less.

TO HAVE AND TO HOLD the above described premises together with all and singular the rights and appurtenances thereto in anywise belonging unto the said ALFONSO A. CHAMPION, his heirs and assigns, forever;

and the said BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS does hereby bind itself, its successors and assigns to warrant and forever defend all and singular the said premises unto the said ALFONSO A. CHAMPION, his heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Out of the grant hereby made there is, however, excepted and reserved to the Grantor herein, its successors and assigns, all oil, gas and other minerals in, on and under and that may be produced from the premises above described, and it is understood and agreed that the Grantor, its successors and assigns, shall have, and it hereby has, the right and power to take all usual, necessary and convenient means for working, getting, drilling for, laying up, dressing, making merchantable and taking away said minerals, including the right and power at any and all times to grant oil, gas and mineral leases and to enter into development contracts therein or with respect thereto.

It is, however, understood and agreed that out of the property above conveyed there is also hereby excepted and reserved unto the Grantor, its successors and assigns, an easement for a roadway 100' in width and extending along the entire west boundary of the tract above described, the west boundary line of said tract being the west boundary line of said roadway.

1605

IN TESTIMONY WHEREOF, the said BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS has caused these presents to be executed by its proper officers thereunto duly authorized, on this, the 2nd day of ~~June~~ <sup>August</sup>, A. D. 1967.

BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS

ATTEST:

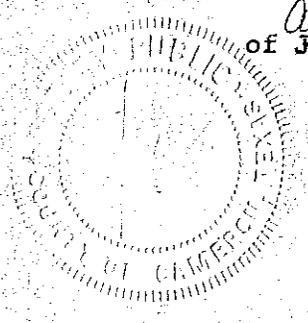
James R. Bell  
Secretary

BY Ygnacio Garza, Jr.  
Ygnacio Garza, Jr., Chairman of the Board of Navigation and Canal Commissioners of the Brownsville Navigation District of Cameron County, Texas

THE STATE OF TEXAS    I  
COUNTY OF CAMERON    I

BEFORE ME, the undersigned authority, on this day personally appeared YGNACIO GARZA, JR., known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be Chairman of the Board of Navigation and Canal Commissioners of the Brownsville Navigation District of Cameron County, Texas, a municipal corporation, and acknowledged to me that he executed the same as the act and deed of said corporation, in his official capacity as stated, under the seal thereof, for the purposes and consideration therein expressed.

~~June~~ <sup>August</sup> GIVEN under my hand and seal of office, on this, the 2nd day of ~~June~~ <sup>August</sup>, A. D. 1967.



Betty V. Houghtaling  
Notary Public in and for  
Cameron County, Texas  
My commission expires 6/1/69.

THE STATE OF TEXAS  
COUNTY OF CAMERON  
File No. 1606

WHEREAS, the United States of America, in cooperation with the  
Brownsville Navigation District of Cameron County, Texas, is carrying on  
the work of constructing, improving and maintaining a channel from Brazos  
Santiago Pass to and including a turning basin in the vicinity of Brownsville, Texas; and

WHEREAS, the said parties desire to secure, for the purpose of  
depositing spoils from said ship channel, an easement over and on cer-  
tain lands in Cameron County, Texas, owned by the grantors herein and  
hereinafter more particularly described:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That We, ALFONSO  
A. CHAMPION and ISABEL CRICKELL CHAMPION, husband and wife, of Brownsville,  
Cameron County, Texas, for and in consideration of the benefits accrued and  
to accrue to us from the construction, maintenance and improvement of said  
ship channel and turning basin and of other consideration received by us  
from the Brownsville Navigation District of Cameron County, Texas, the re-  
ceipt and sufficiency of which is hereby acknowledged and confessed, HAVE  
GRANTED, SOLD and CONVEYED and DO hereby GRANT, SELL and CONVEY to the  
said BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS, its succes-  
sors and assigns a permanent and perpetual easement and right to deposit  
all spoil or other matter excavated or removed from said ship channel for  
the proper care and maintenance thereof, and any future excavations neces-  
sary for the deepening and widening of such channel and such excavation  
as may be necessary for the proper care and maintenance of such channel  
as so widened and deepened in, upon and across the following described  
tract, piece or parcel of land lying and being situated in Share Five (5)  
of the San Martin Grant in the County of Cameron, State of Texas, describ-  
ed as follows, to-wit:

BEGINNING at a point that is the SE corner of the tract  
and is located S 78° 17' 30" W 1164.5' from the inter-  
section of the East line of Share 5 and the West line

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PGS. 207-210

of Share 4 with the center line of State Highway 4. Said intersection is marked by a bolt and is S 17° 02' 30" E 50.4' from a 4 x 4 concrete monument on the North ROW line of State Highway 4 and on the common boundary line between Share 4 and Share 5;

THENCE N 17° 02' 30" W 1006' to a 4 x 4 concrete monument and N 17° 02' 30" W 203.9' to a 2" pipe and the NE corner of this tract;

THENCE N 54° 32' 15" W 1998.2' to a 4 x 4 concrete monument for the NW corner;

THENCE S 17° 02' 30" E 988' to a 4 x 4 concrete monument;

THENCE S 17° 02' 30" E 1000' to a 4 x 4 concrete monument;

THE STATE OF TEXAS  
COUNTY OF CAMERON

THENCE S 17° 02' 30" E 976' to a 4 x 4 concrete monument on the North ROW line of State Highway 4;

THENCE S 17° 02' 30" E 51.7' to a bolt on the centerline of State Highway 4 for the SW corner of the tract; and

THENCE N 58° 17' 30" E 1004.3' along the centerline of the highway and the tangent to the curve to the P. 1 of said curve for a point; and

THENCE N 78° 17' 30" E 245.3' to the point of beginning;

The area being 57.9 acres, more or less.

And these grantors do hereby expressly release said Brownsville

Navigation District of Cameron County, Texas, its successors and assigns and its officers, agents and contractors from liability for any and all damages done or caused to be done and from any claim or demand of any kind whatsoever from injuries suffered or done to said lands and premises, by reason of the deposit of such spoils or other matter.

TO HAVE AND TO HOLD the said rights and easements perpetually unto the said BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS, its successors and assigns, forever; and we do hereby bind ourselves, our heirs, executors and administrators, to warrant and forever defend all and singular the said easement and right above granted unto the said BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESS our hands, on this, the 2nd day of June, A. D. 1967.

File No. 1605

Alfonso A. Champion and Isabel Crixell Champion, his  
husband and wife, of the County of Cameron, Texas  
of even date heretofore conveyed to the Brownsville Navigation District of  
Cameron County, Texas that certain tract, piece or parcel of land compris-  
ing 7.14 acres, more or less, of the same Part C, Block (5) of the  
San Martin Street, in Assessed Block Isabel Crixell Champion  
being in said block, in consideration of the conveyance heretofore made

THE STATE OF TEXAS X  
COUNTY OF CAMERON X

BEFORE ME, the undersigned authority, on this day personally  
appeared ALFONSO A. CHAMPION and ISABEL CRIXELL CHAMPION, his wife, both  
known to me to be the persons whose names are subscribed to the foregoing  
instrument, and acknowledged to me that they each executed the same for  
the purposes and consideration therein expressed, and the said ISABEL  
CRIXELL CHAMPION, wife of ALFONSO A. CHAMPION, having been examined by  
me privily and apart from her husband, and having the same fully explained  
to her, she, the said ISABEL CRIXELL CHAMPION, acknowledged such instrument  
to be her act and deed, and she declared that she had willingly signed the  
same for the purposes and consideration therein expressed, and that she  
did not wish to retract it.

GIVEN under my hand and seal of office, on this, the 2nd day  
of June, A. D. 1967.

George Metzger  
Notary Public in and for

Cameron County, Texas  
My commission expires 6/1/69.

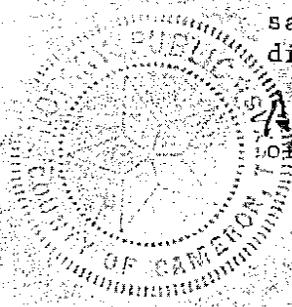
WITNESS our hands, on this, the 2nd day of August A. D. 1967.

Alfonso A. Champion  
Alfonso A. Champion

Isabel Crixell Champion  
Isabel Crixell Champion

THE STATE OF TEXAS X  
COUNTY OF CAMERON X

BEFORE ME, the undersigned authority, on this day personally appeared ALFONSO A. CHAMPION and ISABEL CRIXELL CHAMPION, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said ISABEL CRIXELL CHAMPION, wife of ALFONSO A. CHAMPION, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said ISABEL CRIXELL CHAMPION, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.



August GIVEN under my hand and seal of office, on this, the 2nd day of August, A. D. 1967.

George E. Metzger  
Notary Public in and for  
Cameron County, Texas  
My commission expires 6/1/69.



(1245)

104, 161.25 2, 289, 920.24  
102 AC. IN 1/4 E. MERWIS TO BND  
NW COR. 7/30/58 VOL 460 PP. 342-447

1/4 AC. IN 1/4 E. MERWIS TO BND  
NW COR. 7/30/58 VOL 460 PP. 342-447

78 Acres  
111, 332.34  
2, 310.007.70

109, 984.22  
2, 311, 203.22

109, 937.78  
2, 392, 335.17

NE CORNER TRACT TRADED  
TO CHAMPION BY BND

N 87° 45' 15" W  
1235.9'

MONUMENT

N 17° 02' 30" W  
849.6'

N. T. S.

EASEMENT - CONTRACT NO. 2076  
APRIL 16, 1977

SHARE 5: A.A. CHAMPION TO BND 8-2-67	
SCALE: 1" = 2000'	DWN BY WWL
DATE: 6-9-77	AA CHAMPION DEED FILE F-002
DWG. NO. 1839 P. 10 F. 7	PAGE 1 OF 2

9  
#4129.

MARY GERHARD WILSON

TO

BROWNSVILLE NAVIGATION  
DISTRICT OF CAMERON  
COUNTY, TEXAS.

WARRANTY D E E D.  
Dated: March 4th. 1953.  
Filed: March 9th. 1953.  
Recorded : Vol. 554 pp.  
341-343. Deed Records.  
Cameron County, Texas.

---oOo---

THE STATE OF TEXAS )

COUNTY OF CAMERON )

KNOW ALL MEN BY THESE PRESENTS: That I, Mary Gerhard Wilson a feme sole of Los Angeles County, California, for and in consideration of the sum of Ten and no/100 (\$10.00) Dollars and other good, valuable and sufficient consideration cash to me in hand paid by the Brownsville Navigation District of Cameron County, Texas, the receipt and sufficiency of which are hereby acknowledged and confessed, HAVE GRANTED, SOLD and CONVEYED and by these presents DO GRANT, SELL and CONVEY unto the said Brownsville Navigation District of Cameron County, Texas, a municipal corporation organized, created and existing under and by virtue of the laws of the State of Texas, and having its domicile in Brownsville, Cameron County, Texas, all that certain tract, piece or parcel of land out of and a part of the West 500 acres of a certain 1000 acres tract out of Sub-Share 1 of Partition Share 5 of the San Martin Grant in Cameron County, Texas, and being more particularly described by metes and bounds as follows, to-wit:

Beginning at a 4" x 4" concrete post set in the South easement line of Brownsville Navigation District for the Northeast corner of the tract herein described; said post being S. 58 deg. 16 min. W. 1,206.1 feet from a 4" x 4" concrete post set in the East line of Partition Share 5 (Private Survey 602) and West line of Partition

Share 4 (Private Survey 603) at intersection with South easement line of Brownsville Navigation District, which said concrete post is N. 17 deg. 02½ min. W. 15,816.9 feet from a 4" x 4" concrete post at the Southeast corner of said Partition Share 5 near Caja Pinta Banco #80;

Thence S. 17 deg. 02½ min. E. 1,166.7 feet from and parallel to East line of said Partition Share 5,  
at 1,776.0 feet a 4" x 4" concrete post set on line;  
at 3,776.0 feet a 4" x 4" concrete post set on line;  
at 5,776.0 feet a 4" x 4" concrete post set on line;  
at 6,576.0 feet a 4" x 4" concrete post set on line;  
at 7,521.9 feet a 4" x 4" concrete post set on line  
in North right-of-way line of Boca Chica Highway, and at 7,572.1 feet a bolt set in centerline of 18-foot concrete pavement, 7.3 feet southwesterly from point of curve in said Highway for the Southeast corner of the tract herein described;

Thence along the centerline of said Highway in a southwesterly direction, on the arc of a 4 deg. curve to the left, having a central angle of 20 deg. 0 min. and a radius of 1,432.5 feet, a distance of 492.7 feet to the end of said curve;

Thence S. 58 deg. 17½ min. W. along centerline of said Highway, a distance of 751.7 feet to a bolt set in centerline of said Highway for the Southwest corner of the tract herein described;

Thence N. 17 deg. 02½ min. W. along the West line of East 1,000 acre tract of Partition Share 1 of Partition Share 5 and East line of the Ellen Gerhard 400 acre tract in said Partition Share 1 of Partition Share 5, at 51.7 feet a 4" x 4" concrete post set in North right-of-way

line of Boca Chica Highway;

at 1,027.8 feet a 4" x 4" concrete post set on line;

at 2,027.8 feet a 4" x 4" concrete post set on line;

at 3,016.7 feet a 4" x 4" concrete post set on line,

said post being also the Northeast corner of the said Ellen Gerhard

400 acre tract out of said Partition Share 1 of Partition Share 5,

at 4,027.8 feet a 4" x 4" concrete post set on line, at 6,027.8

feet a 4" x 4" concrete post set on line, and at 7,484.8 feet a 4"

x 4" concrete post set in South easement line of Brownsville Naviga-

tion District, for the Northwest corner of tract herein described;

Thence N. 56 deg. 16 min. E. along said South easement line,

1,320 feet from and parallel to centerline of Brownsville Ship

Channel, a distance of 1,257.0 feet to the place of beginning.

CONTAINING 209.28 acres of land, more or less.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Brownsville Navigation District of Cameron County, Texas, its successors or assigns, forever; and I do hereby bind myself, my heirs, executors and administrators, to warrant and forever defend all and singular the said premises unto the said Brownsville Navigation District of Cameron County, Texas, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESS my hand this 4 day of March, 1953.

(2-\$1.00, 1-50¢, 2-10¢ & 1-05¢)  
(Doc. Rev. Stamps duly cancelled)

Mary Gerhard Wilson  
Mary Gerhard Wilson

THE STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES )

BEFORE ME, the undersigned authority, on this day personally appeared MARY GERHARD WILSON, a feme sole, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this the 4 day of March A. D. 1953.

(L.S.)

Bertha Knight

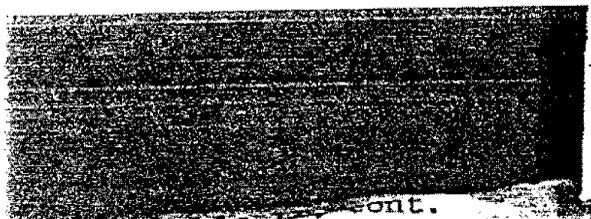
Notary Public in and for

My commission expires February 5, 1955.

Los Angeles County,

California.

Filed for record at 3:35 o'clock P. M., Mar. 9, 1953 and duly recorded Mar. 10, 1953 at 2:38 o'clock P. M., H. D. Seago, Clerk County Court, Cameron County, Texas. By Eva Rendon, Deputy.



cont.

4-H	½-mile strip on channel from east line Share 5 west to patent line	159.5	Clear title as is also in Patent 68	BND with some reservations	Title cleared after 23 deeds
4-C & D	Area east of Hansen line in Patent 68	509.88	Of the total of 842.28; fee on 175.59; spoil & utility easement on 666.69 acres	None	About 509.88 acs. included in patent 68 land. 130.5 acs. apparent vacancy. On 334.29 acs. we traded patent rights to Garcia interests for spoil & utility easement
5-A, B and C	Area east of Hansen line not in Patent 68	332.40		None	
6	Shares 3 & 4 around San Martin Lake	1498.1	Permanent restricted easement for waste, water, etc.	None	We have clear title as previous owner had vacancy & Spanish title
7	Triangular area south of ship channel & along east line of Share 5	102.2	Spanish title on quit claim deed	BND	Title in conflict with Esperson
8	Share 5 area inside of patent land area.	2770.52	Spanish title on all of this land from Herwig, et al. Patent title from Espersons on 924.5 acs. around lake.	None	Clear title on the 924.5 acs. Balance of area in conflict
9	Part of Share 6 that is included in the patent land area	840.0	We hold warranty deed from Vista Del Mar. Patent land to Esperson	None	Attorney says we acquired complete title from Vista Del Mar.
10	Triangular shaped area south of ship channel and in 209.28 ac. tract from Gerhards	14.8	We have Spanish title from Gerhards. Patent title still with Espersons	BND	No restrictions under our title

10



5-9

BNA # 1168

#4129.

MARY GERHARD WILSON

TO

BROWNSVILLE NAVIGATION  
DISTRICT OF CAMERON  
COUNTY, TEXAS.

WARRANTY D E E D.

Dated: March 4th. 1953.  
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THE STATE OF TEXAS )

COUNTY OF CAMERON )

KNOW ALL MEN BY THESE PRESENTS: That I, Mary Gerhard Wilson a feme sole of Los Angeles County, California, for and in consideration of the sum of Ten and no/100 (\$10.00) Dollars and other good, valuable and sufficient consideration cash to me in hand paid by the Brownsville Navigation District of Cameron County, Texas, the receipt and sufficiency of which are hereby acknowledged and confessed, HAVE GRANTED, SOLD and CONVEYED and by these presents DO GRANT, SELL and CONVEY unto the said Brownsville Navigation District of Cameron County, Texas, a municipal corporation organized, created and existing under and by virtue of the laws of the State of Texas, and having its domicile in Brownsville, Cameron County, Texas, all that certain tract, piece or parcel of land out of and a part of the West 500 acres of a certain 1000 acres tract out of Sub-Share 1 of Partition Share 5 of the San Martin Grant in Cameron County, Texas, and being more particularly described by metes and bounds as follows, to-wit:

Beginning at a 4" x 4" concrete post set in the South easement line of Brownsville Navigation District for the Northeast corner of the tract herein described; said post being S. 58 deg. 16 min. W. 1,206.1 feet from a 4" x 4" concrete post set in the East line of Partition Share 5 (Private Survey 602) and West line of Partition

Share 4 (Private Survey 603) at intersection with South easement line of Brownsville Navigation District, which said concrete post is N. 17 deg. 02½ min. W. 15,816.9 feet from a 4" x 4" concrete post at the Southeast corner of said Partition Share 5 near Caja Pinta Banco #80;

Thence S. 17 deg. 02½ min. E. 1,166.7 feet from and parallel to East line of said Partition Share 5,  
at 1,776.0 feet a 4" x 4" concrete post set on line;  
at 3,776.0 feet a 4" x 4" concrete post set on line;  
at 5,776.0 feet a 4" x 4" concrete post set on line;  
at 6,576.0 feet a 4" x 4" concrete post set on line;  
at 7,521.9 feet a 4" x 4" concrete post set on line  
in North right-of-way line of Boca Chica Highway, and at 7,572.1 feet a bolt set in centerline of 18-foot concrete pavement, 7.3 feet southwesterly from point of curve in said Highway for the Southeast corner of the tract herein described;

Thence along the centerline of said Highway in a southwesterly direction, on the arc of a 4 deg. curve to the left, having a central angle of 20 deg. 0 min. and a radius of 1,432.5 feet, a distance of 492.7 feet to the end of said curve;

Thence S. 58 deg. 17½ min. W. along centerline of said Highway, a distance of 751.7 feet to a bolt set in centerline of said Highway for the Southwest corner of the tract herein described;

Thence N. 17 deg. 02½ min. W. along the West line of East 1,000 acre tract of Partition Share 1 of Partition Share 5 and East line of the Ellen Gerhard 400 acre tract in said Partition Share 1 of Partition Share 5, at 51.7 feet a 4" x 4" concrete post set in North right-of-way

line of Boca Chica Highway;

at 1,027.8 feet a 4" x 4" concrete post set on line;

at 2,027.8 feet a 4" x 4" concrete post set on line;

at 3,016.7 feet a 4" x 4" concrete post set on line,

said post being also the Northeast corner of the said Ellen Gerhard

400 acre tract out of said Partition Share 1 of Partition Share 5,

at 4,027.8 feet a 4" x 4" concrete post set on line, at 6,027.8

feet a 4" x 4" concrete post set on line, and at 7,484.8 feet a 4"

x 4" concrete post set in South easement line of Brownsville Naviga-

tion District, for the Northwest corner of tract herein described;

Thence N. 56 deg. 16 min. E. along said South easement line,

1,320 feet from and parallel to centerline of Brownsville Ship

Channel, a distance of 1,257.0 feet to the place of beginning.

CONTAINING 209.28 acres of land, more or less.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Brownsville Navigation District of Cameron County, Texas, its successors or assigns, forever; and I do hereby bind myself, my heirs, executors and administrators, to warrant and forever defend all and singular the said premises unto the said Brownsville Navigation District of Cameron County, Texas, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESS my hand this 4 day of March, 1953.

(2-\$1.00, 1-50¢, 2-10¢ & 1-05¢)  
(Doc. Rev. Stamps duly cancelled)

Mary Gerhard Wilson  
Mary Gerhard Wilson

THE STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES )

BEFORE ME, the undersigned authority, on this day personally appeared MARY GERHARD WILSON, a feme sole, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this the 4 day of March A. D. 1953.

(L.S.)

Bertha Knight

Notary Public in and for

My commission expires February 5, 1955.

Los Angeles County,  
California.

Filed for record at 3:35 o'clock P. M., Mar. 9, 1953 and duly recorded Mar. 10, 1953 at 2:38 o'clock P. M., H. D. Seago, Clerk County Court, Cameron County, Texas. By Eva Rendon, Deputy.

January 9, 1953

FIELD NOTES FOR A 209.28 ACRE TRACT OF LAND OUT OF THE WEST 500 ACRES OF THE EAST 1,000 ACRES IN PARTITION SHARE 1 OF PARTITION SHARE 5, SAN MARTIN GRANT, CAMERON COUNTY, TEXAS.

(FOR BROWNSVILLE NAVIGATION DISTRICT)

BEGINNING at a 4" X 4" concrete post set in the South easement line of Brownsville Navigation District for the Northeast corner of the tract herein described; said post being S 58 deg. 16 min. W 1,206.1 feet from a 4" X 4" concrete post set in the East line of Partition Share 5 (Private Survey 602) and West line of Partition Share 4 (Private Survey 603) at intersection with South easement line of Brownsville Navigation District, which said concrete post is N 17 deg. 02½ min. W 15,816.9 feet from a 4" X 4" concrete post at the Southeast corner of said Partition Share 5 near Caja Pinta Banco #80;

THENCE S 17 deg. 02½ min. E 1,166.7 feet from and parallel to East line of said Partition Share 5,  
at 1,776.0 feet a 4" X 4" concrete post set on line;  
at 3,776.0 feet a 4" X 4" concrete post set on line;  
at 5,776.0 feet a 4" X 4" concrete post set on line;  
at 6,576.0 feet a 4" X 4" concrete post set on line;  
at 7,521.9 feet a 4" X 4" concrete post set on line in North right-of-way line of Boca Chica Highway and at 7,572.1 feet a bolt set in centerline of 16 foot concrete pavement, 7.3 feet southwesterly from point of curve in said Highway for the Southeast corner of the tract herein described;

THENCE along the centerline of said Highway in a southwesterly direction, on the arc of a 4 deg. curve to the left, having a central angle of 20 deg. 0 min. and a radius of 1,432.5 feet, a distance of 492.7 feet to the end of said curve;

THENCE S 58 deg. 17½ min. W, along centerline of said Highway, a distance of 751.7 feet to a bolt set in centerline of said Highway for the Southwest corner of the tract herein described;

THENCE N 17 deg. 02½ min. W, along the West line of East 1,000 acre tract of Partition Share 1 of Partition Share 5 and East line of the Ellen Gerhard 400 acre tract in said Partition Share 1 of Partition Share 5, at 51.7 feet a 4" X 4" concrete post set in North right-of-way line of Boca Chica Highway, at 1,027.8 feet a 4" X 4" concrete post set on line;  
at 2,027.8 feet a 4" X 4" concrete post set on line;  
at 3,016.7 feet a 4" X 4" concrete post set on line, said post being also the Northeast corner of the said Ellen Gerhard 400 acre tract out of said Partition Share 1 of Partition Share 5, at 4,027.8 feet a 4" X 4" concrete post set on line, at 6,027.8 feet a 4" X 4" concrete post set on line and at 7,484.8 feet a 4" X 4" concrete post set in South easement line of Brownsville Navigation District for the Northwest corner of tract herein described;

THENCE N 56 deg. 16 min. E along said South easement line, 1,320 feet from and parallel to centerline of Brownsville Ship Channel, a distance of 1,257.0 feet to the place of beginning, containing 209.28 acres of land, more or less.

RUFIN & SETTLES  
CIVIL ENGINEERS

DEED RECORDS

SPECIAL WARRANTY DEED

STATE OF TEXAS

||  
||  
||

COUNTY OF CAMERON

IN CONSIDERATION of Ten Dollars (\$10) cash in hand paid to Grantors listed below and the additional sum of Two Million Dollars (\$2,000,000) cash in hand paid to Grantors, at the special instance and request of the Grantee named hereinafter, by the First National Bank at Brownsville, at Brownsville, Texas, the receipt of which is hereby acknowledged and confessed, and as evidence of which Grantee has executed and delivered one certain promissory note of even date herewith, in the principal sum of Two Million Dollars (\$2,000,000), due and payable in installments as follows: Five (5) annual installments of Twenty-Five Thousand Dollars (\$25,000) each, due on the first day of August 1975, 1976, 1977, 1978 and 1979; Five (5) annual installments of Fifty Thousand Dollars (\$50,000) each, due on the first day of August 1980, 1981, 1982, 1983 and 1984; Five (5) annual installments of One Hundred Twenty-Five Thousand Dollars (\$125,000) each, due on the first day of August 1985, 1986, 1987, 1988 and 1989; and One (1) final installment of One Million Dollars (\$1,000,000), due on the first day of August 1990, with interest at the rate of six per cent (6%) per annum on the unpaid balance from date until date of maturity, interest payable quarterly as it accrues, an installment of interest being due and payable on the first day of November, February, May and August; all past due principal and interest shall bear interest at the rate of ten per cent (10%) per annum from date of maturity until paid; the whole or any part of the principal indebtedness may be paid at any time, whereupon interest shall cease to accrue on the amount so paid; if said interest is held to be subject to taxation

for income tax purposes, such interest will be renegotiated to provide the holder with the same after tax return as the tax-free six per cent (6%) herein provided for; in addition to such interest, the maker agrees to pay an annual service fee of Five Thousand Dollars (\$5,000) while this note is unpaid; said note contains the usual accelerating maturity and attorney's fee clauses, and all provisions of said note are made a part hereof as though written herein; the payment of said note is secured by the vendor's lien herein and hereby retained, and also by a Deed of Trust of even date herewith from the maker of said note to C. Fount Ray, Trustee, on the hereinafter described and conveyed real property; such consideration to be paid to the following in the proportions indicated:

Gatewood Newberry, Individually and as Independent Co-Executor and Administrator of the Estate of Velma Brown Newberry, Deceased and The Capital National Bank of Austin, Texas, Independent Co-Executor and Administrator of the Estate of Velma Brown Newberry, Deceased, jointly	24%
Myron Williams and wife, Helen Dallerup Williams	14%
Paul Goodrich, Individually and as Independent Executor of the Estate of Celesta Goodrich	14%
Laura M. Terrell	5%
Doris Holm	5%
Nona W. Riddle	3.33334%
Ruth Maurer	3.33333%
Catherine Grigs	3.33333%
Norman Blain	2%
Elinore Blain Bradley	2%
Edwin H. Frank, Jr.	4%

Bank of the Southwest National Association, Houston, as Trustee of the Residuary Trust created under the Will of Lawrence K. Blain, Deceased, E. C. Edens, Jr., Vice President and Trust Officer	2%
Elma Elnora Smith Wright	1%
Cecil Linwood Smith	1%
Helen Juanita McGuire	1%
James Bernard Smith	1%
W. S. Elkins and J. A. Elkins, Jr., Independent Executors of the Estates of J. A. Elkins and Isabel M. Elkins, Both Deceased	2.8%
J. A. Elkins, Jr.	2.1%
W. S. Elkins	1.14546%
Anna W. Elkins	.95454%
Mathilde B. Weems	1.4%
F. Carrington Weems	1.63333%
Elizabeth W. Oberwetter	.23333%
Ben F. Weems	.93333%
Rowene B. Weems Oltorf	.7%
First City National Bank of Houston, Trustee of the Wharton Weems Estate Trusts for F. Carrington Weems, Ben F. Weems and Elizabeth W. Oberwetter	.70001%
F. Carrington Weems and First City National Bank of Houston, Trustees of the E.W.W. Trust	<u>1.4%</u>
	100.00000%

(herein, in said proportions, called Grantors); and

subject to the remaining terms and provisions hereof, Grantors do hereby grant, sell and convey to BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS, a municipal corporation having an office and place of

business in Brownsville, Cameron County, Texas (herein called Grantee);  
 subject to the reservation and exception hereinafter set forth, all of  
 the following described land:

9028.7 acres, more or less, located within the boundaries of the Gatewood Newberry Patent, Tract 318A, Abstract 269, File SF 12924, Shares 3 and 4 of the San Martin Grant, Abstract 6, and Patent No. 68, Abstract 264, Survey 665, from the State of Texas to Brownsville Navigation District of Cameron County, Texas, all situated in Cameron County, Texas, more fully described as follows:

BEGINNING at a point on the east line of Share 5, San Martin Grant and being the point of intersection of said east line with the south boundary line of Patent 68, Abstract 264, Survey 665, as patented to Brownsville Navigation District, May 2, 1930;

THENCE south 58 deg. 18 min., west 1878.4 feet along the south line of said Patent 68 to a point on the west line of the Gatewood Newberry Patent;

THENCE with the west line of the Gatewood Newberry Patent, south 36 deg. 45 min., east 8365.39 feet to a point south of State Highway 4 to a point for a corner;

<sup>North 55 deg.</sup> THENCE north 55 deg., east 8333.33 feet along the south line of the Gatewood Newberry Patent line to a point;

THENCE north 74 deg. 15 min., east 24,444.44 feet with the south line of the Gatewood Newberry Patent line to a point;

THENCE north 84 deg. 10 min., east 1265.6 to a point;

THENCE north 0 deg. 31 min., west 9754.67 feet along the east line of the Gatewood Newberry Survey to a point;

THENCE along the east and north lines of the Gatewood Newberry Patent and the south and east lines of Abstract 270, Survey 673, as patented March 22, 1939.

North 49 deg. 30 min., west 1617.73 feet  
 North 86 deg., west 1000 feet  
 South 50 deg. 45 min., west 1777.78 feet  
 North 88 deg., west 222.22 feet  
 North 90 deg., west 6666.67 feet  
 South 87 deg. 15 min., west 5225.85 feet

THENCE south 58 deg. 18 min., west 22,969.2 feet;

THENCE south 17 deg. 05 min., east 1105.79 feet to the POINT OF BEGINNING, containing 9028.7 acres, more or less;

together with all of Grantors' rights as to the enforcement of restrictions, rights of reverter, remainder interests and, without limitation upon the foregoing, all similar rights which might be owned by Grantors.

Without any representation that they own any riparian or other rights with respect to any public waters adjacent to said land, Grantors hereby grant to Grantee all riparian rights, littoral rights, water permits, easements, licenses and rights, and rights of accretion and reliction, if any, owned by or hereafter inuring to the benefit of Grantors by reason of their ownership of said land.

Grantors have heretofore executed and delivered to Skelly Oil Company, each in numerous counterparts, four oil and gas leases, all of which are dated May 23, 1974, and all of which were filed for record on July 3, 1974, in the Office of the County Clerk of Cameron County, Texas, which leases collectively cover lands including all of the above described lands and premises, reference being herewith made to said leases for all purposes as though the same were fully incorporated herein. Grantors, for the use and benefit of themselves, their respective heirs and assigns, do hereby except, reserve and retain all bonuses, delay rentals, royalties and other payments, if any, payable to the lessors under and by virtue of the terms and provisions of said oil and gas leases. This exception and reservation by Grantors shall remain valid and effective as to each of the four above described oil and gas leases for as long as such leases remain valid. When any of such leases terminates, expires or is released by the owner or owners thereof, the reservation and exception of Grantors made in this paragraph shall also terminate and expire, but only as to the lands covered by the particular mineral lease which has terminated, expired or been released.

Ad valorem taxes with respect to the current year having been prorated to the date of delivery hereof, Grantee assumes and agrees to pay all ad valorem taxes for the current year as to the interests herein conveyed.

Grantors severally (and in each instance only to the extent of such Grantor's interest), subject to the exceptions stated below, do hereby warrant and agree to defend the title to the property hereby conveyed (subject to the exceptions and reservations contained in this instrument) against the lawful claims and demands of all persons claiming or to claim the same by, through and under Grantors and not otherwise; provided, however, Grantors except from their warranty all of the following:

- (a) Any titles or rights asserted by anyone, including, but not limited to, persons, corporations, governments or other entities, to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or to any land extending from the line of mean low tide to the line of vegetation or to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or to filled-in lands, or artificial islands, or to riparian rights, to the rights or interests of the State of Texas or the public generally in the area extending from the line of vegetation or their right of access thereto, or right of easement along and across the same;
- (b) Any loss or gain of said lands resulting from any erosion, accretion or reliction from natural or artificial forces to any portion of said lands bordering on adjacent gulfs or bays;
- (c) All lands situated in the area covered by Patent 68, Abstract 264, Survey 665, from the State of Texas to the Brownsville Navigation District of Cameron County, Texas;
- (d) All oil, gas and other minerals reserved by the State of Texas in Patent to Gatawood Newberry, dated March 23, 1939, recorded in Volume 292, page 31, Deed Records of Cameron County, Texas; and
- (e) All rights of the lessors hereinabove reserved by Grantors in the numerous counterparts of each of the four oil and gas leases described above.

This conveyance is made by Grantors and accepted by Grantee,  
subject to the following:

- (a) Canal easement in favor of Cecil McDonald as shown by instruments recorded in Volume 935, pages 228-307, Deed Records of Cameron County, Texas;
- (b) Pipeline easement dated August 11, 1927, executed by Mrs. Mellie Esperson Stewart, et al, to Port Isabel Townsite & Development Company, recorded in Volume 169, pages 233-236, Deed Records of Cameron County, Texas;
- (c) Easements for roads and roadways underlying said property as shown on survey of W. R. Smith, dated 1939 and as apparent upon the ground; and
- (d) Surface lease for a term of 99 years in favor of Cecil McDonald, covering and affecting a tract of 13.41 acres in the San Martin Grant, Cameron County, Texas.

But it is expressly agreed and stipulated that the vendor's lien and superior title are retained in favor of the First National Bank at Brownsville, at Brownsville, Texas, its successors and assigns, against the above described property, premises and improvements until the above described note and all interest are fully paid according to its face, tenor, reading and effect, when this deed shall become absolute.

Many of the Grantors are married women who are not joined herein by their husbands for the reason that their interest in the above described property is their separate property and constitutes no portion of their homestead.

This instrument may be executed in numerous counterparts, and each counterpart shall be deemed an original instrument for all purposes and shall be binding upon the party or parties executing same regardless of whether or not any of the other parties execute said counterpart or any other counterpart.

Regardless of the actual date of execution and acknowledgment hereof by any of the Grantors, this deed and conveyance is effective as of the 9th day of August, 1971.

*Gatewood Newberry*

Gatewood Newberry, Individually and as Independent Co-Executor and Administrator of the Estate of Velma Brown Newberry, Deceased

THE CAPITAL NATIONAL BANK OF AUSTIN, TEXAS, Independent Co-Executor and Administrator of the Estate of Velma Brown Newberry, Deceased

ATTEST:

*Ene Witter*  
Asst. Cashier

By *James H. Leech*  
James H. Leech, Trust Real Estate Officer

Myron Williams

Helen Dallerup Williams

Paul Goodrich, Individually and as Independent Executor of the Estate of Celesta Goodrich

Laura M. Terrell

Doris Holm

Nona W. Riddle

\_\_\_\_\_  
Ruth Maurer

\_\_\_\_\_  
Catherine Grigs

\_\_\_\_\_  
Norman Blain

\_\_\_\_\_  
Elinore Blain Bradley

\_\_\_\_\_  
Edwin H. Frank, Jr.

BANK OF THE SOUTHWEST NATIONAL  
ASSOCIATION, HOUSTON, Trustee of the  
Residuary Trust created under the  
Will of Lawrence K. Blain, Deceased

ATTEST:

\_\_\_\_\_  
By  
E. C. Edens, Jr.,  
Vice President and Trust Officer

\_\_\_\_\_  
Elma Elnora Smith Wright

\_\_\_\_\_  
Cecil Linwood Smith

\_\_\_\_\_  
Helen Juanita McGuire

\_\_\_\_\_  
James Bernard Smith

\_\_\_\_\_  
J. A. Elkins, Jr., Individually and  
as Independent Executor of the Estates  
of J. A. Elkins and Isabel M. Elkins,  
Both Deceased

\_\_\_\_\_  
W. S. Elkins, Individually and as  
Independent Executor of the Estates  
of J. A. Elkins and Isabel M. Elkins,  
Both Deceased

\_\_\_\_\_  
Anna W. Elkins

\_\_\_\_\_  
Mathilde B. Weems

\_\_\_\_\_  
F. Carrington Weems, Individually  
and as Trustee of the E.W.W. Trust

\_\_\_\_\_  
Elizabeth W. Oberwetter

\_\_\_\_\_  
Ben F. Weems

\_\_\_\_\_  
Rowene B. Weems Oltorf

FIRST CITY NATIONAL BANK OF HOUSTON,  
Trustee of the Wharton Weems Estate  
Trusts for F. Carrington Weems, Ben F.  
Weems and Elizabeth W. Oberwetter,  
and as Trustee of the E.W.W. Trust

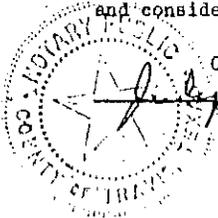
ATTEST:

\_\_\_\_\_

By \_\_\_\_\_

STATE OF TEXAS  
COUNTY OF TRAVIS

BEFORE ME, the undersigned authority, on this day personally appeared GATEWOOD NEWBERRY, Individually and as Independent Co-Executor and Administrator of the Estate of Velma Brown Newberry, Deceased, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

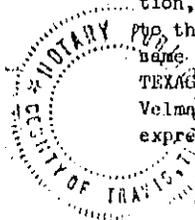


GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 31<sup>st</sup> day of \_\_\_\_\_, 1974.

Glady's B. Lind  
Notary Public in and for  
Travis County, Texas  
GLADYS BROWN LIND  
Notary Public, Travis County, Texas

STATE OF TEXAS  
COUNTY OF TRAVIS

BEFORE ME, the undersigned authority, on this day personally appeared JAMES M. LEECH, \_\_\_\_\_ of THE CAPITAL NATIONAL BANK OF AUSTIN, TEXAS, a national banking association, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of said THE CAPITAL NATIONAL BANK OF AUSTIN, TEXAS, as Independent Co-Executor and Administrator of the Estate of Velma Brown Newberry, Deceased, for the purposes and consideration therein expressed, and in the capacity therein stated.



GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 26 day of July, 1974.

Doris R. Bostic  
Notary Public in and for  
Travis County, Texas

STATE OF TEXAS  
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared MYRON WILLIAMS and HELEN DALLERUP WILLIAMS, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the \_\_\_\_\_ day of \_\_\_\_\_, 1974.

\_\_\_\_\_  
Notary Public in and for  
Harris County, Texas

15149

VOL 999 PAGE 708

FILED FOR RECORD  
AT 2:15 O'CLOCK P.M.

AUG 12 1974

LYDIA T. GARCIA  
County Clerk  
Cameron County, TEXAS  
*Lydia T. Garcia*

*Acute*

*Brownville Navy List  
Brownville, Texas*

STATE OF TEXAS  
COUNTY OF CAMERON  
I hereby certify that this instrument was FILED on the  
date and at the time stamped herein by me and was duly  
RECORDED in the Volume and page of the named RECORDS  
of Cameron County, Texas as stamped herein by me.



**DEED RECORDS**

*Lydia T. Garcia*  
County Clerk  
Cameron County, Texas

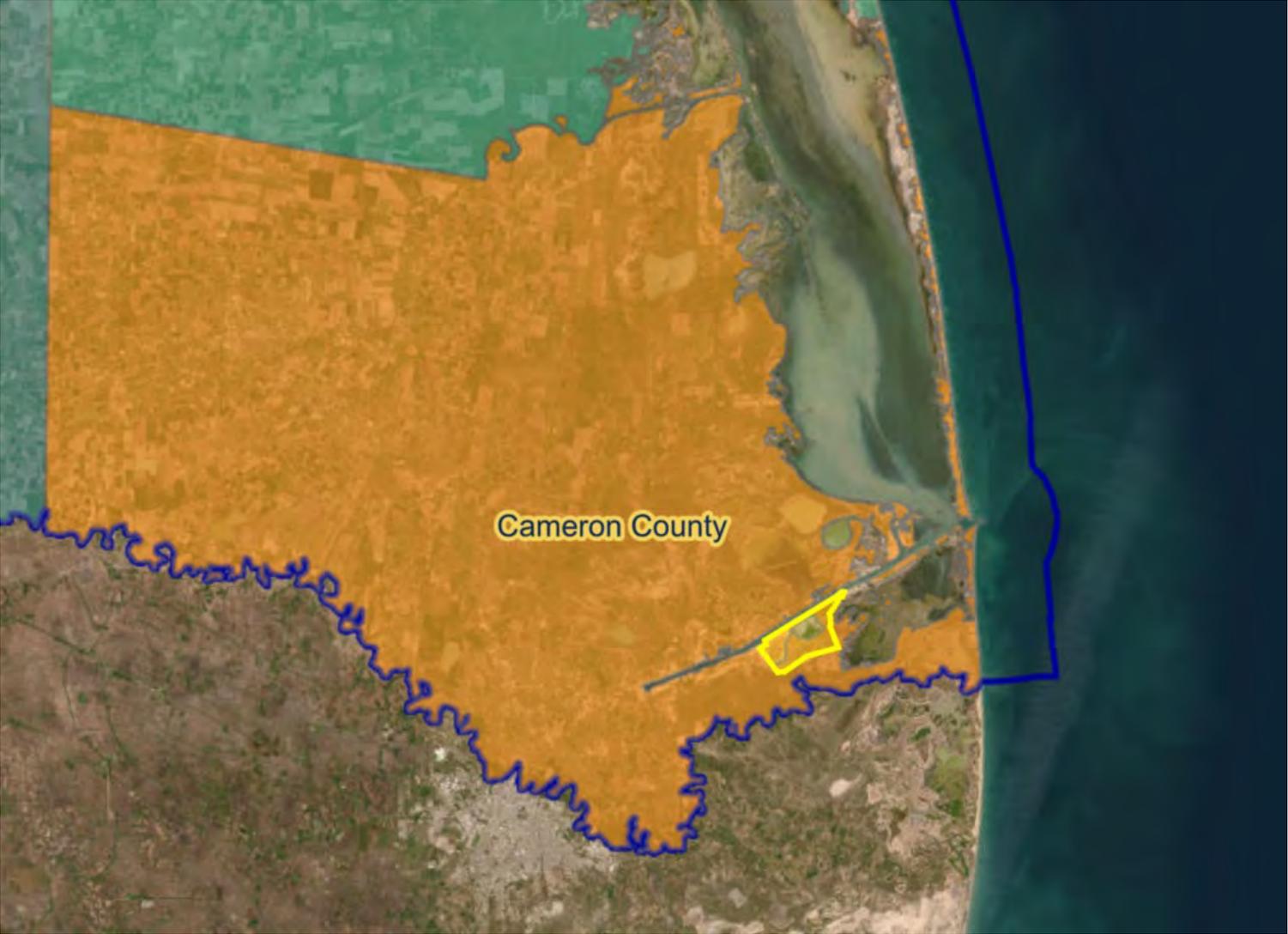
# **Map of Project, ISD, County and Zones**

# Project Hercules Site



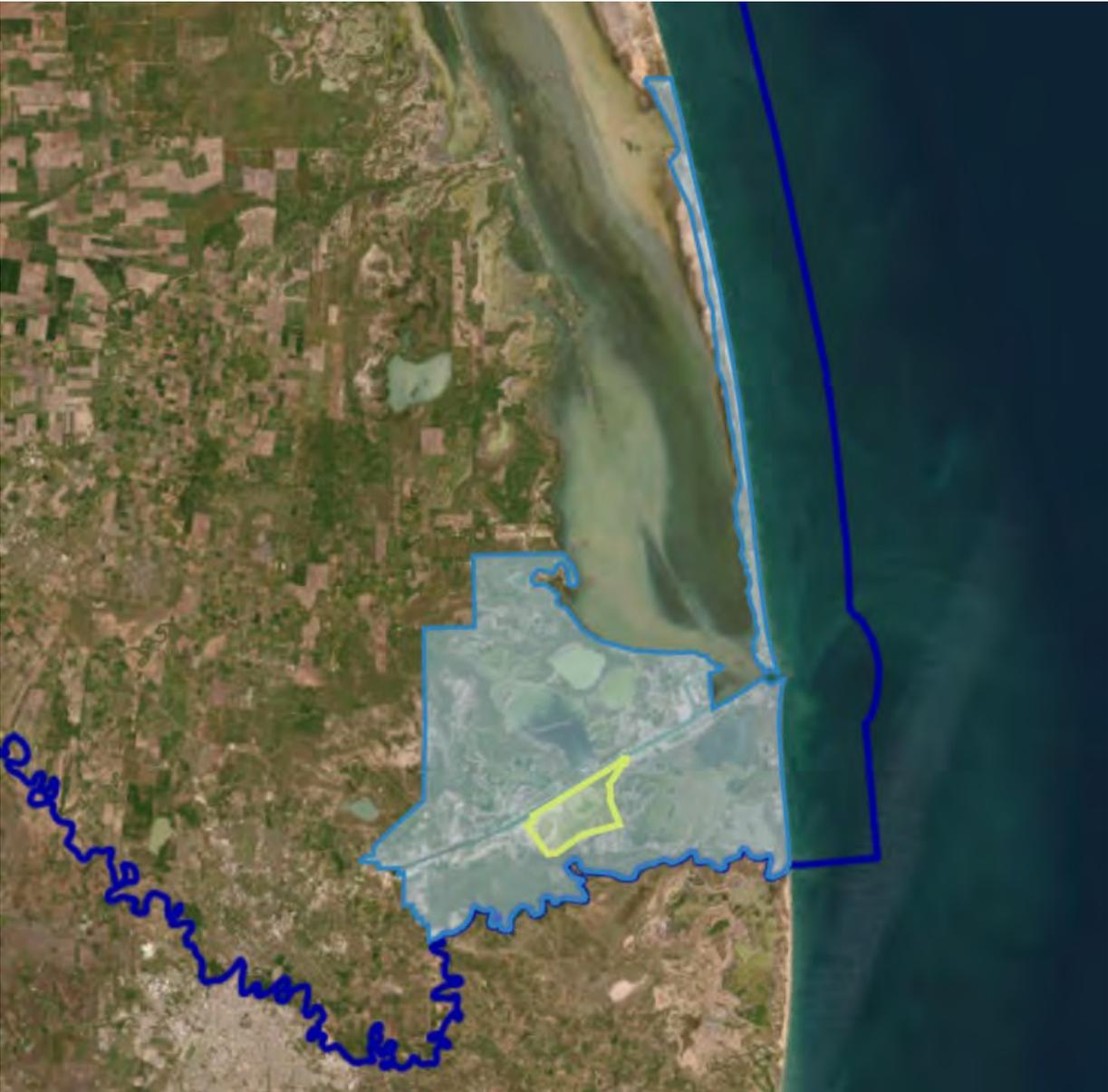
 Site

# Site within Cameron County



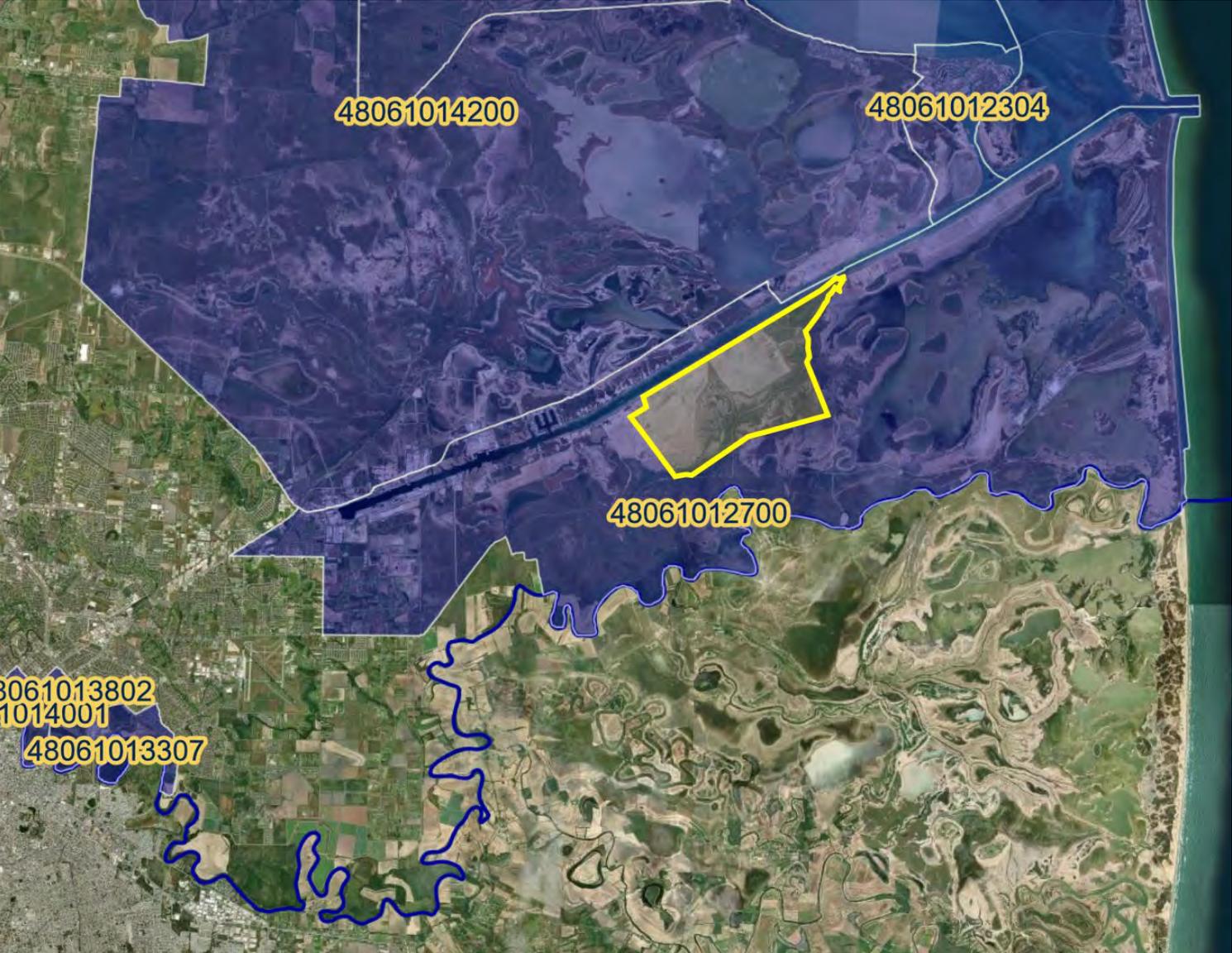
-  Site
-  Cameron County

# Point Isabel ISD Overlayed with Site



-  Point Isabel ISD
-  Site

# Opportunity Zone

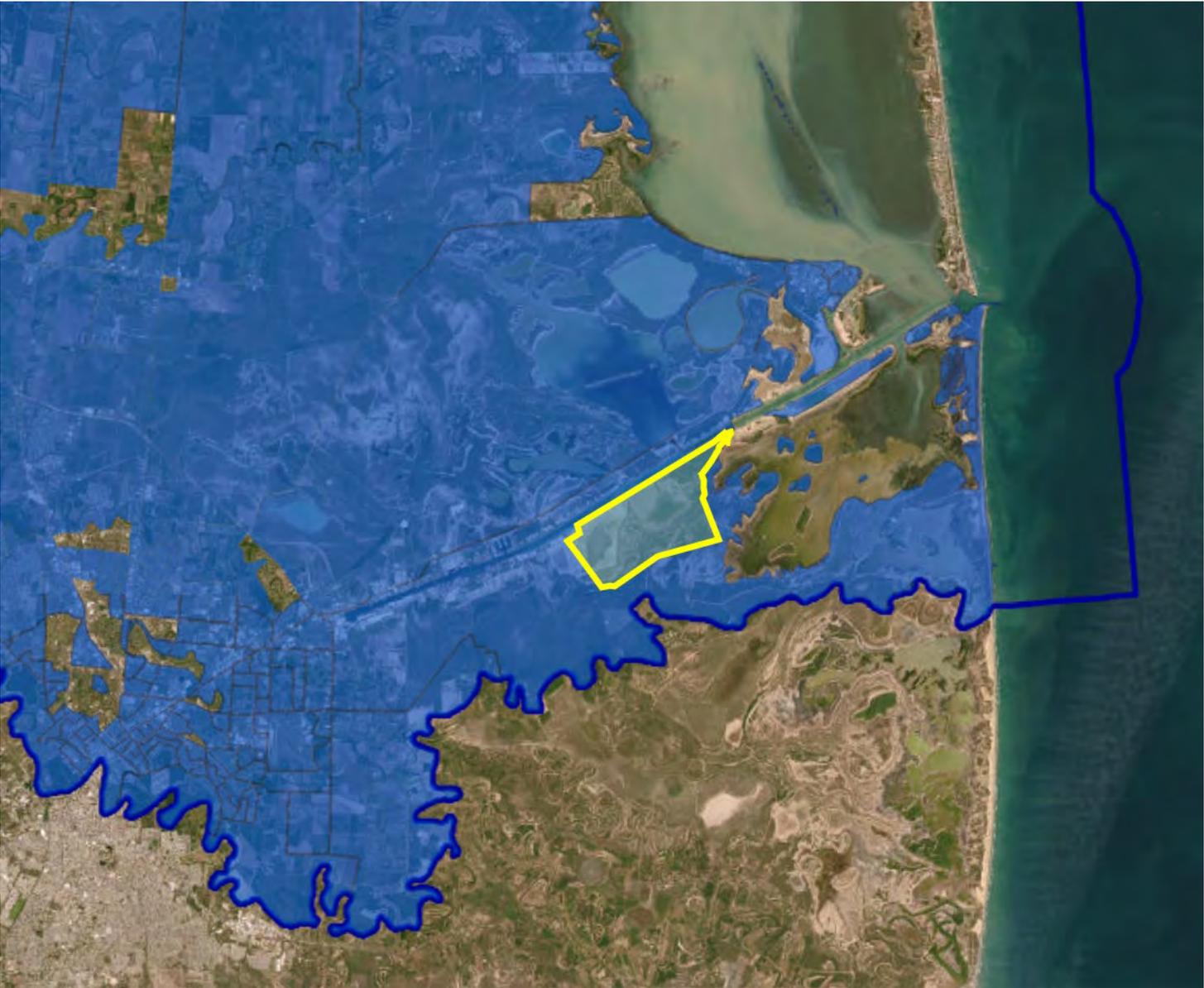


Opportunity Zone

Site

Site is inside  
Census Tract # 48061012700

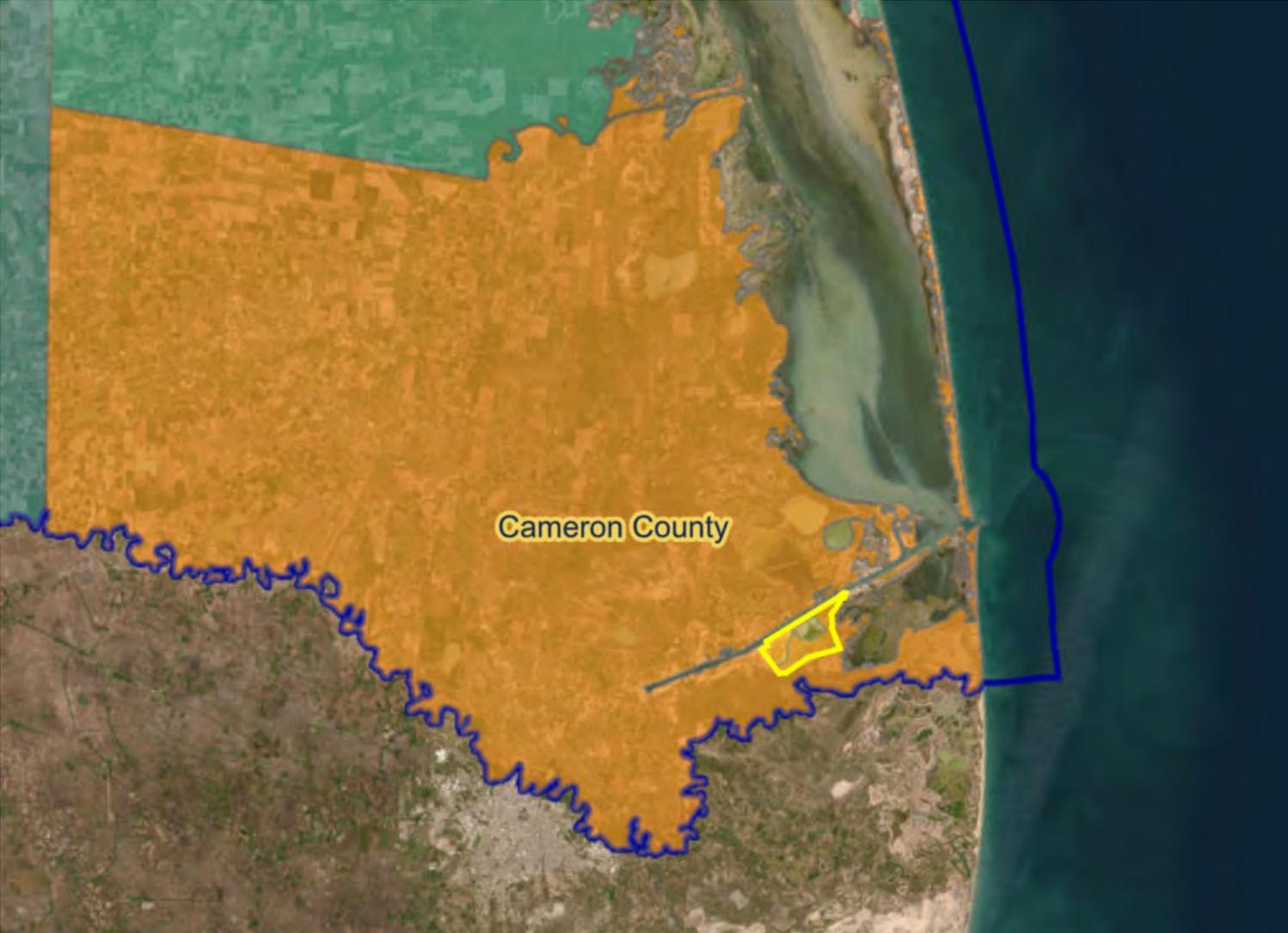
# Enterprise Zone



- Enterprise Zone
- Site

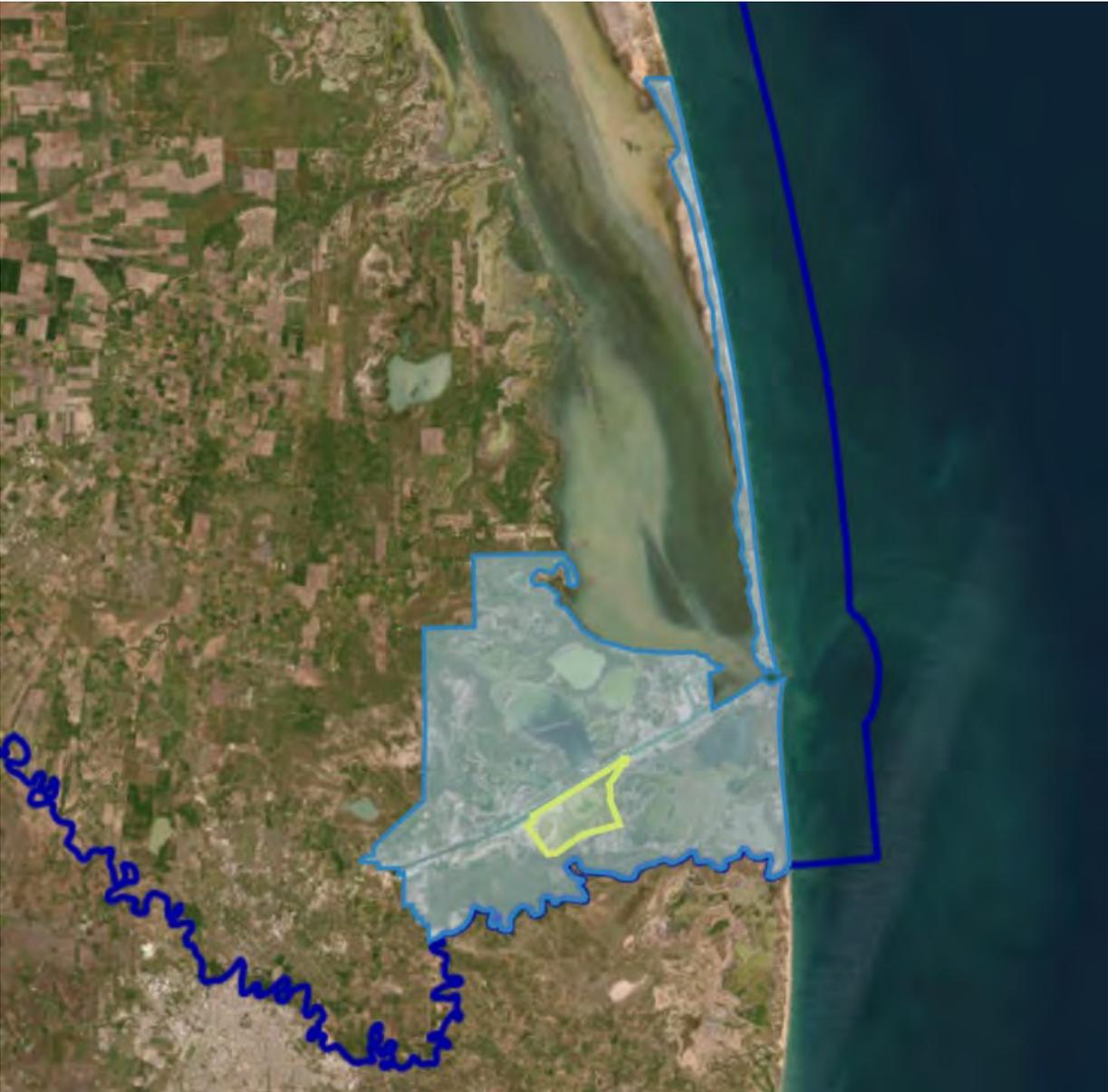
## **Map of Multiple ISDs**

# Site within Cameron County



-  Site
-  Cameron County

# Point Isabel ISD Overlayed with Site

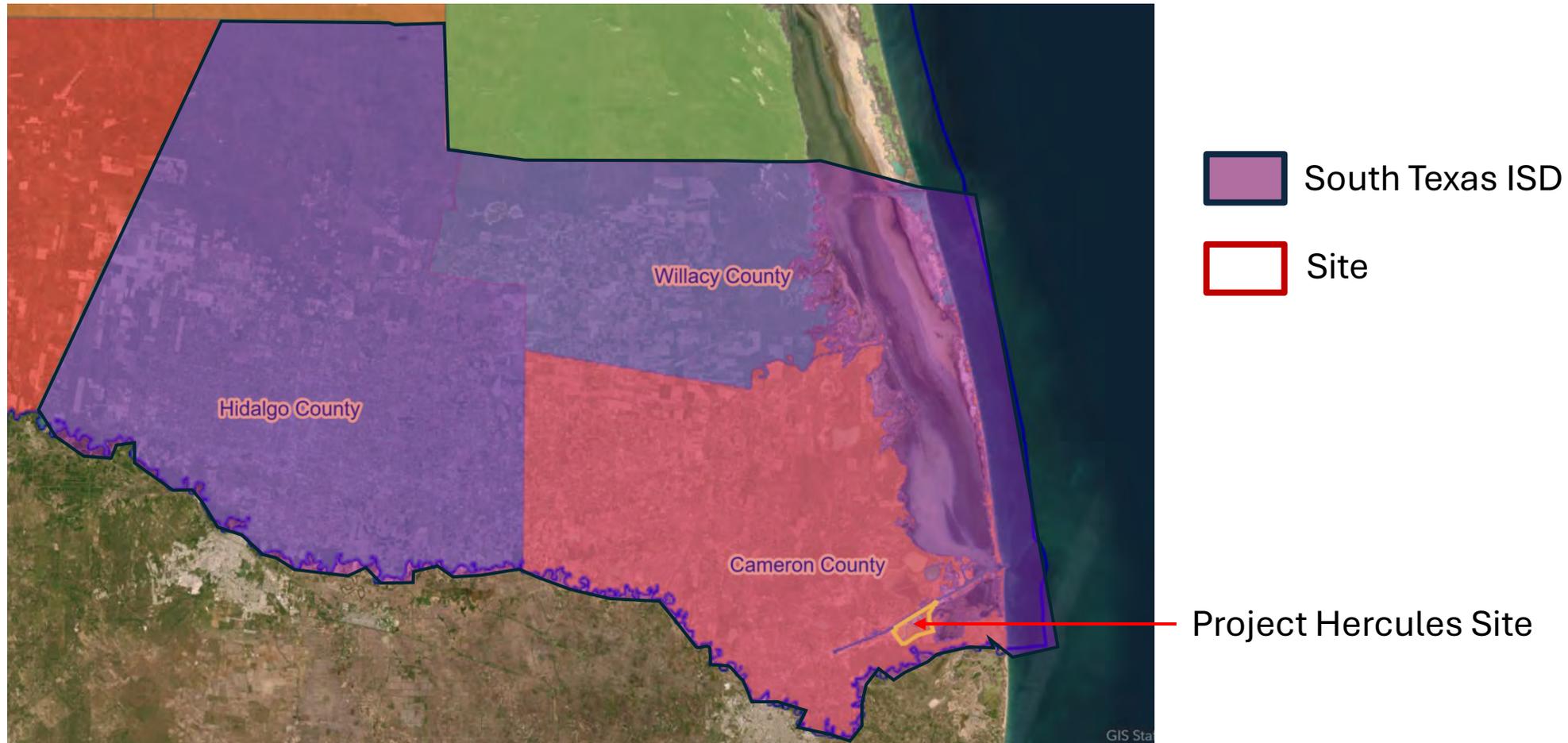


-  Point Isabel ISD
-  Site

## South Texas ISD

South Texas Independent School District (STISD) is a special purpose district that serves middle school and high school students who live along the southernmost tip of Texas, the region known as the Rio Grande Valley. The district stretches over three counties, Cameron, Hidalgo and Willacy, and overlaps 28 other school districts, an area of 3,643 miles.

**While Project Hercules' site falls within the STISD boundary, STISD is NOT being considered for the JETI incentive.**



# **DESCRIPTION OF ELIGIBLE PROPERTY**

## Description of Eligible Property

### Phase 4: Optimization & Final Site Development

- Some additional site development
- Further automation and digital integration general production lines
- Further expansion of quay wall & waterfront infrastructure
- Additional investments towards continuous improvement embedded across operations
- Fully integrated digital twin and real-time production control
- Workforce scaling and associated support facilities

### Estimated Value of Phase 4 New Eligible Property Investment

- **Real Property:** approximately \$281 million

Real and personal property investments made in Phase 1, Phase 2, and Phase 3 are not considered new eligible property in Phase 4.

### Phase 4 Map



Subject property is a portion of the parcel outlined in blue.

Map of property zoomed out:



Property Search > 171770 BROWNSVILLE NAVIGATION DISTRICT > Map

Property | 171770 2026 Maps Print

**Map Search**

**PROPERTY INFORMATION**

Taxing Units

CAD	
Market Area	Legal Acreage
823000	8978.7000
Abstract/Subdiv Code	Block
823000	3000
Tract	Lot
	1000
School Code	City Code
Latitude	Longitude
25.990629996452151	-97.259518059

**OWNER INFORMATION**

Owner Name & Mailing Address

**BROWNSVILLE NAVIGATION DISTRICT (111854)**  
PO Box 3070  
Brownsville TX 78523-3070

**IMPROVEMENT AND LAND INFORMATION**

Liv Area	Class	State Cd	Use
Land Size		Type	
8978.7000	Lnd Class	COMM	Ag/Tim

**ADJUSTMENTS**

Land 1 Adj

PROPERTY ID: 171770 | GEOGRAPHIC ID: 82-3000-3000-1000-00

# Ineligible Property Map

## Ineligible Property Map - Description of Project Ineligible Property



Ineligible Property is the land under consideration and improvements made to the property during Phase 1, Phase 2, and Phase 3.

No improvements, other than the existing road, have been made to the land under consideration for Phase 4 as of the time of application submission.

# **Limitation as Compelling Factor**

# Limitation as Compelling Factor

States & Ports meeting certain criteria were identified as candidates to receive for the Request for Proposal.

- **PACIFIC**

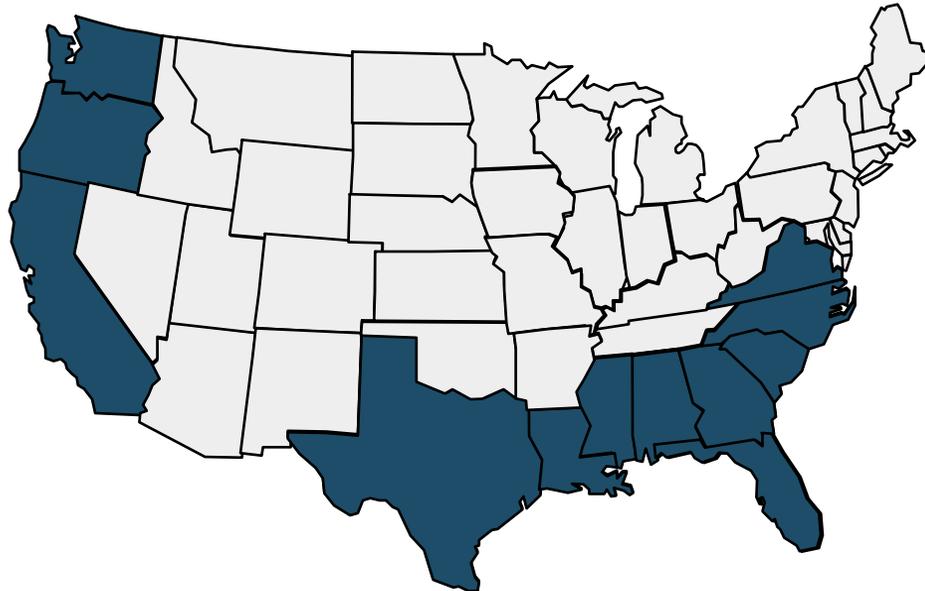
- WASHINGTON
- OREGON
- CALIFORNIA

- **GULF**

- TEXAS
- LOUISIANA
- MISSISSIPPI
- ALABAMA
- FLORIDA

- **ATLANTIC**

- VIRGINIA
- NORTH CAROLINA
- SOUTH CAROLINA
- GEORGIA



Property taxes in Texas are over one and one-half times greater than other viable locations' property taxes.

Texas is the only state under consideration that imposes inventory; estimated to create an annual inventory tax liability of \$25 million at full ramp of operations.

Both factors combined create a large limitation for the company to choose Texas as Project Hercules' real and personal property taxable investment values will amount to over \$15 billion and \$2 billion, respectively, over a 10-year period for all phases of the Project. As such, the difference in real, personal, and inventory taxes is as high as \$344 million over the first 10 years of the project without considering abatements.

# Economic Benefit Statement for Project Gondor Phase 4 in Cameron County, TX

January 23, 2026

Prepared by:

Impact DataSource, LLC  
7500 Rialto Blvd  
Building 1 Suite 250  
Austin, Texas 78735  
(512) 524-0892  
[www.impactdatasource.com](http://www.impactdatasource.com)



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# An Economic Benefit Statement for Project Gondor Phase 4

## Introduction

This report presents the results of an economic impact analysis performed by Impact DataSource, Austin, Texas. The analysis estimates the potential economic benefits to be generated by Project Gondor Phase 4 in Cameron County, Texas for the project's Jobs, Energy, Technology and Innovation (JETI) application. The economic benefits include economic impacts - measured by revenues (or output), jobs, and salaries in the state and local region. In addition, the benefits include estimated state and local tax revenues supported by the company, its employees, and other businesses economically linked to the project throughout the state. In total, this analysis covers a 37-year period beginning with 2 years of building construction, a 10-year incentive period, and an additional period of 25 years as required by Tex. Gov't Code § 403.608 (b).

<u>Years</u>	<u>Period</u>
2033-2034	Construction
2035-2044	Incentive Period
2045-2069	Additional 25 Years

## A Description of the Facility and Its Operations

Project Gondor represents a company seeking a location for its Port Alpha, a next generation shipyard that will build advanced autonomous vessels. According to current estimates, Project Gondor plans to invest \$3.2 billion to develop its facilities over the 9-year period spanning 2026 through 2034.

This analysis includes Phase 4 of the project which includes an investment of \$281.70 million and creation of 1,424 jobs.

## Timeline for Permanent Employment and Investment

The facility's timeline for total jobs to be created and investment over the next 37 years will be as follows:

Table 1 Timeline for Permanent Employment and Investment					
Year	Number of New Workers to be Hired Each Year		Buildings and Other Real Property Improvements	Machinery & Equipment	Total JETI Investment
2033	1,014	<i>Construction</i>	\$251,700,000	\$0	\$251,700,000
2034	410	<i>Construction</i>	\$30,000,000	\$0	\$30,000,000
2035	0	<i>Incentive Year 1</i>	\$0	\$0	\$0
2036	0	<i>Incentive Year 2</i>	\$0	\$0	\$0
2037	0	<i>Incentive Year 3</i>	\$0	\$0	\$0
2038	0	<i>Incentive Year 4</i>	\$0	\$0	\$0
2039	0	<i>Incentive Year 5</i>	\$0	\$0	\$0
2040	0	<i>Incentive Year 6</i>	\$0	\$0	\$0
2041	0	<i>Incentive Year 7</i>	\$0	\$0	\$0
2042	0	<i>Incentive Year 8</i>	\$0	\$0	\$0
2043	0	<i>Incentive Year 9</i>	\$0	\$0	\$0
2044	0	<i>Incentive Year 10</i>	\$0	\$0	\$0
2045	0		\$0	\$0	\$0
2046	0		\$0	\$0	\$0
2047	0		\$0	\$0	\$0
2048	0		\$0	\$0	\$0
2049	0		\$0	\$0	\$0
2050	0		\$0	\$0	\$0
2051	0		\$0	\$0	\$0
2052	0		\$0	\$0	\$0
2053	0		\$0	\$0	\$0
2054	0		\$0	\$0	\$0
2055	0		\$0	\$0	\$0
2056	0		\$0	\$0	\$0
2057	0		\$0	\$0	\$0
2058	0		\$0	\$0	\$0
2059	0		\$0	\$0	\$0
2060	0		\$0	\$0	\$0
2061	0		\$0	\$0	\$0
2062	0		\$0	\$0	\$0
2063	0		\$0	\$0	\$0

Table 1 continued on the next page

Table 1 - Continued Timeline for Permanent Employment and Investment				
Year	Number of New Workers to be Hired Each Year	Buildings and Other Real Property Improvements	Machinery & Equipment	Total JETI Investment
2064	0	\$0	\$0	\$0
2065	0	\$0	\$0	\$0
2066	0	\$0	\$0	\$0
2067	0	\$0	\$0	\$0
2068	0	\$0	\$0	\$0
2069	0	\$0	\$0	\$0
<u>Total</u>	<u>1,424</u>	<u>\$281,700,000</u>	<u>\$0</u>	<u>\$281,700,000</u>

### Total Capital Investment and Total Employment

The facility's proposed capital investment and total employment will be as follows:

Table 2 Total Capital Investment and Employment	
Total Capital Investment	\$281,700,000
Total Employment	1,424

## Estimated Increase in Appraised Value of Property Attributable to the Project

The estimated increase in appraised value of the facility's investment over the next 37 years is shown below. The table focuses on the appraised value of the investment as defined by the Jobs, Energy, Technology and Innovation (JETI) program. This property is expected to be eligible for the value limitation.

Table 3 Appraised Value of the Facility's Investment	
Year	Total Appraised Value of Investment
2033	\$251,700,000
2034	\$286,734,000
2035	\$292,468,680
2036	\$298,318,054
2037	\$304,284,415
2038	\$310,370,103
2039	\$316,577,505
2040	\$322,909,055
2041	\$329,367,236
2042	\$335,954,581
2043	\$342,673,673
2044	\$349,527,146
2045	\$356,517,689
2046	\$363,648,043
2047	\$370,921,004
2048	\$378,339,424
2049	\$385,906,212
2050	\$393,624,336
2051	\$401,496,823
2052	\$409,526,760
2053	\$417,717,295
2054	\$426,071,641
2055	\$434,593,073
2056	\$443,284,935
2057	\$452,150,634
2058	\$461,193,646
2059	\$470,417,519
2060	\$479,825,870
2061	\$489,422,387
2062	\$499,210,835

*Table 3 continued on the next page*

<b>Table 3 - Continued</b>	
<b>Appraised Value of the Facility's Investment</b>	
Year	Total Appraised Value of Investment
2063	\$509,195,051
2064	\$519,378,952
2065	\$529,766,532
2066	\$540,361,862
2067	\$551,169,099
2068	\$562,192,481
2069	\$573,436,331

*Appraised Value Assumptions:  
Company's projections.*

### Estimated Ad Valorem Taxes Imposed by Each Taxing Unit on the Investment

The prospective site is located in Cameron County subject to the following property tax rates:

<b>Table 4</b>		
<b>Taxing Units and Tax Rates (Per \$100 of Taxable Value) at Proposed Site</b>		
City:	N/A	0.000000
County:	Cameron County	0.424393
School:	Point Isabel ISD	0.730300
	<i>M&amp;O Rate:</i>	<i>0.67980</i>
	<i>I&amp;S Rate:</i>	<i>0.05050</i>
Spec Dist #1:	Brownsville Navigation District	0.025589
Spec Dist #2:	Emergency Services District #1	0.062736
Spec Dist #3:	South Texas ISD	0.049200
Spec Dist #4:	Texas Southmost College District	0.111809
<u>Total Rate</u>		<u>1.404027</u>

The estimated ad valorem taxes to be collected by each taxing unit on the eligible investment is summarized in the table below and shown in detail on the following pages.

Table 5 Ad Valorem Taxes for Each Taxing Unit on the Investment Over the Next 37 Years		
City:	N/A	\$0
County:	Cameron County	\$64,339,052
School:	Point Isabel ISD	\$90,727,359
	<i>M&amp;O Taxes:</i>	<i>\$83,071,431</i>
	<i>I&amp;S Taxes:</i>	<i>\$7,655,928</i>
Spec Dist #1:	Brownsville Navigation District	\$3,879,357
Spec Dist #2:	Emergency Services District #1	\$9,510,936
Spec Dist #3:	South Texas ISD	\$7,458,844
Spec Dist #4:	Texas Southmost College District	\$16,950,527
<u>Total</u>		<u>\$192,866,076</u>

It is important to note these property tax calculations reflect the expected taxes on the company's eligible investment. The company may pay additional property taxes on land and inventories and those taxes are detailed separately in the "Local Area Benefits: Economic Impact & Tax Revenue" section of this report.

Table 6 Ad Valorem Taxes for School District on Investment: Point Isabel ISD							
Year	Taxable Value of Eligible Property for M&O Tax*	M&O Tax Rate	M&O Taxes	Taxable Value of Property for I&S Tax**	I&S Tax Rate	I&S Taxes	Total School District Taxes
2033	\$0	0.67980	\$0	\$251,700,000	0.05050	\$127,109	\$127,109
2034	\$0	0.67980	\$0	\$286,734,000	0.05050	\$144,801	\$144,801
2035	\$73,117,170	0.67980	\$497,051	\$292,468,680	0.05050	\$147,697	\$644,747
2036	\$74,579,513	0.67980	\$506,992	\$298,318,054	0.05050	\$150,651	\$657,642
2037	\$76,071,104	0.67980	\$517,131	\$304,284,415	0.05050	\$153,664	\$670,795
2038	\$77,592,526	0.67980	\$527,474	\$310,370,103	0.05050	\$156,737	\$684,211
2039	\$79,144,376	0.67980	\$538,023	\$316,577,505	0.05050	\$159,872	\$697,895
2040	\$80,727,264	0.67980	\$548,784	\$322,909,055	0.05050	\$163,069	\$711,853
2041	\$82,341,809	0.67980	\$559,760	\$329,367,236	0.05050	\$166,330	\$726,090
2042	\$83,988,645	0.67980	\$570,955	\$335,954,581	0.05050	\$169,657	\$740,612
2043	\$85,668,418	0.67980	\$582,374	\$342,673,673	0.05050	\$173,050	\$755,424
2044	\$87,381,787	0.67980	\$594,021	\$349,527,146	0.05050	\$176,511	\$770,533
2045	\$356,517,689	0.67980	\$2,423,607	\$356,517,689	0.05050	\$180,041	\$2,603,649
2046	\$363,648,043	0.67980	\$2,472,079	\$363,648,043	0.05050	\$183,642	\$2,655,722

Table 6 continued on the next page

**Table 6 - Continued**  
**Ad Valorem Taxes for School District on Investment: Point Isabel ISD**

Year	Taxable Value of Eligible Property for M&O Tax*	M&O Tax Rate	M&O Taxes	Taxable Value of Property for I&S Tax**	I&S Tax Rate	I&S Taxes	Total School District Taxes
2047	\$370,921,004	0.67980	\$2,521,521	\$370,921,004	0.05050	\$187,315	\$2,708,836
2048	\$378,339,424	0.67980	\$2,571,951	\$378,339,424	0.05050	\$191,061	\$2,763,013
2049	\$385,906,212	0.67980	\$2,623,390	\$385,906,212	0.05050	\$194,883	\$2,818,273
2050	\$393,624,336	0.67980	\$2,675,858	\$393,624,336	0.05050	\$198,780	\$2,874,639
2051	\$401,496,823	0.67980	\$2,729,375	\$401,496,823	0.05050	\$202,756	\$2,932,131
2052	\$409,526,760	0.67980	\$2,783,963	\$409,526,760	0.05050	\$206,811	\$2,990,774
2053	\$417,717,295	0.67980	\$2,839,642	\$417,717,295	0.05050	\$210,947	\$3,050,589
2054	\$426,071,641	0.67980	\$2,896,435	\$426,071,641	0.05050	\$215,166	\$3,111,601
2055	\$434,593,073	0.67980	\$2,954,364	\$434,593,073	0.05050	\$219,470	\$3,173,833
2056	\$443,284,935	0.67980	\$3,013,451	\$443,284,935	0.05050	\$223,859	\$3,237,310
2057	\$452,150,634	0.67980	\$3,073,720	\$452,150,634	0.05050	\$228,336	\$3,302,056
2058	\$461,193,646	0.67980	\$3,135,194	\$461,193,646	0.05050	\$232,903	\$3,368,097
2059	\$470,417,519	0.67980	\$3,197,898	\$470,417,519	0.05050	\$237,561	\$3,435,459
2060	\$479,825,870	0.67980	\$3,261,856	\$479,825,870	0.05050	\$242,312	\$3,504,168
2061	\$489,422,387	0.67980	\$3,327,093	\$489,422,387	0.05050	\$247,158	\$3,574,252
2062	\$499,210,835	0.67980	\$3,393,635	\$499,210,835	0.05050	\$252,101	\$3,645,737
2063	\$509,195,051	0.67980	\$3,461,508	\$509,195,051	0.05050	\$257,144	\$3,718,651
2064	\$519,378,952	0.67980	\$3,530,738	\$519,378,952	0.05050	\$262,286	\$3,793,024
2065	\$529,766,532	0.67980	\$3,601,353	\$529,766,532	0.05050	\$267,532	\$3,868,885
2066	\$540,361,862	0.67980	\$3,673,380	\$540,361,862	0.05050	\$272,883	\$3,946,263
2067	\$551,169,099	0.67980	\$3,746,848	\$551,169,099	0.05050	\$278,340	\$4,025,188
2068	\$562,192,481	0.67980	\$3,821,784	\$562,192,481	0.05050	\$283,907	\$4,105,692
2069	\$573,436,331	0.67980	\$3,898,220	\$573,436,331	0.05050	\$289,585	\$4,187,806
<b>Total</b>			<b>\$83,071,431</b>			<b>\$7,655,928</b>	<b>\$90,727,359</b>

\* Taxable Value of Eligible Property for M&O Tax is equal to 25% of the appraised or market value of the investment property during the 10-year incentive period and equal to the appraised or market value thereafter.

\*\* Taxable Value of Property for I&S Tax is equal to the appraised or market value of the investment property.

<b>Table 7</b>				
<b>Ad Valorem Taxes for Other Taxing Units on Investment</b>				
Year	N/A <b>0.000000</b>	Cameron County <b>0.424393</b>	Other Local Districts <b>0.249334</b>	Total
2033	\$0	\$1,068,197	\$627,574	\$1,695,771
2034	\$0	\$1,216,879	\$714,925	\$1,931,804
2035	\$0	\$1,241,217	\$729,224	\$1,970,440
2036	\$0	\$1,266,041	\$743,808	\$2,009,849
2037	\$0	\$1,291,362	\$758,685	\$2,050,046
2038	\$0	\$1,317,189	\$773,858	\$2,091,047
2039	\$0	\$1,343,533	\$789,335	\$2,132,868
2040	\$0	\$1,370,403	\$805,122	\$2,175,525
2041	\$0	\$1,397,811	\$821,225	\$2,219,036
2042	\$0	\$1,425,768	\$837,649	\$2,263,417
2043	\$0	\$1,454,283	\$854,402	\$2,308,685
2044	\$0	\$1,483,369	\$871,490	\$2,354,859
2045	\$0	\$1,513,036	\$888,920	\$2,401,956
2046	\$0	\$1,543,297	\$906,698	\$2,449,995
2047	\$0	\$1,574,163	\$924,832	\$2,498,995
2048	\$0	\$1,605,646	\$943,329	\$2,548,975
2049	\$0	\$1,637,759	\$962,195	\$2,599,954
2050	\$0	\$1,670,514	\$981,439	\$2,651,953
2051	\$0	\$1,703,924	\$1,001,068	\$2,704,993
2052	\$0	\$1,738,003	\$1,021,089	\$2,759,092
2053	\$0	\$1,772,763	\$1,041,511	\$2,814,274
2054	\$0	\$1,808,218	\$1,062,341	\$2,870,560
2055	\$0	\$1,844,383	\$1,083,588	\$2,927,971
2056	\$0	\$1,881,270	\$1,105,260	\$2,986,530
2057	\$0	\$1,918,896	\$1,127,365	\$3,046,261
2058	\$0	\$1,957,274	\$1,149,913	\$3,107,186
2059	\$0	\$1,996,419	\$1,172,911	\$3,169,330
2060	\$0	\$2,036,347	\$1,196,369	\$3,232,716
2061	\$0	\$2,077,074	\$1,220,296	\$3,297,371
2062	\$0	\$2,118,616	\$1,244,702	\$3,363,318
2063	\$0	\$2,160,988	\$1,269,596	\$3,430,585
2064	\$0	\$2,204,208	\$1,294,988	\$3,499,196
2065	\$0	\$2,248,292	\$1,320,888	\$3,569,180
2066	\$0	\$2,293,258	\$1,347,306	\$3,640,564
2067	\$0	\$2,339,123	\$1,374,252	\$3,713,375

Table 7 continued on the next page

<b>Table 7 - Continued</b>				
<b>Ad Valorem Taxes for Other Taxing Units on Investment</b>				
Year	N/A	Cameron County	Other Local Districts	Total
	<b>0.000000</b>	<b>0.424393</b>	<b>0.249334</b>	
2068	\$0	\$2,385,906	\$1,401,737	\$3,787,643
2069	\$0	\$2,433,624	\$1,429,772	\$3,863,395
<u>Total</u>	<u>\$0</u>	<u>\$64,339,052</u>	<u>\$37,799,665</u>	<u>\$102,138,717</u>

*Note: Taxable Value of Property for these taxing units is equal to the appraised or market value of the investment property.*

## Total Impact on Gross Domestic Product and Personal Income in the State

The project's construction and on-going operations will generate new revenues for businesses in the state and increase the gross domestic product of the state. Additionally, these activities will support employment and increase personal income in the state.

The economic output represents gross revenues of businesses impacted by the project. Indirect businesses reflect suppliers to the project and induced businesses reflect business serving employees supported by the project.

### State Economic Output During Construction

The economic impact/increase in gross state product during construction of buildings and improvements will be as follows:

	Direct	Indirect & Induced	Total
Economic output / increase in gross area product	\$0.20 B	\$0.29 B	\$0.49 B
Construction employment (annual average)	656	853	1,509
Payroll / increase in state personal income	\$100.36 M	\$100.85 M	\$201.20 M

## State Economic Impacts During the Facility's Operations

The total annual economic output/increase in gross state product during the facility's operations is shown below along with the employment and payroll supported in the state economy.

<b>Table 9</b>			
<b>Total Economic Impact During the Facility's Operations in the State of Texas</b>			
		Annually at Full Operations in 2030	37-Year Total
Economic output / increase in gross state product:			
	Direct	#N/A	\$30.59 B
	Indirect & Induced	#N/A	\$44.19 B
	<u>Total</u>	<u>#N/A</u>	<u>\$74.79 B</u>
Employment:			
	Direct	#N/A	#N/A
	Indirect & Induced	#N/A	#N/A
	<u>Total</u>	<u>#N/A</u>	<u>#N/A</u>
Payroll / increase in state personal income:			
	Direct	#N/A	\$8.94 B
	Indirect & Induced	#N/A	\$11.22 B
	<u>Total</u>	<u>#N/A</u>	<u>\$20.16 B</u>

Additional information and year-by-year calculations for state impacts summarized above can be found in the "State of Texas Benefits: Economic Impact & Tax Revenue" section of this report.

## Impact on Gross Revenues and Employment of Local Businesses

The project's construction and on-going operations will generate new revenues for local businesses and support local employment. The tables below summarize these local economic impacts within Cameron County.

The economic output represents gross revenues of businesses impacted by the project. Indirect businesses reflect suppliers to the project and induced businesses reflect business serving employees supported by the project.

### Local Economic Output During Construction

The economic impact/increase in gross area product during construction of buildings and improvements will be as follows:

	Direct	Indirect & Induced	Total
Economic output / increase in gross area product	\$0.11 B	\$0.05 B	\$0.16 B
Construction employment (annual average)	345	177	523
Payroll / increase in county personal income	\$52.82 M	\$19.04 M	\$71.85 M

## Local Economic Impacts During the Facility's Operations

The total annual economic output/increase in gross area product during the facility's operations is shown below along with the employment and payroll supported in the Cameron County economy.

<b>Table 11</b> <b>Total Economic Impact During the Facility's Operations</b> <b>in Cameron County</b>			
		Annually at Full Operations in 2030	37-Year Total
Economic output / increase in gross area product:			
	Direct	#N/A	\$30.59 B
	Indirect & Induced	#N/A	\$14.41 B
	<u>Total</u>	<u>#N/A</u>	<u>\$45.01 B</u>
Employment:			
	Direct	#N/A	#N/A
	Indirect & Induced	#N/A	#N/A
	<u>Total</u>	<u>#N/A</u>	<u>#N/A</u>
Payroll/Personal Income:			
	Direct	#N/A	\$8.94 B
	Indirect & Induced	#N/A	\$4.05 B
	<u>Total</u>	<u>#N/A</u>	<u>\$13.00 B</u>

Additional information and year-by-year calculations for state impacts summarized above can be found in the "Local Area Benefits: Economic Impact & Tax Revenue" section of this report.

## The State and Local Tax Revenues Generated as a Result of the Project

During construction, the State of Texas and local jurisdictions will receive the following tax revenues:

	Sales Tax Collections	Franchise Tax Collections	Other Taxes and Revenues	Total Tax Revenues
State of Texas	\$9,871,892	\$661,263	\$3,166,688	\$13,699,844
Nearby Cities	\$789,751	\$0	\$0	\$789,751
Cameron County	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$10,661,644</b>	<b>\$661,263</b>	<b>\$3,166,688</b>	<b>\$14,489,595</b>

The state and local tax revenues from the facility's operations over the 37-year period is shown below.

	Sales Tax Collections	Hotel Taxes	Franchise Tax Collections	Other Taxes and Revenues	Property Taxes*	Total Tax Revenues
State of Texas	\$374,333,398	\$30,637	\$56,089,188	\$287,086,796	\$0	\$717,540,019
Nearby Cities	\$29,946,672	\$35,744	\$0	\$0	\$0	\$29,982,416
Cameron County	\$0	\$0	\$0	\$0	\$196,821,111	\$196,821,111
Point Isabel ISD	\$0	\$0	\$0	\$0	\$318,703,899	\$318,703,899
Brownsville Navigation District	\$0	\$0	\$0	\$0	\$11,867,433	\$11,867,433
Emergency Services District #1	\$0	\$0	\$0	\$0	\$29,095,129	\$29,095,129
South Texas ISD	\$0	\$0	\$0	\$0	\$22,817,527	\$22,817,527
Texas Southmost College District	\$0	\$0	\$0	\$0	\$51,853,757	\$51,853,757
<b>Total</b>	<b>\$404,280,070</b>	<b>\$66,381</b>	<b>\$56,089,188</b>	<b>\$287,086,796</b>	<b>\$631,158,857</b>	<b>\$1,378,681,292</b>

\* Property taxes include both taxes on the facilities JETI investment as well as the taxable land and inventories. See the Local Area Benefits section for more detail.

Additional information and year-by-year calculations for state and local tax revenues summarized above can be found in the State of Texas and Local Area Benefits sections of this report.

## Direct vs. Indirect Tax Revenues Generated as a Result of the Project

The tables below break down tax revenues during construction and operations, showing direct and indirect taxes. The first table covers construction, and the second focuses on operations.

Table 14			
Direct vs. Indirect Tax Revenues for the State and Local Taxing Units During Construction			
	Direct Taxes	Indirect Taxes	Total Tax Revenues
State of Texas	\$6,602,344	\$7,097,500	\$13,699,844
Local Districts	\$528,188	\$261,564	\$789,751
<u>Total</u>	<u>\$7,130,531</u>	<u>\$7,359,064</u>	<u>\$14,489,595</u>

Table 15			
Direct vs. Indirect Tax Revenues for the State and Local Taxing Units During Operations			
	Direct Taxes	Indirect Taxes	Total Tax Revenues
State of Texas	\$42,065,935	\$675,474,084	\$717,540,019
Local Districts	\$632,688,528	\$28,452,745	\$661,141,273
<u>Total</u>	<u>\$674,754,462</u>	<u>\$703,926,829</u>	<u>\$1,378,681,292</u>

Direct taxes are the estimated taxes paid by the company. These taxes primarily include the sales taxes paid on taxable purchases or sales, the estimated franchise taxes paid by the company, and property taxes paid by the company. Indirect taxes include all other taxes expected to be supported by the construction and on-going operations of the facility. Indirect taxes include sales taxes paid by the company's workers and by workers of indirect and induced businesses as well as other revenues detailed throughout the report.

Additional information and year-by-year calculations for tax revenues summarized above can be found in the State of Texas and Local Area Benefits sections of this report.

## Development of Complementary Businesses or Industries in the State

The company's operations will draw on suppliers throughout the state and drive expansion in complementary businesses. Although the specific businesses are not known at this time, the expansion of industries affected by the company and its employees is show below based on the impact by industry.

Table 16 Development of Industries in the State		
	New Spending	Percent of Total
Agriculture, forestry, fishing and hunting	#N/A	0.4%
Mining, quarrying, and oil and gas extraction	#N/A	0.6%
Utilities	#N/A	2.3%
Construction	#N/A	1.0%
Durable goods manufacturing	#N/A	10.8%
Nondurable goods manufacturing	#N/A	7.2%
Wholesale trade	#N/A	7.9%
Retail trade	#N/A	5.9%
Transportation and warehousing	#N/A	4.2%
Information	#N/A	3.6%
Finance and insurance	#N/A	9.6%
Real estate and rental and leasing	#N/A	12.2%
Professional, scientific, and technical services	#N/A	7.2%
Management of companies and enterprises	#N/A	2.1%
Administrative & support & waste mgmt & remediation svcs	#N/A	9.3%
Educational services	#N/A	1.1%
Health care and social assistance	#N/A	7.1%
Arts, entertainment, and recreation	#N/A	0.7%
Accommodation	#N/A	0.7%
Food services and drinking places	#N/A	2.9%
Other services	#N/A	3.2%
<u>Total</u>	<u>#N/A</u>	<u>100.0%</u>

The industries most affected by the project will include:

1. Real estate and rental and leasing
2. Durable goods manufacturing
3. Finance and insurance
4. Administrative and support and waste management and remediation services
5. Wholesale trade

# State of Texas Benefits Economic Impact & Tax Revenue

## State of Texas Economic Impacts During Construction

The facility plans to spend the following estimated amounts on construction at the facility:

Table 17 Construction Costs	
Year	Construction Costs
2033	\$179,336,250
2034	\$21,375,000
2033	\$0
2034	\$0
2033	\$0
2034	\$0
2033	\$0
2034	\$0
2033	\$0
2034	\$0
2033	\$0
2034	\$0
<u>Total</u>	<u>\$200,711,250</u>

### Construction Economic Output/Increase in Gross State Product

The facility's construction project will provide direct, indirect and induced economic output/increase in gross state product, as shown below.

<b>Table 18</b>			
<b>Economic Output/Increase in Gross State Product During Construction</b>			
Year	Direct Construction Output	Indirect & Induced Output	Total Output
2033	\$179,336,250	\$259,391,952	\$438,728,202
2034	\$21,375,000	\$30,916,800	\$52,291,800
2035	\$0	\$0	\$0
2033	\$0	\$0	\$0
2034	\$0	\$0	\$0
2033	\$0	\$0	\$0
2034	\$0	\$0	\$0
2033	\$0	\$0	\$0
2034	\$0	\$0	\$0
2033	\$0	\$0	\$0
<b>Total</b>	<b>\$200.71 M</b>	<b>\$290.31 M</b>	<b>\$0.49 B</b>

An explanation of the multipliers used to calculate indirect and induced impacts is included later in this report.

## Construction Payroll

The table below summarizes the company's estimate for construction labor spending during construction.

Table 19 Direct Construction Payroll		
Year	Construction Costs	Direct Construction Payroll
2033	\$179,336,250	\$89,668,125
2034	\$21,375,000	\$10,687,500
2035	\$0	\$0
2036	\$0	\$0
2037	\$0	\$0
2038	\$0	\$0
2039	\$0	\$0
2040	\$0	\$0
2041	\$0	\$0
2042	\$0	\$0
<b>Total</b>	<b>\$200.71 M</b>	<b>\$100.36 M</b>

The direct, indirect and induced payrolls during construction will be the following:

Table 20 Direct, Indirect and Induced Payroll During Construction			
Year	Direct Construction Payroll	Indirect & Induced Payroll	Total Payroll
2033	\$89,668,125	\$90,107,499	\$179,775,624
2034	\$10,687,500	\$10,739,869	\$21,427,369
2035	\$0	\$0	\$0
2036	\$0	\$0	\$0
2037	\$0	\$0	\$0
2038	\$0	\$0	\$0
2039	\$0	\$0	\$0
2040	\$0	\$0	\$0
2041	\$0	\$0	\$0
2042	\$0	\$0	\$0
<b>Total</b>	<b>\$100.36 M</b>	<b>\$100.85 M</b>	<b>\$201.20 M</b>

## Construction Employment

Based on the portion of the total construction expenditure for labor, the table below shows the estimated construction employment during the facility's construction.

<b>Table 21</b> <b>Construction Workers Employed</b> <b>During Construction</b>		
Year	Direct Construction Payroll	Number of Construction Jobs Supported Each Year
2033	\$89,668,125	1,176
2034	\$10,687,500	136
2035	\$0	0
2036	\$0	0
2037	\$0	0
2038	\$0	0
2039	\$0	0
2040	\$0	0
2041	\$0	0
2042	\$0	0
<u>Total</u>	<u>\$100.36 M</u>	
<u>Average construction jobs per year</u>		<u>656</u>

During construction, the following number of direct, indirect and induced jobs will be supported each year:

<b>Table 22</b>			
<b>Direct, Indirect and Induced Employment During Construction</b>			
Year	Direct Construction Employment	Indirect & Induced Employment	Total Employment
2033	1,176	1,529	2,705
2034	136	177	313
2035	0	0	0
2036	0	0	0
2037	0	0	0
2038	0	0	0
2039	0	0	0
2040	0	0	0
2041	0	0	0
2042	0	0	0
<u>Annual Avg.</u>	<u>656</u>	<u>853</u>	<u>1,509</u>

## State of Texas Fiscal Impacts During Construction

### Taxable Sales

The percent of construction costs for building materials and the percent of total worker salaries to be spent on taxable goods and services are shown below.

Table 23 Percent of Construction Costs and Worker Salaries Subject to Sales Tax	
Percent of real property investment costs for materials	37.5%
Estimated percent of construction materials that may be subject to sales tax	100.0%
Percent of worker salaries spent on taxable goods and services	26.0%
Estimated percent of machinery and equipment subject to sales tax	#DIV/0!

The facility's construction project will result in the following taxable sales:

Table 24 Estimated Taxable Sales					
Year	Estimated Taxable Machinery and Equipment	Estimated Total Construction Materials	Estimated Taxable Construction Materials	Estimated Taxable Worker Spending	Total Taxable Sales
2033	\$0	\$94,387,500	\$94,387,500	\$46,741,662	\$141,129,162
2034	\$0	\$11,250,000	\$11,250,000	\$5,571,116	\$16,821,116
2035	\$0	\$0	\$0	\$0	\$0
2036	\$0	\$0	\$0	\$0	\$0
2037	\$0	\$0	\$0	\$0	\$0
2038	\$0	\$0	\$0	\$0	\$0
2039	\$0	\$0	\$0	\$0	\$0
2040	\$0	\$0	\$0	\$0	\$0
2041	\$0	\$0	\$0	\$0	\$0
2042	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$105,637,500</b>	<b>\$105,637,500</b>	<b>\$52,312,778</b>	<b>\$157,950,278</b>

## Sales Tax Collections

With a 6.25% sales tax, the state will collect the following sales tax on machinery and equipment, construction materials and construction worker spending:

Table 25 Estimated Sales Tax Collections During Construction						
Year	On Taxable Machinery & Equipment	On Construction Materials	On Taxable Worker Spending	Total Sales Tax Collections	Direct Sales Tax Collections	Indirect Sales Tax Collections
2033	\$0	\$5,899,219	\$2,921,354	\$8,820,573	\$5,899,219	\$2,921,354
2034	\$0	\$703,125	\$348,195	\$1,051,320	\$703,125	\$348,195
2035	\$0	\$0	\$0	\$0	\$0	\$0
2036	\$0	\$0	\$0	\$0	\$0	\$0
2037	\$0	\$0	\$0	\$0	\$0	\$0
2038	\$0	\$0	\$0	\$0	\$0	\$0
2039	\$0	\$0	\$0	\$0	\$0	\$0
2040	\$0	\$0	\$0	\$0	\$0	\$0
2041	\$0	\$0	\$0	\$0	\$0	\$0
2042	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$6,602,344</b>	<b>\$3,269,549</b>	<b>\$9,871,892</b>	<b>\$6,602,344</b>	<b>\$3,269,549</b>

## Taxable Margins Subject to Texas Franchise Tax

If direct, indirect and induced revenues during construction are revenues for organizations subject to Texas' franchise tax, their taxable margins will be subject to the tax. If this is the case, and the estimated taxable margins of the construction companies and indirect and induced companies are 15% of revenues, then construction on this project will result in the following taxable margins:

<b>Table 26</b>			
<b>Estimated Taxable Margins During Construction Subject to Texas' Franchise Tax</b>			
Year	On Direct Revenues During Construction	On Indirect & Induced Revenues	Total Taxable Margins
2033	\$26,900,438	\$51,878,390	\$78,778,828
2034	\$3,206,250	\$6,183,360	\$9,389,610
2035	\$0	\$0	\$0
2036	\$0	\$0	\$0
2037	\$0	\$0	\$0
2038	\$0	\$0	\$0
2039	\$0	\$0	\$0
2040	\$0	\$0	\$0
2041	\$0	\$0	\$0
2042	\$0	\$0	\$0
<b>Total</b>	<b><u>\$30,106,688</u></b>	<b><u>\$58,061,750</u></b>	<b><u>\$88,168,438</u></b>

## Franchise Tax Collections

Texas franchise tax is a tax on “taxable margin,” which is a concept similar to taxable income. Generally, an entity’s taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity’s revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A rate of .375% is used for taxable entities primarily engaged in retail or wholesale trade, and a .75% rate is used for all other entities.

The estimated franchise tax to be collected by the state from construction companies and indirect and induced businesses is shown below.

Table 27 Estimated Franchise Tax Collections During Construction		
Year	Total Taxable Margins	Franchise Tax Collections
2033	\$78,778,828	\$590,841
2034	\$9,389,610	\$70,422
2035	\$0	\$0
2036	\$0	\$0
2037	\$0	\$0
2038	\$0	\$0
2039	\$0	\$0
2040	\$0	\$0
2041	\$0	\$0
2042	\$0	\$0
<b>Total</b>	<b>\$88,168,438</b>	<b>\$661,263</b>

**Other Taxes and Revenues from Workers**

During the facility's construction, other taxes -- in addition to sales and franchise taxes -- will be collected for the State's general fund. The estimated annual collections from each worker of these other taxes during construction are the following:

Table 28 Other Revenues for the State from Each Worker During Construction	
Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$438
Cigarette and tobacco taxes	\$97
Alcohol beverage taxes	\$181
Net lottery proceeds	\$293
<u>Total</u>	<u>\$1,046</u>

Other taxes and revenues from workers for the State during construction will be the following:

Table 29 Other Revenues for the State from Workers During Construction						
Year	Gasoline Taxes	Motor Vehicle Sales and Use Taxes	Cigarette and Tobacco Taxes	Alcoholic Beverage Taxes	Net Lottery Proceeds	Total Other Taxes & Revenues
2033	\$101,438	\$1,183,445	\$262,387	\$489,608	\$792,570	\$2,829,448
2034	\$12,090	\$141,054	\$31,274	\$58,356	\$94,466	\$337,240
2035	\$0	\$0	\$0	\$0	\$0	\$0
2036	\$0	\$0	\$0	\$0	\$0	\$0
2037	\$0	\$0	\$0	\$0	\$0	\$0
2038	\$0	\$0	\$0	\$0	\$0	\$0
2039	\$0	\$0	\$0	\$0	\$0	\$0
2040	\$0	\$0	\$0	\$0	\$0	\$0
2041	\$0	\$0	\$0	\$0	\$0	\$0
2042	\$0	\$0	\$0	\$0	\$0	\$0
<u>Total</u>	<u>\$113,528</u>	<u>\$1,324,499</u>	<u>\$293,660</u>	<u>\$547,964</u>	<u>\$887,036</u>	<u>\$3,166,688</u>

## Summary of General Fund Revenues for the State During Construction

During the facility's construction project, the State will receive the following revenues for its general fund:

Table 30 General Fund Revenues for the State During Construction				
Year	Sales Tax Collections	Franchise Tax Collections	Other Taxes and Revenues	Total Revenues
2033	\$8,820,573	\$590,841	\$2,829,448	\$12,240,861
2034	\$1,051,320	\$70,422	\$337,240	\$1,458,982
2035	\$0	\$0	\$0	\$0
2036	\$0	\$0	\$0	\$0
2037	\$0	\$0	\$0	\$0
2038	\$0	\$0	\$0	\$0
2039	\$0	\$0	\$0	\$0
2040	\$0	\$0	\$0	\$0
2041	\$0	\$0	\$0	\$0
2042	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$9,871,892</b>	<b>\$661,263</b>	<b>\$3,166,688</b>	<b>\$13,699,844</b>

## State of Texas Economic Impacts During the Facility's Operations

The facility's estimated annual expenditures during the first 37 years are shown below:

<b>Table 31</b>		
<b>Facility's Estimated Annual Operating Expenditures</b>		
		Total Operating Expenditures
2033	Year 1	\$336,047,701
2034	Year 2	\$478,181,080
2035	Year 3	\$492,526,512
2036	Year 4	\$507,302,308
2037	Year 5	\$522,521,377
2038	Year 6	\$538,197,018
2039	Year 7	\$554,342,929
2040	Year 8	\$570,973,217
2041	Year 9	\$588,102,413
2042	Year 10	\$605,745,485
2043	Year 11	\$623,917,850
2044	Year 12	\$642,635,386
2045	Year 13	\$661,914,447
2046	Year 14	\$681,771,881
2047	Year 15	\$702,225,037
2048	Year 16	\$723,291,788
2049	Year 17	\$744,990,542
2050	Year 18	\$767,340,258
2051	Year 19	\$790,360,466
2052	Year 20	\$814,071,280
2053	Year 21	\$838,493,418
2054	Year 22	\$863,648,221
2055	Year 23	\$889,557,667
2056	Year 24	\$916,244,397
2057	Year 25	\$943,731,729
2058	Year 26	\$972,043,681
2059	Year 27	\$1,001,204,991
2060	Year 28	\$1,031,241,141
2061	Year 29	\$1,062,178,375
2062	Year 30	\$1,094,043,727
2063	Year 31	\$1,126,865,038
2064	Year 32	\$1,160,670,990
2065	Year 33	\$1,195,491,119
2066	Year 34	\$1,231,355,853

*Table 31 continued on the next page*

Table 31 - Continued		
Facility's Estimated Annual Operating Expenditures		
		Total Operating Expenditures
2067	Year 35	\$1,268,296,528
2068	Year 36	\$1,306,345,424
2069	Year 37	\$1,345,535,787
<u>Total</u>		<u>\$30.59 B</u>

### Economic Output During Operations

The facility's annual operating expenditures will result in the following direct, indirect and induced output:

Table 32			
Output During Operations			
Year	Direct Operations Output	Indirect & Induced Output	Total Output
2033	\$336,047,701	\$485,420,904	\$821,468,605
2034	\$478,181,080	\$690,732,570	\$1,168,913,650
2035	\$492,526,512	\$711,454,547	\$1,203,981,059
2036	\$507,302,308	\$732,798,183	\$1,240,100,491
2037	\$522,521,377	\$754,782,129	\$1,277,303,506
2038	\$538,197,018	\$777,425,593	\$1,315,622,611
2039	\$554,342,929	\$800,748,361	\$1,355,091,289
2040	\$570,973,217	\$824,770,811	\$1,395,744,028
2041	\$588,102,413	\$849,513,936	\$1,437,616,349
2042	\$605,745,485	\$874,999,354	\$1,480,744,839
2043	\$623,917,850	\$901,249,334	\$1,525,167,184
2044	\$642,635,386	\$928,286,814	\$1,570,922,200
2045	\$661,914,447	\$956,135,419	\$1,618,049,866
2046	\$681,771,881	\$984,819,481	\$1,666,591,362
2047	\$702,225,037	\$1,014,364,066	\$1,716,589,103
2048	\$723,291,788	\$1,044,794,988	\$1,768,086,776
2049	\$744,990,542	\$1,076,138,837	\$1,821,129,379
2050	\$767,340,258	\$1,108,423,003	\$1,875,763,260
2051	\$790,360,466	\$1,141,675,693	\$1,932,036,158
2052	\$814,071,280	\$1,175,925,963	\$1,989,997,243
2053	\$838,493,418	\$1,211,203,742	\$2,049,697,160

Table 32 continued on the next page

**Table 32 - Continued**  
**Output During Operations**

Year	Direct Operations Output	Indirect & Induced Output	Total Output
2054	\$863,648,221	\$1,247,539,855	\$2,111,188,075
2055	\$889,557,667	\$1,284,966,050	\$2,174,523,717
2056	\$916,244,397	\$1,323,515,032	\$2,239,759,429
2057	\$943,731,729	\$1,363,220,483	\$2,306,952,212
2058	\$972,043,681	\$1,404,117,097	\$2,376,160,778
2059	\$1,001,204,991	\$1,446,240,610	\$2,447,445,601
2060	\$1,031,241,141	\$1,489,627,828	\$2,520,868,970
2061	\$1,062,178,375	\$1,534,316,663	\$2,596,495,039
2062	\$1,094,043,727	\$1,580,346,163	\$2,674,389,890
2063	\$1,126,865,038	\$1,627,756,548	\$2,754,621,586
2064	\$1,160,670,990	\$1,676,589,244	\$2,837,260,234
2065	\$1,195,491,119	\$1,726,886,922	\$2,922,378,041
2066	\$1,231,355,853	\$1,778,693,529	\$3,010,049,382
2067	\$1,268,296,528	\$1,832,054,335	\$3,100,350,864
2068	\$1,306,345,424	\$1,887,015,965	\$3,193,361,390
2069	\$1,345,535,787	\$1,943,626,444	\$3,289,162,231
<b>Total</b>	<b>\$30.59 B</b>	<b>\$44.19 B</b>	<b>\$74.79 B</b>

## Employment during Operations

The facility expects to have the following number of new jobs:

Table 33 Number of Jobs to be Created		
Year	Number of New Jobs to be Created	Cumulative Number of New Jobs
2033	1,014	1,014
2034	410	1,424
2035	0	1,424
2036	0	1,424
2037	0	1,424
2038	0	1,424
2039	0	1,424
2040	0	1,424
2041	0	1,424
2042	0	1,424
<u>Total</u>	<u>1,424</u>	

Therefore, the following number of direct, indirect and induced jobs will be supported during the facility's operations:

Table 34 Direct, Indirect & Induced Employment During Operations			
Year	Direct Operations Employment	Indirect & Induced Employment	Total Employment
2033	1,014	1,952	2,965
2034	1,424	2,742	4,166
2035	1,424	2,742	4,166
2036	1,424	2,742	4,166
2037	1,424	2,742	4,166
2038	1,424	2,742	4,166
2039	1,424	2,742	4,166
2040	1,424	2,742	4,166
2041	1,424	2,742	4,166

*Table 34 continued on the next page*

**Table 34 - Continued**  
**Direct, Indirect & Induced Employment During Operations**

Year	Direct Operations Employment	Indirect & Induced Employment	Total Employment
2042	1,424	2,742	4,166
2043	1,424	2,742	4,166
2044	1,424	2,742	4,166
2045	1,424	2,742	4,166
2046	1,424	2,742	4,166
2047	1,424	2,742	4,166
2048	1,424	2,742	4,166
2049	1,424	2,742	4,166
2050	1,424	2,742	4,166
2051	1,424	2,742	4,166
2052	1,424	2,742	4,166
2053	1,424	2,742	4,166
2054	1,424	2,742	4,166
2055	1,424	2,742	4,166
2056	1,424	2,742	4,166
2057	1,424	2,742	4,166
2058	1,424	2,742	4,166
2059	1,424	2,742	4,166
2060	1,424	2,742	4,166
2061	1,424	2,742	4,166
2062	1,424	2,742	4,166
2063	1,424	2,742	4,166
2064	1,424	2,742	4,166
2065	1,424	2,742	4,166
2066	1,424	2,742	4,166
2067	1,424	2,742	4,166
2068	1,424	2,742	4,166
2069	1,424	2,742	4,166

The estimated annual payroll at the facility will be the following:

<b>Table 35</b>			
<b>Estimated Annual Payroll</b>			
Percent of annual increase		3.0%	
	Year	Average Annual Salaries	Annual Payroll
Year 1	2033	\$95,306	\$96,618,536
Year 2	2034	\$98,165	\$139,804,021
Year 3	2035	\$101,110	\$143,998,141
Year 4	2036	\$104,143	\$148,318,085
Year 5	2037	\$107,268	\$152,767,628
Year 6	2038	\$110,486	\$157,350,657
Year 7	2039	\$113,800	\$162,071,176
Year 8	2040	\$117,214	\$166,933,312
Year 9	2041	\$120,731	\$171,941,311
Year 10	2042	\$124,353	\$177,099,550
Year 11	2043	\$128,083	\$182,412,537
Year 12	2044	\$131,926	\$187,884,913
Year 13	2045	\$135,884	\$193,521,460
Year 14	2046	\$139,960	\$199,327,104
Year 15	2047	\$144,159	\$205,306,917
Year 16	2048	\$148,484	\$211,466,125
Year 17	2049	\$152,938	\$217,810,109
Year 18	2050	\$157,526	\$224,344,412
Year 19	2051	\$162,252	\$231,074,744
Year 20	2052	\$167,120	\$238,006,987
Year 21	2053	\$172,133	\$245,147,196
Year 22	2054	\$177,297	\$252,501,612
Year 23	2055	\$182,616	\$260,076,660
Year 24	2056	\$188,095	\$267,878,960
Year 25	2057	\$193,737	\$275,915,329
Year 26	2058	\$199,550	\$284,192,789
Year 27	2059	\$205,536	\$292,718,573
Year 28	2060	\$211,702	\$301,500,130
Year 29	2061	\$218,053	\$310,545,134
Year 30	2062	\$224,595	\$319,861,488
Year 31	2063	\$231,333	\$329,457,332
Year 32	2064	\$238,273	\$339,341,052
Year 33	2065	\$245,421	\$349,521,284

Table 35 continued on the next page

<b>Table 35 - Continued</b>			
<b>Estimated Annual Payroll</b>			
		<i>Average</i>	
	Year	<i>Annual</i>	Annual
		<i>Salaries</i>	Payroll
Year 34	2066	\$252,783	\$360,006,922
Year 35	2067	\$260,367	\$370,807,130
Year 36	2068	\$268,178	\$381,931,344
Year 37	2069	\$276,223	\$393,389,284

The direct, indirect and induced payrolls during the facility's operations will be the following:

<b>Table 36</b>			
<b>Direct, Indirect and Induced Payroll During Operations</b>			
	Direct	Indirect &	Total
Year	Operations	Induced	Total
	Payroll	Payroll	Payroll
2033	\$96,618,536	\$121,169,306	\$217,787,842
2034	\$139,804,021	\$175,328,222	\$315,132,243
2035	\$143,998,141	\$180,588,069	\$324,586,210
2036	\$148,318,085	\$186,005,711	\$334,323,796
2037	\$152,767,628	\$191,585,882	\$344,353,510
2038	\$157,350,657	\$197,333,459	\$354,684,115
2039	\$162,071,176	\$203,253,462	\$365,324,639
2040	\$166,933,312	\$209,351,066	\$376,284,378
2041	\$171,941,311	\$215,631,598	\$387,572,909
2042	\$177,099,550	\$222,100,546	\$399,200,097
2043	\$182,412,537	\$228,763,563	\$411,176,100
2044	\$187,884,913	\$235,626,470	\$423,511,383
2045	\$193,521,460	\$242,695,264	\$436,216,724
2046	\$199,327,104	\$249,976,122	\$449,303,226
2047	\$205,306,917	\$257,475,405	\$462,782,323
2048	\$211,466,125	\$265,199,667	\$476,665,792
2049	\$217,810,109	\$273,155,657	\$490,965,766
2050	\$224,344,412	\$281,350,327	\$505,694,739
2051	\$231,074,744	\$289,790,837	\$520,865,581
2052	\$238,006,987	\$298,484,562	\$536,491,549
2053	\$245,147,196	\$307,439,099	\$552,586,295
2054	\$252,501,612	\$316,662,272	\$569,163,884
2055	\$260,076,660	\$326,162,140	\$586,238,800

Table 36 continued on the next page

**Table 36 - Continued**  
**Direct, Indirect and Induced Payroll During Operations**

Year	Direct Operations Payroll	Indirect & Induced Payroll	Total Payroll
2056	\$267,878,960	\$335,947,004	\$603,825,964
2057	\$275,915,329	\$346,025,414	\$621,940,743
2058	\$284,192,789	\$356,406,177	\$640,598,966
2059	\$292,718,573	\$367,098,362	\$659,816,935
2060	\$301,500,130	\$378,111,313	\$679,611,443
2061	\$310,545,134	\$389,454,652	\$699,999,786
2062	\$319,861,488	\$401,138,292	\$720,999,780
2063	\$329,457,332	\$413,172,441	\$742,629,773
2064	\$339,341,052	\$425,567,614	\$764,908,666
2065	\$349,521,284	\$438,334,642	\$787,855,926
2066	\$360,006,922	\$451,484,681	\$811,491,604
2067	\$370,807,130	\$465,029,222	\$835,836,352
2068	\$381,931,344	\$478,980,099	\$860,911,443
2069	\$393,389,284	\$493,349,501	\$886,738,786
<b>Total</b>	<b>\$8.94 B</b>	<b>\$11.22 B</b>	<b>\$20.16 B</b>

**Taxable Sales on Direct, Indirect and Induced Worker Spending**

An estimated 26% of the gross salaries of direct, indirect and induced workers will be spent on taxable goods and services. If this is the case, worker spending will result in taxable sales, as shown below.

<b>Table 37</b>		
<b>Taxable Spending by Direct, Indirect, &amp; Induced Workers</b>		
Year	Worker Salaries	Workers' Taxable Spending
2033	\$217,787,842	\$56,624,839
2034	\$315,132,243	\$81,934,383
2035	\$324,586,210	\$84,392,415
2036	\$334,323,796	\$86,924,187
2037	\$344,353,510	\$89,531,913
2038	\$354,684,115	\$92,217,870
2039	\$365,324,639	\$94,984,406
2040	\$376,284,378	\$97,833,938
2041	\$387,572,909	\$100,768,956
2042	\$399,200,097	\$103,792,025
2043	\$411,176,100	\$106,905,786
2044	\$423,511,383	\$110,112,959
2045	\$436,216,724	\$113,416,348
2046	\$449,303,226	\$116,818,839
2047	\$462,782,323	\$120,323,404
2048	\$476,665,792	\$123,933,106
2049	\$490,965,766	\$127,651,099
2050	\$505,694,739	\$131,480,632
2051	\$520,865,581	\$135,425,051
2052	\$536,491,549	\$139,487,803
2053	\$552,586,295	\$143,672,437
2054	\$569,163,884	\$147,982,610
2055	\$586,238,800	\$152,422,088
2056	\$603,825,964	\$156,994,751
2057	\$621,940,743	\$161,704,593
2058	\$640,598,966	\$166,555,731
2059	\$659,816,935	\$171,552,403
2060	\$679,611,443	\$176,698,975
2061	\$699,999,786	\$181,999,944
2062	\$720,999,780	\$187,459,943

*Table 37 continued on the next page*

<b>Table 37 - Continued</b>		
<b>Taxable Spending by Direct, Indirect, &amp; Induced Workers</b>		
Year	Worker Salaries	Workers' Taxable Spending
2063	\$742,629,773	\$193,083,741
2064	\$764,908,666	\$198,876,253
2065	\$787,855,926	\$204,842,541
2066	\$811,491,604	\$210,987,817
2067	\$835,836,352	\$217,317,452
2068	\$860,911,443	\$223,836,975
2069	\$886,738,786	\$230,552,084
<u>Total</u>	<u>\$20.16 B</u>	<u>\$5.24 B</u>

**The Facility's Taxable Sales**

The facility does not expect to have any sales subject to Texas sales tax.

## Taxable Spending by the Facility and Indirect and Induced Companies

The facility's estimated taxable spending is shown below along with 1.0% of operating expenditures of indirect and induced companies which may be spent on taxable goods and services. If this is the case, the following taxable spending can be expected from the companies:

<b>Table 38</b>			
<b>Taxable Spending by the Facility and Indirect Companies</b>			
Year	The Facility's Estimated Taxable Spending	Estimated Taxable Spending by Indirect & Induced Companies	Total Facility and Companies' Taxable Spending
2033	\$3,360,477	\$4,854,209	\$8,214,686
2034	\$4,781,811	\$6,907,326	\$11,689,136
2035	\$4,925,265	\$7,114,545	\$12,039,811
2036	\$5,073,023	\$7,327,982	\$12,401,005
2037	\$5,225,214	\$7,547,821	\$12,773,035
2038	\$5,381,970	\$7,774,256	\$13,156,226
2039	\$5,543,429	\$8,007,484	\$13,550,913
2040	\$5,709,732	\$8,247,708	\$13,957,440
2041	\$5,881,024	\$8,495,139	\$14,376,163
2042	\$6,057,455	\$8,749,994	\$14,807,448
2043	\$6,239,179	\$9,012,493	\$15,251,672
2044	\$6,426,354	\$9,282,868	\$15,709,222
2045	\$6,619,144	\$9,561,354	\$16,180,499
2046	\$6,817,719	\$9,848,195	\$16,665,914
2047	\$7,022,250	\$10,143,641	\$17,165,891
2048	\$7,232,918	\$10,447,950	\$17,680,868
2049	\$7,449,905	\$10,761,388	\$18,211,294
2050	\$7,673,403	\$11,084,230	\$18,757,633
2051	\$7,903,605	\$11,416,757	\$19,320,362
2052	\$8,140,713	\$11,759,260	\$19,899,972
2053	\$8,384,934	\$12,112,037	\$20,496,972
2054	\$8,636,482	\$12,475,399	\$21,111,881
2055	\$8,895,577	\$12,849,661	\$21,745,237
2056	\$9,162,444	\$13,235,150	\$22,397,594
2057	\$9,437,317	\$13,632,205	\$23,069,522
2058	\$9,720,437	\$14,041,171	\$23,761,608
2059	\$10,012,050	\$14,462,406	\$24,474,456
2060	\$10,312,411	\$14,896,278	\$25,208,690

Table 38 continued on the next page

**Table 38 - Continued**  
**Taxable Spending by the Facility and Indirect Companies**

Year	The Facility's Estimated Taxable Spending	Estimated Taxable Spending by Indirect & Induced Companies	Total Facility and Companies' Taxable Spending
2061	\$10,621,784	\$15,343,167	\$25,964,950
2062	\$10,940,437	\$15,803,462	\$26,743,899
2063	\$11,268,650	\$16,277,565	\$27,546,216
2064	\$11,606,710	\$16,765,892	\$28,372,602
2065	\$11,954,911	\$17,268,869	\$29,223,780
2066	\$12,313,559	\$17,786,935	\$30,100,494
2067	\$12,682,965	\$18,320,543	\$31,003,509
2068	\$13,063,454	\$18,870,160	\$31,933,614
2069	\$13,455,358	\$19,436,264	\$32,891,622
<b>Total</b>	<b>\$0.31 B</b>	<b>\$0.44 B</b>	<b>\$0.75 B</b>

**Taxable Spending by Out-of-Town Visitors to the Facility**

The firm expects to have the following number of out-of-town visitors to its facility along with the estimated number of days and spending:

<b>Table 39</b> <b>Spending by a Typical Out-of-State Visitor</b>	
Estimated number of out of town visitors	70
Annual increase in the number of out of town visitors after year 1	0.0%
Estimated average number of days spent visiting the facility	2
Average daily spending in the community subject to sales tax	\$50
Estimated number of nights in a local motel	1
Average nightly room rate at a local motel	\$135
Average annual increase in nightly room rate	2.0%
Average annual increase in daily taxable spending in the community	2.0%

Therefore, taxable spending by these visitors in the community and spending on lodging subject to hotel occupancy taxes are shown below.

<b>Table 40</b>		
<b>Spending by Out-of-Town Visitors</b>		
Year	Taxable Spending in the Community	Spending on Lodging in the Community
2033	\$7,000	\$9,450
2034	\$7,140	\$9,639
2035	\$7,283	\$9,832
2036	\$7,428	\$10,028
2037	\$7,577	\$10,229
2038	\$7,729	\$10,434
2039	\$7,883	\$10,642
2040	\$8,041	\$10,855
2041	\$8,202	\$11,072
2042	\$8,366	\$11,294
2043	\$8,533	\$11,519
2044	\$8,704	\$11,750
2045	\$8,878	\$11,985
2046	\$9,055	\$12,225
2047	\$9,236	\$12,469
2048	\$9,421	\$12,718
2049	\$9,609	\$12,973
2050	\$9,802	\$13,232
2051	\$9,998	\$13,497
2052	\$10,198	\$13,767
2053	\$10,402	\$14,042
2054	\$10,610	\$14,323
2055	\$10,822	\$14,610
2056	\$11,038	\$14,902
2057	\$11,259	\$15,200
2058	\$11,484	\$15,504
2059	\$11,714	\$15,814
2060	\$11,948	\$16,130
2061	\$12,187	\$16,453
2062	\$12,431	\$16,782
2063	\$12,680	\$17,117
2064	\$12,933	\$17,460
2065	\$13,192	\$17,809
2066	\$13,456	\$18,165

*Table 40 continued on the next page*

Table 40 - Continued Spending by Out-of-Town Visitors		
Year	Taxable Spending in the Community	Spending on Lodging in the Community
2067	\$13,725	\$18,528
2068	\$13,999	\$18,899
2069	\$14,279	\$19,277
<u>Total</u>	<u>\$378,240</u>	<u>\$510,624</u>

### Total Taxable Sales

Taxable spending by workers and spending by the facility and related indirect and induced companies will result in the following total taxable sales:

Table 41 Estimated Total Taxable Sales						
Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Company's Taxable Spending	Indirect & Induced Companies' Taxable Spending	Taxable Spending by Visitors in The Community	Total Taxable Sales
2033	\$56,624,839	\$0	\$3,360,477	\$4,854,209	\$7,000	\$64,846,525
2034	\$81,934,383	\$0	\$4,781,811	\$6,907,326	\$7,140	\$93,630,660
2035	\$84,392,415	\$0	\$4,925,265	\$7,114,545	\$7,283	\$96,439,508
2036	\$86,924,187	\$0	\$5,073,023	\$7,327,982	\$7,428	\$99,332,620
2037	\$89,531,913	\$0	\$5,225,214	\$7,547,821	\$7,577	\$102,312,525
2038	\$92,217,870	\$0	\$5,381,970	\$7,774,256	\$7,729	\$105,381,825
2039	\$94,984,406	\$0	\$5,543,429	\$8,007,484	\$7,883	\$108,543,202
2040	\$97,833,938	\$0	\$5,709,732	\$8,247,708	\$8,041	\$111,799,419
2041	\$100,768,956	\$0	\$5,881,024	\$8,495,139	\$8,202	\$115,153,322
2042	\$103,792,025	\$0	\$6,057,455	\$8,749,994	\$8,366	\$118,607,839
2043	\$106,905,786	\$0	\$6,239,179	\$9,012,493	\$8,533	\$122,165,991
2044	\$110,112,959	\$0	\$6,426,354	\$9,282,868	\$8,704	\$125,830,885
2045	\$113,416,348	\$0	\$6,619,144	\$9,561,354	\$8,878	\$129,605,725
2046	\$116,818,839	\$0	\$6,817,719	\$9,848,195	\$9,055	\$133,493,808
2047	\$120,323,404	\$0	\$7,022,250	\$10,143,641	\$9,236	\$137,498,531
2048	\$123,933,106	\$0	\$7,232,918	\$10,447,950	\$9,421	\$141,623,395
2049	\$127,651,099	\$0	\$7,449,905	\$10,761,388	\$9,609	\$145,872,002
2050	\$131,480,632	\$0	\$7,673,403	\$11,084,230	\$9,802	\$150,248,066
2051	\$135,425,051	\$0	\$7,903,605	\$11,416,757	\$9,998	\$154,755,410
2052	\$139,487,803	\$0	\$8,140,713	\$11,759,260	\$10,198	\$159,397,973

Table 41 continued on the next page

**Table 41 - Continued**  
**Estimated Total Taxable Sales**

Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Company's Taxable Spending	Indirect & Induced Companies' Taxable Spending	Taxable Spending by Visitors in The Community	Total Taxable Sales
2053	\$143,672,437	\$0	\$8,384,934	\$12,112,037	\$10,402	\$164,179,810
2054	\$147,982,610	\$0	\$8,636,482	\$12,475,399	\$10,610	\$169,105,100
2055	\$152,422,088	\$0	\$8,895,577	\$12,849,661	\$10,822	\$174,178,147
2056	\$156,994,751	\$0	\$9,162,444	\$13,235,150	\$11,038	\$179,403,383
2057	\$161,704,593	\$0	\$9,437,317	\$13,632,205	\$11,259	\$184,785,374
2058	\$166,555,731	\$0	\$9,720,437	\$14,041,171	\$11,484	\$190,328,823
2059	\$171,552,403	\$0	\$10,012,050	\$14,462,406	\$11,714	\$196,038,573
2060	\$176,698,975	\$0	\$10,312,411	\$14,896,278	\$11,948	\$201,919,613
2061	\$181,999,944	\$0	\$10,621,784	\$15,343,167	\$12,187	\$207,977,082
2062	\$187,459,943	\$0	\$10,940,437	\$15,803,462	\$12,431	\$214,216,272
2063	\$193,083,741	\$0	\$11,268,650	\$16,277,565	\$12,680	\$220,642,636
2064	\$198,876,253	\$0	\$11,606,710	\$16,765,892	\$12,933	\$227,261,789
2065	\$204,842,541	\$0	\$11,954,911	\$17,268,869	\$13,192	\$234,079,513
2066	\$210,987,817	\$0	\$12,313,559	\$17,786,935	\$13,456	\$241,101,766
2067	\$217,317,452	\$0	\$12,682,965	\$18,320,543	\$13,725	\$248,334,685
2068	\$223,836,975	\$0	\$13,063,454	\$18,870,160	\$13,999	\$255,784,588
2069	\$230,552,084	\$0	\$13,455,358	\$19,436,264	\$14,279	\$263,457,986
<b>Total</b>	<b>\$5.24 B</b>	<b>\$0.00 B</b>	<b>\$0.31 B</b>	<b>\$0.44 B</b>	<b>\$0.00 B</b>	<b>\$5.99 B</b>

## Sales Tax Collections

With a 6.25% sales tax, the state will collect the following sales tax on the spending of workers, companies and visitors:

Table 42 Estimated Sales Tax Collections During Operations						
Year	On Workers' Spending	On The Facility's Taxable Sales	On the Company's Taxable Spending	On Indirect Companies' Taxable Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2033	\$3,539,052	\$0	\$210,030	\$303,388	\$438	\$4,052,908
2034	\$5,120,899	\$0	\$298,863	\$431,708	\$446	\$5,851,916
2035	\$5,274,526	\$0	\$307,829	\$444,659	\$455	\$6,027,469
2036	\$5,432,762	\$0	\$317,064	\$457,999	\$464	\$6,208,289
2037	\$5,595,745	\$0	\$326,576	\$471,739	\$474	\$6,394,533
2038	\$5,763,617	\$0	\$336,373	\$485,891	\$483	\$6,586,364
2039	\$5,936,525	\$0	\$346,464	\$500,468	\$493	\$6,783,950
2040	\$6,114,621	\$0	\$356,858	\$515,482	\$503	\$6,987,464
2041	\$6,298,060	\$0	\$367,564	\$530,946	\$513	\$7,197,083
2042	\$6,487,002	\$0	\$378,591	\$546,875	\$523	\$7,412,990
2043	\$6,681,612	\$0	\$389,949	\$563,281	\$533	\$7,635,374
2044	\$6,882,060	\$0	\$401,647	\$580,179	\$544	\$7,864,430
2045	\$7,088,522	\$0	\$413,697	\$597,585	\$555	\$8,100,358
2046	\$7,301,177	\$0	\$426,107	\$615,512	\$566	\$8,343,363
2047	\$7,520,213	\$0	\$438,891	\$633,978	\$577	\$8,593,658
2048	\$7,745,819	\$0	\$452,057	\$652,997	\$589	\$8,851,462
2049	\$7,978,194	\$0	\$465,619	\$672,587	\$601	\$9,117,000
2050	\$8,217,540	\$0	\$479,588	\$692,764	\$613	\$9,390,504
2051	\$8,464,066	\$0	\$493,975	\$713,547	\$625	\$9,672,213
2052	\$8,717,988	\$0	\$508,795	\$734,954	\$637	\$9,962,373
2053	\$8,979,527	\$0	\$524,058	\$757,002	\$650	\$10,261,238
2054	\$9,248,913	\$0	\$539,780	\$779,712	\$663	\$10,569,069
2055	\$9,526,381	\$0	\$555,974	\$803,104	\$676	\$10,886,134
2056	\$9,812,172	\$0	\$572,653	\$827,197	\$690	\$11,212,711
2057	\$10,106,537	\$0	\$589,832	\$852,013	\$704	\$11,549,086
2058	\$10,409,733	\$0	\$607,527	\$877,573	\$718	\$11,895,551
2059	\$10,722,025	\$0	\$625,753	\$903,900	\$732	\$12,252,411
2060	\$11,043,686	\$0	\$644,526	\$931,017	\$747	\$12,619,976
2061	\$11,374,997	\$0	\$663,861	\$958,948	\$762	\$12,998,568
2062	\$11,716,246	\$0	\$683,777	\$987,716	\$777	\$13,388,517
2063	\$12,067,734	\$0	\$704,291	\$1,017,348	\$792	\$13,790,165
2064	\$12,429,766	\$0	\$725,419	\$1,047,868	\$808	\$14,203,862
2065	\$12,802,659	\$0	\$747,182	\$1,079,304	\$824	\$14,629,970
2066	\$13,186,739	\$0	\$769,597	\$1,111,683	\$841	\$15,068,860

Table 42 continued on the next page

**Table 42 - Continued**  
**Estimated Sales Tax Collections During Operations**

Year	On Workers' Spending	On The Facility's Taxable Sales	On the Company's Spending	On Indirect Companies' Taxable Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2067	\$13,582,341	\$0	\$792,685	\$1,145,034	\$858	\$15,520,918
2068	\$13,989,811	\$0	\$816,466	\$1,179,385	\$875	\$15,986,537
2069	\$14,409,505	\$0	\$840,960	\$1,214,767	\$892	\$16,466,124
<u>Total</u>	<u>\$327.57 M</u>	<u>\$0.00 M</u>	<u>\$19.12 M</u>	<u>\$27.62 M</u>	<u>\$0.02 M</u>	<u>\$374.33 M</u>

### Hotel Occupancy Tax Collections

From the overnight lodging spending of visitors to the facility, the state will collect the following hotel occupancy taxes:

**Table 43**  
**Estimated Hotel Occupancy Tax Collections**  
**from Visitors**

Year	Total Hotel Spending on Lodging	Occupancy Tax Collections
2033	\$9,450	\$567
2034	\$9,639	\$578
2035	\$9,832	\$590
2036	\$10,028	\$602
2037	\$10,229	\$614
2038	\$10,434	\$626
2039	\$10,642	\$639
2040	\$10,855	\$651
2041	\$11,072	\$664
2042	\$11,294	\$678
2043	\$11,519	\$691
2044	\$11,750	\$705
2045	\$11,985	\$719
2046	\$12,225	\$733
2047	\$12,469	\$748
2048	\$12,718	\$763
2049	\$12,973	\$778

*Table 43 continued on the next page*

**Table 43 - Continued**  
**Estimated Hotel Occupancy Tax Collections**  
**from Visitors**

Year	Spending on Lodging	Total Hotel Occupancy Tax Collections
2050	\$13,232	\$794
2051	\$13,497	\$810
2052	\$13,767	\$826
2053	\$14,042	\$843
2054	\$14,323	\$859
2055	\$14,610	\$877
2056	\$14,902	\$894
2057	\$15,200	\$912
2058	\$15,504	\$930
2059	\$15,814	\$949
2060	\$16,130	\$968
2061	\$16,453	\$987
2062	\$16,782	\$1,007
2063	\$17,117	\$1,027
2064	\$17,460	\$1,048
2065	\$17,809	\$1,069
2066	\$18,165	\$1,090
2067	\$18,528	\$1,112
2068	\$18,899	\$1,134
2069	\$19,277	\$1,157
<b>Total</b>	<b>\$510,624</b>	<b>\$30,637</b>

**Franchise Tax Collections from the Company and Indirect and Induced Businesses**

Texas franchise tax is a tax on “taxable margin,” which is a concept similar to taxable income. Generally, an entity’s taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity’s revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A rate of .375% is used for taxable entities primarily engaged in retail or wholesale trade, and a .75% rate is used for all other entities.

*Estimated Taxable Margins of the Company and Indirect and Induced Companies*

The facility's estimated taxable margins subject to Texas franchise tax may be 10% of its operating output and the estimated taxable margins of indirect companies may be 10% of estimated output. If this is the case, the estimated taxable margins of the company and indirect and induced companies that will be subject to corporate franchise taxes in the state of Texas are shown below.

<b>Table 44 Revenues of the Company Subject to Franchise Taxes &amp; Taxable Margins of Indirect and Induced Companies During Operations</b>			
Year	Direct Taxable Margins	Indirect & Induced Taxable Margins	Total Revenues Subject to Franchise Taxes
2033	\$33,604,770	\$48,542,090	\$82,146,861
2034	\$47,818,108	\$69,073,257	\$116,891,365
2035	\$49,252,651	\$71,145,455	\$120,398,106
2036	\$50,730,231	\$73,279,818	\$124,010,049
2037	\$52,252,138	\$75,478,213	\$127,730,351
2038	\$53,819,702	\$77,742,559	\$131,562,261
2039	\$55,434,293	\$80,074,836	\$135,509,129
2040	\$57,097,322	\$82,477,081	\$139,574,403
2041	\$58,810,241	\$84,951,394	\$143,761,635
2042	\$60,574,549	\$87,499,935	\$148,074,484
2043	\$62,391,785	\$90,124,933	\$152,516,718
2044	\$64,263,539	\$92,828,681	\$157,092,220
2045	\$66,191,445	\$95,613,542	\$161,804,987
2046	\$68,177,188	\$98,481,948	\$166,659,136
2047	\$70,222,504	\$101,436,407	\$171,658,910
2048	\$72,329,179	\$104,479,499	\$176,808,678

*Table 44 continued on the next page*

**Table 44 - Continued**  
**Revenues of the Company Subject to Franchise Taxes &**  
**Taxable Margins of Indirect and Induced Companies**  
**During Operations**

Year	Direct Taxable Margins	Indirect & Induced Taxable Margins	Total Revenues Subject to Franchise Taxes
2049	\$74,499,054	\$107,613,884	\$182,112,938
2050	\$76,734,026	\$110,842,300	\$187,576,326
2051	\$79,036,047	\$114,167,569	\$193,203,616
2052	\$81,407,128	\$117,592,596	\$198,999,724
2053	\$83,849,342	\$121,120,374	\$204,969,716
2054	\$86,364,822	\$124,753,985	\$211,118,808
2055	\$88,955,767	\$128,496,605	\$217,452,372
2056	\$91,624,440	\$132,351,503	\$223,975,943
2057	\$94,373,173	\$136,322,048	\$230,695,221
2058	\$97,204,368	\$140,411,710	\$237,616,078
2059	\$100,120,499	\$144,624,061	\$244,744,560
2060	\$103,124,114	\$148,962,783	\$252,086,897
2061	\$106,217,838	\$153,431,666	\$259,649,504
2062	\$109,404,373	\$158,034,616	\$267,438,989
2063	\$112,686,504	\$162,775,655	\$275,462,159
2064	\$116,067,099	\$167,658,924	\$283,726,023
2065	\$119,549,112	\$172,688,692	\$292,237,804
2066	\$123,135,585	\$177,869,353	\$301,004,938
2067	\$126,829,653	\$183,205,434	\$310,035,086
2068	\$130,634,542	\$188,701,597	\$319,336,139
2069	\$134,553,579	\$194,362,644	\$328,916,223
<b>Total</b>	<b>\$3.06 B</b>	<b>\$4.42 B</b>	<b>\$7.48 B</b>

*Estimated Franchise Tax Payments by the Company and Indirect and Induced Companies*

The estimated annual franchise tax payments to the State by the facility and indirect and induced businesses are shown below.

<b>Table 45</b>			
<b>Estimated Franchise Tax Collections from the Facility and Indirect and Induced Businesses During Operations</b>			
	The Facility	Indirect & Induced Businesses	Total
2033	\$252,036	\$364,066	\$616,101
2034	\$358,636	\$518,049	\$876,685
2035	\$369,395	\$533,591	\$902,986
2036	\$380,477	\$549,599	\$930,075
2037	\$391,891	\$566,087	\$957,978
2038	\$403,648	\$583,069	\$986,717
2039	\$415,757	\$600,561	\$1,016,318
2040	\$428,230	\$618,578	\$1,046,808
2041	\$441,077	\$637,135	\$1,078,212
2042	\$454,309	\$656,250	\$1,110,559
2043	\$467,938	\$675,937	\$1,143,875
2044	\$481,977	\$696,215	\$1,178,192
2045	\$496,436	\$717,102	\$1,213,537
2046	\$511,329	\$738,615	\$1,249,944
2047	\$526,669	\$760,773	\$1,287,442
2048	\$542,469	\$783,596	\$1,326,065
2049	\$558,743	\$807,104	\$1,365,847
2050	\$575,505	\$831,317	\$1,406,822
2051	\$592,770	\$856,257	\$1,449,027
2052	\$610,553	\$881,944	\$1,492,498
2053	\$628,870	\$908,403	\$1,537,273
2054	\$647,736	\$935,655	\$1,583,391
2055	\$667,168	\$963,725	\$1,630,893
2056	\$687,183	\$992,636	\$1,679,820
2057	\$707,799	\$1,022,415	\$1,730,214
2058	\$729,033	\$1,053,088	\$1,782,121
2059	\$750,904	\$1,084,680	\$1,835,584
2060	\$773,431	\$1,117,221	\$1,890,652
2061	\$796,634	\$1,150,737	\$1,947,371
2062	\$820,533	\$1,185,260	\$2,005,792

*Table 45 continued on the next page*

<b>Table 45 - Continued</b>			
<b>Estimated Franchise Tax Collections from the Facility and Indirect and Induced Businesses During Operations</b>			
	The Facility	Indirect & Induced Businesses	Total
2063	\$845,149	\$1,220,817	\$2,065,966
2064	\$870,503	\$1,257,442	\$2,127,945
2065	\$896,618	\$1,295,165	\$2,191,784
2066	\$923,517	\$1,334,020	\$2,257,537
2067	\$951,222	\$1,374,041	\$2,325,263
2068	\$979,759	\$1,415,262	\$2,395,021
2069	\$1,009,152	\$1,457,720	\$2,466,872
<u>Total</u>	<u>\$22,945,055</u>	<u>\$33,144,132</u>	<u>\$56,089,188</u>

**Other Taxes and Revenues from Workers**

During the facility's operations, other taxes -- in addition to sales and franchise taxes -- will be collected for the State's general fund. The estimated annual collections of other taxes from each worker during operations are the following:

<b>Table 46</b>	
<b>Other Revenues for the State from Each Worker During Operations</b>	
Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$438
Cigarette and tobacco taxes	\$97
Alcoholic beverage taxes	\$181
Net lottery proceeds	\$293
<u>Total</u>	<u>\$1,046</u>

Other taxes and revenues for the State from workers during the facility's operations will be the following:

Table 47 Other Revenues for the State from Workers During Operations						
Year	Gasoline Taxes	Motor Vehicle Sales and Use Taxes	Cigarette and Tobacco Taxes	Alcoholic Beverage Taxes	Net Lottery Proceeds	Total Other Taxes and Revenues
2033	\$111,198	\$1,297,311	\$287,632	\$536,716	\$868,828	\$3,101,685
2034	\$160,900	\$1,877,169	\$416,195	\$776,612	\$1,257,167	\$4,488,042
2035	\$165,727	\$1,933,484	\$428,681	\$799,910	\$1,294,882	\$4,622,684
2036	\$170,699	\$1,991,488	\$441,541	\$823,907	\$1,333,728	\$4,761,364
2037	\$175,820	\$2,051,233	\$454,788	\$848,624	\$1,373,740	\$4,904,205
2038	\$181,095	\$2,112,770	\$468,431	\$874,083	\$1,414,952	\$5,051,331
2039	\$186,527	\$2,176,153	\$482,484	\$900,306	\$1,457,401	\$5,202,871
2040	\$192,123	\$2,241,438	\$496,959	\$927,315	\$1,501,123	\$5,358,957
2041	\$197,887	\$2,308,681	\$511,868	\$955,134	\$1,546,156	\$5,519,726
2042	\$203,824	\$2,377,941	\$527,224	\$983,788	\$1,592,541	\$5,685,318
2043	\$209,938	\$2,449,279	\$543,040	\$1,013,302	\$1,640,317	\$5,855,877
2044	\$216,236	\$2,522,758	\$559,331	\$1,043,701	\$1,689,527	\$6,031,553
2045	\$222,723	\$2,598,441	\$576,111	\$1,075,012	\$1,740,213	\$6,212,500
2046	\$229,405	\$2,676,394	\$593,395	\$1,107,262	\$1,792,419	\$6,398,875
2047	\$236,287	\$2,756,686	\$611,197	\$1,140,480	\$1,846,192	\$6,590,841
2048	\$243,376	\$2,839,386	\$629,532	\$1,174,695	\$1,901,577	\$6,788,567
2049	\$250,677	\$2,924,568	\$648,418	\$1,209,935	\$1,958,625	\$6,992,224
2050	\$258,198	\$3,012,305	\$667,871	\$1,246,233	\$2,017,384	\$7,201,990
2051	\$265,943	\$3,102,674	\$687,907	\$1,283,621	\$2,077,905	\$7,418,050
2052	\$273,922	\$3,195,754	\$708,544	\$1,322,129	\$2,140,242	\$7,640,591
2053	\$282,139	\$3,291,627	\$729,801	\$1,361,793	\$2,204,449	\$7,869,809
2054	\$290,604	\$3,390,376	\$751,695	\$1,402,647	\$2,270,583	\$8,105,904
2055	\$299,322	\$3,492,087	\$774,246	\$1,444,726	\$2,338,700	\$8,349,081
2056	\$308,301	\$3,596,849	\$797,473	\$1,488,068	\$2,408,861	\$8,599,553
2057	\$317,550	\$3,704,755	\$821,397	\$1,532,710	\$2,481,127	\$8,857,540
2058	\$327,077	\$3,815,898	\$846,039	\$1,578,691	\$2,555,561	\$9,123,266
2059	\$336,889	\$3,930,374	\$871,420	\$1,626,052	\$2,632,228	\$9,396,964
2060	\$346,996	\$4,048,286	\$897,563	\$1,674,834	\$2,711,195	\$9,678,873
2061	\$357,406	\$4,169,734	\$924,490	\$1,725,079	\$2,792,531	\$9,969,239
2062	\$368,128	\$4,294,826	\$952,224	\$1,776,831	\$2,876,307	\$10,268,316
2063	\$379,172	\$4,423,671	\$980,791	\$1,830,136	\$2,962,596	\$10,576,366
2064	\$390,547	\$4,556,381	\$1,010,215	\$1,885,040	\$3,051,474	\$10,893,656
2065	\$402,263	\$4,693,073	\$1,040,521	\$1,941,591	\$3,143,018	\$11,220,466
2066	\$414,331	\$4,833,865	\$1,071,737	\$1,999,839	\$3,237,308	\$11,557,080
2067	\$426,761	\$4,978,881	\$1,103,889	\$2,059,834	\$3,334,428	\$11,903,793
2068	\$439,564	\$5,128,247	\$1,137,006	\$2,121,629	\$3,434,460	\$12,260,906
2069	\$452,751	\$5,282,095	\$1,171,116	\$2,185,278	\$3,537,494	\$12,628,734
<b>Total</b>	<b>\$10.29 M</b>	<b>\$120.08 M</b>	<b>\$26.62 M</b>	<b>\$49.68 M</b>	<b>\$80.42 M</b>	<b>\$287.09 M</b>

## The Total Revenues for the State of Texas from the Facility's Operations

The total increase in state revenues from the facility's operations are shown below.

Table 48 General Fund Revenues for the State During Operations					
Year	Sales Tax Collections	Hotel Occupancy Taxes	Franchise Tax Collections	Other Taxes and Revenues	Total State Revenues
2033	\$4,052,908	\$567	\$616,101	\$3,101,685	\$7,771,262
2034	\$5,851,916	\$578	\$876,685	\$4,488,042	\$11,217,222
2035	\$6,027,469	\$590	\$902,986	\$4,622,684	\$11,553,728
2036	\$6,208,289	\$602	\$930,075	\$4,761,364	\$11,900,330
2037	\$6,394,533	\$614	\$957,978	\$4,904,205	\$12,257,329
2038	\$6,586,364	\$626	\$986,717	\$5,051,331	\$12,625,038
2039	\$6,783,950	\$639	\$1,016,318	\$5,202,871	\$13,003,778
2040	\$6,987,464	\$651	\$1,046,808	\$5,358,957	\$13,393,880
2041	\$7,197,083	\$664	\$1,078,212	\$5,519,726	\$13,795,685
2042	\$7,412,990	\$678	\$1,110,559	\$5,685,318	\$14,209,544
2043	\$7,635,374	\$691	\$1,143,875	\$5,855,877	\$14,635,818
2044	\$7,864,430	\$705	\$1,178,192	\$6,031,553	\$15,074,880
2045	\$8,100,358	\$719	\$1,213,537	\$6,212,500	\$15,527,114
2046	\$8,343,363	\$733	\$1,249,944	\$6,398,875	\$15,992,915
2047	\$8,593,658	\$748	\$1,287,442	\$6,590,841	\$16,472,690
2048	\$8,851,462	\$763	\$1,326,065	\$6,788,567	\$16,966,857
2049	\$9,117,000	\$778	\$1,365,847	\$6,992,224	\$17,475,849
2050	\$9,390,504	\$794	\$1,406,822	\$7,201,990	\$18,000,111
2051	\$9,672,213	\$810	\$1,449,027	\$7,418,050	\$18,540,100
2052	\$9,962,373	\$826	\$1,492,498	\$7,640,591	\$19,096,289
2053	\$10,261,238	\$843	\$1,537,273	\$7,869,809	\$19,669,163
2054	\$10,569,069	\$859	\$1,583,391	\$8,105,904	\$20,259,223
2055	\$10,886,134	\$877	\$1,630,893	\$8,349,081	\$20,866,984
2056	\$11,212,711	\$894	\$1,679,820	\$8,599,553	\$21,492,978
2057	\$11,549,086	\$912	\$1,730,214	\$8,857,540	\$22,137,752
2058	\$11,895,551	\$930	\$1,782,121	\$9,123,266	\$22,801,868
2059	\$12,252,411	\$949	\$1,835,584	\$9,396,964	\$23,485,908
2060	\$12,619,976	\$968	\$1,890,652	\$9,678,873	\$24,190,468
2061	\$12,998,568	\$987	\$1,947,371	\$9,969,239	\$24,916,165
2062	\$13,388,517	\$1,007	\$2,005,792	\$10,268,316	\$25,663,632
2063	\$13,790,165	\$1,027	\$2,065,966	\$10,576,366	\$26,433,524
2064	\$14,203,862	\$1,048	\$2,127,945	\$10,893,656	\$27,226,511
2065	\$14,629,970	\$1,069	\$2,191,784	\$11,220,466	\$28,043,288

Table 48 continued on the next page

**Table 48 - Continued**  
**General Fund Revenues for the State During Operations**

Year	Sales Tax Collections	Hotel		Other Taxes and Revenues	Total State Revenues
		Occupancy Taxes	Franchise Tax Collections		
2066	\$15,068,860	\$1,090	\$2,257,537	\$11,557,080	\$28,884,568
2067	\$15,520,918	\$1,112	\$2,325,263	\$11,903,793	\$29,751,085
2068	\$15,986,537	\$1,134	\$2,395,021	\$12,260,906	\$30,643,598
2069	\$16,466,124	\$1,157	\$2,466,872	\$12,628,734	\$31,562,886
<u>Total</u>	<u>\$374.33 M</u>	<u>\$0.03 M</u>	<u>\$56.09 M</u>	<u>\$287.09 M</u>	<u>\$717.54 M</u>

**The Total Revenues for the State of Texas from the Facility's Operations - Direct vs. Indirect**

The table below details the total increase in state revenues from the facility's operations by direct and indirect sources.

<b>Table 49</b>			
<b>Direct vs. Indirect: General Fund Revenues for the State During Operations</b>			
<b>Year</b>	<b>Direct Taxes</b>	<b>Indirect Taxes</b>	<b>Total State Revenues</b>
2033	\$462,066	\$7,309,196	\$7,771,262
2034	\$657,499	\$10,559,723	\$11,217,222
2035	\$677,224	\$10,876,504	\$11,553,728
2036	\$697,541	\$11,202,789	\$11,900,330
2037	\$718,467	\$11,538,862	\$12,257,329
2038	\$740,021	\$11,885,017	\$12,625,038
2039	\$762,222	\$12,241,557	\$13,003,778
2040	\$785,088	\$12,608,792	\$13,393,880
2041	\$808,641	\$12,987,044	\$13,795,685
2042	\$832,900	\$13,376,644	\$14,209,544
2043	\$857,887	\$13,777,931	\$14,635,818
2044	\$883,624	\$14,191,257	\$15,074,880
2045	\$910,132	\$14,616,982	\$15,527,114
2046	\$937,436	\$15,055,479	\$15,992,915
2047	\$965,559	\$15,507,130	\$16,472,690
2048	\$994,526	\$15,972,331	\$16,966,857
2049	\$1,024,362	\$16,451,487	\$17,475,849
2050	\$1,055,093	\$16,945,018	\$18,000,111
2051	\$1,086,746	\$17,453,354	\$18,540,100
2052	\$1,119,348	\$17,976,941	\$19,096,289
2053	\$1,152,928	\$18,516,234	\$19,669,163
2054	\$1,187,516	\$19,071,706	\$20,259,223
2055	\$1,223,142	\$19,643,842	\$20,866,984
2056	\$1,259,836	\$20,233,142	\$21,492,978
2057	\$1,297,631	\$20,840,121	\$22,137,752
2058	\$1,336,560	\$21,465,308	\$22,801,868
2059	\$1,376,657	\$22,109,251	\$23,485,908
2060	\$1,417,957	\$22,772,511	\$24,190,468
2061	\$1,460,495	\$23,455,670	\$24,916,165
2062	\$1,504,310	\$24,159,322	\$25,663,632
2063	\$1,549,439	\$24,884,084	\$26,433,524
2064	\$1,595,923	\$25,630,588	\$27,226,511

*Table 49 continued on the next page*

**Table 49 - Continued**  
**Direct vs. Indirect: General Fund Revenues for the State During Operations**

Year	Direct Taxes	Indirect Taxes	Total State Revenues
2065	\$1,643,800	\$26,399,488	\$28,043,288
2066	\$1,693,114	\$27,191,453	\$28,884,568
2067	\$1,743,908	\$28,007,178	\$29,751,085
2068	\$1,796,225	\$28,847,373	\$30,643,598
2069	\$1,850,112	\$29,712,774	\$31,562,886
<u>Total</u>	<u>\$42.07 M</u>	<u>\$675.47 M</u>	<u>\$717.54 M</u>

# Local Area Benefits Economic Impact & Tax Revenue

## Local vs. State Economic Impacts

The previous section of this analysis presented the economic impact in the State of Texas and this section presents the local economic impact, specifically within Cameron County. In general, the state level economic impacts will be larger than the county level economic impacts. The larger statewide impact results from the fact that more economic activity will be captured within the state economy relative to the county economy.

The reason this occurs is known as leakage. Leakage results when the local economy is unable to supply all of the inputs needed by the project and some inputs are purchased from suppliers located outside of the local economy, for example elsewhere in the state.

It is important to note that the local economic impacts of output, employment, and payroll represent a subset of the statewide impact.

## Local Economic Impacts During Construction

### Construction Economic Output/Increase in Gross Area Product

The facility's construction project will provide direct, indirect and induced economic output/increase in gross area product in Cameron County, as shown below.

The facility's construction costs again serve as the direct construction output and county-level multipliers are used to estimate the total impact inclusive of the indirect and induced effects. This analysis assumes that approximately 50% of the total statewide construction expenditure may be spent within Cameron County.

Table 50 Economic Output/Increase in Gross Area Product in Cameron County During Construction			
Year	Direct Construction Output	Indirect & Induced Output	Total Output
2033	\$94,387,500	\$44,749,114	\$139,136,614
2034	\$11,250,000	\$5,333,625	\$16,583,625
2035	\$0	\$0	\$0
2036	\$0	\$0	\$0
2037	\$0	\$0	\$0
2038	\$0	\$0	\$0
2039	\$0	\$0	\$0
2040	\$0	\$0	\$0
2041	\$0	\$0	\$0
2042	\$0	\$0	\$0
<b>Total</b>	<b>\$105.64 M</b>	<b>\$50.08 M</b>	<b>\$155.72 M</b>

An explanation of the multipliers used to calculate indirect and induced impacts is included later in this report.

**Construction Employment**

During construction, the following number of direct, indirect and induced jobs will be supported in Cameron County each year:

<b>Table 51</b>			
<b>Direct, Indirect and Induced Employment in Cameron County During Construction</b>			
Year	Direct Construction Employment	Indirect & Induced Employment	Total Employment
2033	619	318	937
2034	72	37	108
2035	0	0	0
2036	0	0	0
2037	0	0	0
2038	0	0	0
2039	0	0	0
2040	0	0	0
2041	0	0	0
2042	0	0	0
<u>Annual Avg.</u>	<u>345</u>	<u>177</u>	<u>523</u>

## Construction Payroll

The direct, indirect and induced payrolls during construction will be the following:

Table 52 Direct, Indirect and Induced Payroll in Cameron County During Construction			
Year	Direct Construction Payroll	Indirect & Induced Payroll	Total Payroll
2033	\$47,193,750	\$17,008,628	\$64,202,378
2034	\$5,625,000	\$2,027,250	\$7,652,250
2035	\$0	\$0	\$0
2036	\$0	\$0	\$0
2037	\$0	\$0	\$0
2038	\$0	\$0	\$0
2039	\$0	\$0	\$0
2040	\$0	\$0	\$0
2041	\$0	\$0	\$0
2042	\$0	\$0	\$0
<b>Total</b>	<b>\$52.82 M</b>	<b>\$19.04 M</b>	<b>\$71.85 M</b>

The direct construction employment and direct construction payroll derived in the state impact section serve as the direct impacts. The local impact shown here relies on Cameron County multipliers to estimate the total impact inclusive of the indirect and induced effects.

## Local Fiscal Impacts During Construction

### Taxable Sales

A significant amount of taxable sales or spending during construction can be expected to take place within Cameron County and nearby cities. If 25% of the statewide taxable sales during construction occur locally, the facility's construction project will result in the following taxable sales:

Table 53 Local Estimated Taxable Sales During Construction				
Year	Estimated Taxable Machinery and Equipment	Estimated Taxable Construction Materials	Estimated Taxable Worker Spending	Total Taxable Sales
2033	\$0	\$23,596,875	\$11,685,416	\$35,282,291
2034	\$0	\$2,812,500	\$1,392,779	\$4,205,279
2035	\$0	\$0	\$0	\$0
2036	\$0	\$0	\$0	\$0
2037	\$0	\$0	\$0	\$0
2038	\$0	\$0	\$0	\$0
2039	\$0	\$0	\$0	\$0
2040	\$0	\$0	\$0	\$0
2041	\$0	\$0	\$0	\$0
2042	\$0	\$0	\$0	\$0
<u>Total</u>	<u>\$0</u>	<u>\$26,409,375</u>	<u>\$13,078,195</u>	<u>\$39,487,570</u>

## Sales Tax Collections

With a combined 2.00% local sales tax, Cameron County and nearby cities will collect the following sales tax on machinery and equipment, construction materials and construction worker spending:

Table 54 Estimated Sales Tax Collections During Construction						
Year	On Taxable Machinery & Equipment	On Construction Materials	On Taxable Worker Spending	Total Sales Tax Collections	Direct Sales Tax Collections	Total Sales Tax Collections
2033	\$0	\$471,938	\$233,708	\$705,646	\$471,938	\$233,708
2034	\$0	\$56,250	\$27,856	\$84,106	\$56,250	\$27,856
2035	\$0	\$0	\$0	\$0	\$0	\$0
2036	\$0	\$0	\$0	\$0	\$0	\$0
2037	\$0	\$0	\$0	\$0	\$0	\$0
2038	\$0	\$0	\$0	\$0	\$0	\$0
2039	\$0	\$0	\$0	\$0	\$0	\$0
2040	\$0	\$0	\$0	\$0	\$0	\$0
2041	\$0	\$0	\$0	\$0	\$0	\$0
2042	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$528,188</b>	<b>\$261,564</b>	<b>\$789,751</b>	<b>\$528,188</b>	<b>\$261,564</b>

## Summary of Local Taxes During Construction

During the facility's construction project, Cameron County and nearby cities will receive the following tax revenues:

Table 55 Tax Revenues for the City During Construction			
Year	City Sales Tax Collections	County Sales Tax Collections	Total Revenues
2033	\$705,646	\$0	\$705,646
2034	\$84,106	\$0	\$84,106
2035	\$0	\$0	\$0
2036	\$0	\$0	\$0
2037	\$0	\$0	\$0
2038	\$0	\$0	\$0
2039	\$0	\$0	\$0
2040	\$0	\$0	\$0
2041	\$0	\$0	\$0
2042	\$0	\$0	\$0
<b>Total</b>	<b>\$789,751</b>	<b>\$0</b>	<b>\$789,751</b>

## Local Economic Impacts During the Facility's Operations

### Economic Output During Operations

The facility's estimated annual revenues during the first 37 years again serve as the direct economic output during operations.

The facility's annual operating expenditures will result in the following direct, indirect and induced output in Cameron County when applying the local economic impact multiplier.

Table 56 Direct, Indirect & Induced Output in Cameron County During Operations			
Year	Direct Operations Output	Indirect & Induced Output	Total Output
2033	\$336,047,701	\$158,312,072	\$494,359,773
2034	\$478,181,080	\$225,271,107	\$703,452,187
2035	\$492,526,512	\$232,029,240	\$724,555,752
2036	\$507,302,308	\$238,990,117	\$746,292,425
2037	\$522,521,377	\$246,159,821	\$768,681,197
2038	\$538,197,018	\$253,544,615	\$791,741,633
2039	\$554,342,929	\$261,150,954	\$815,493,882
2040	\$570,973,217	\$268,985,482	\$839,958,699
2041	\$588,102,413	\$277,055,047	\$865,157,460
2042	\$605,745,485	\$285,366,698	\$891,112,184
2043	\$623,917,850	\$293,927,699	\$917,845,549
2044	\$642,635,386	\$302,745,530	\$945,380,916
2045	\$661,914,447	\$311,827,896	\$973,742,343
2046	\$681,771,881	\$321,182,733	\$1,002,954,613
2047	\$702,225,037	\$330,818,215	\$1,033,043,252
2048	\$723,291,788	\$340,742,761	\$1,064,034,549
2049	\$744,990,542	\$350,965,044	\$1,095,955,586
2050	\$767,340,258	\$361,493,996	\$1,128,834,253
2051	\$790,360,466	\$372,338,815	\$1,162,699,281
2052	\$814,071,280	\$383,508,980	\$1,197,580,259
2053	\$838,493,418	\$395,014,249	\$1,233,507,667
2054	\$863,648,221	\$406,864,677	\$1,270,512,897
2055	\$889,557,667	\$419,070,617	\$1,308,628,284
2056	\$916,244,397	\$431,642,736	\$1,347,887,133
2057	\$943,731,729	\$444,592,018	\$1,388,323,747
2058	\$972,043,681	\$457,929,778	\$1,429,973,459

Table 56 continued on the next page

**Table 56 - Continued**  
**Direct, Indirect & Induced Output**  
**in Cameron County During Operations**

Year	Direct Operations Output	Indirect & Induced Output	Total Output
2059	\$1,001,204,991	\$471,667,671	\$1,472,872,663
2060	\$1,031,241,141	\$485,817,702	\$1,517,058,843
2061	\$1,062,178,375	\$500,392,233	\$1,562,570,608
2062	\$1,094,043,727	\$515,404,000	\$1,609,447,726
2063	\$1,126,865,038	\$530,866,120	\$1,657,731,158
2064	\$1,160,670,990	\$546,792,103	\$1,707,463,093
2065	\$1,195,491,119	\$563,195,866	\$1,758,686,986
2066	\$1,231,355,853	\$580,091,742	\$1,811,447,595
2067	\$1,268,296,528	\$597,494,495	\$1,865,791,023
2068	\$1,306,345,424	\$615,419,329	\$1,921,764,754
2069	\$1,345,535,787	\$633,881,909	\$1,979,417,696
<b>Total</b>	<b>\$30.59 B</b>	<b>\$14.41 B</b>	<b>\$45.01 B</b>

## Employment during Operations

Based on the expected number of new jobs created and the local employment multiplier for the project, the following number of direct, indirect and induced jobs will be supported during the facility's operations:

Table 57 Direct, Indirect & Induced Employment in Cameron County During Operations			
Year	Direct Operations Employment	Indirect & Induced Employment	Total Employment
2033	1,014	805	1,819
2034	1,424	1,131	2,555
2035	1,424	1,131	2,555
2036	1,424	1,131	2,555
2037	1,424	1,131	2,555
2038	1,424	1,131	2,555
2039	1,424	1,131	2,555
2040	1,424	1,131	2,555
2041	1,424	1,131	2,555
2042	1,424	1,131	2,555
2043	1,424	1,131	2,555
2044	1,424	1,131	2,555
2045	1,424	1,131	2,555
2046	1,424	1,131	2,555
2047	1,424	1,131	2,555
2048	1,424	1,131	2,555
2049	1,424	1,131	2,555
2050	1,424	1,131	2,555
2051	1,424	1,131	2,555
2052	1,424	1,131	2,555
2053	1,424	1,131	2,555
2054	1,424	1,131	2,555
2055	1,424	1,131	2,555
2056	1,424	1,131	2,555
2057	1,424	1,131	2,555
2058	1,424	1,131	2,555
2059	1,424	1,131	2,555
2060	1,424	1,131	2,555
2061	1,424	1,131	2,555
2062	1,424	1,131	2,555
2063	1,424	1,131	2,555

Table 57 continued on the next page

<b>Table 57 - Continued</b>			
<b>Direct, Indirect &amp; Induced Employment in Cameron County During Operations</b>			
Year	Direct Operations Employment	Indirect & Induced Employment	Total Employment
2064	1,424	1,131	2,555
2065	1,424	1,131	2,555
2066	1,424	1,131	2,555
2067	1,424	1,131	2,555
2068	1,424	1,131	2,555
2069	1,424	1,131	2,555

The direct, indirect and induced payrolls in Cameron County during the facility's operations will be the following:

<b>Table 58</b>			
<b>Direct, Indirect and Induced Payroll in Cameron County During Operations</b>			
Year	Direct Operations Payroll	Indirect & Induced Payroll	Total Payroll
2033	\$96,618,536	\$43,787,521	\$140,406,057
2034	\$139,804,021	\$63,359,182	\$203,163,203
2035	\$143,998,141	\$65,259,958	\$209,258,099
2036	\$148,318,085	\$67,217,756	\$215,535,842
2037	\$152,767,628	\$69,234,289	\$222,001,917
2038	\$157,350,657	\$71,311,318	\$228,661,974
2039	\$162,071,176	\$73,450,657	\$235,521,834
2040	\$166,933,312	\$75,654,177	\$242,587,489
2041	\$171,941,311	\$77,923,802	\$249,865,113
2042	\$177,099,550	\$80,261,516	\$257,361,067
2043	\$182,412,537	\$82,669,362	\$265,081,899
2044	\$187,884,913	\$85,149,443	\$273,034,356
2045	\$193,521,460	\$87,703,926	\$281,225,386
2046	\$199,327,104	\$90,335,044	\$289,662,148
2047	\$205,306,917	\$93,045,095	\$298,352,012
2048	\$211,466,125	\$95,836,448	\$307,302,573
2049	\$217,810,109	\$98,711,541	\$316,521,650

Table 58 continued on the next page

**Table 58 - Continued**  
**Direct, Indirect and Induced Payroll**  
**in Cameron County During Operations**

Year	Direct Operations Payroll	Indirect & Induced Payroll	Total Payroll
2050	\$224,344,412	\$101,672,888	\$326,017,299
2051	\$231,074,744	\$104,723,074	\$335,797,818
2052	\$238,006,987	\$107,864,766	\$345,871,753
2053	\$245,147,196	\$111,100,709	\$356,247,906
2054	\$252,501,612	\$114,433,731	\$366,935,343
2055	\$260,076,660	\$117,866,743	\$377,943,403
2056	\$267,878,960	\$121,402,745	\$389,281,705
2057	\$275,915,329	\$125,044,827	\$400,960,156
2058	\$284,192,789	\$128,796,172	\$412,988,961
2059	\$292,718,573	\$132,660,057	\$425,378,630
2060	\$301,500,130	\$136,639,859	\$438,139,989
2061	\$310,545,134	\$140,739,055	\$451,284,188
2062	\$319,861,488	\$144,961,226	\$464,822,714
2063	\$329,457,332	\$149,310,063	\$478,767,395
2064	\$339,341,052	\$153,789,365	\$493,130,417
2065	\$349,521,284	\$158,403,046	\$507,924,330
2066	\$360,006,922	\$163,155,137	\$523,162,060
2067	\$370,807,130	\$168,049,791	\$538,856,921
2068	\$381,931,344	\$173,091,285	\$555,022,629
2069	\$393,389,284	\$178,284,024	\$571,673,308
<b>Total</b>	<b>\$8.94 B</b>	<b>\$4.05 B</b>	<b>\$13.00 B</b>

## Local Fiscal Impacts During the Facility's Operations

### Local Taxable Sales

A significant amount of taxable sales or spending can be expected to take place within Cameron County and nearby cities. If 25% of the statewide taxable spending by workers, the company, indirect businesses, and visitors during operations occurs locally, the project will result in the following taxable sales:

Table 59 Local Estimated Total Taxable Sales During Operations						
Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Company's Taxable Spending	Indirect & Induced Companies' Taxable Spending	Taxable Spending by Visitors in The Community	Total Taxable Sales
2033	\$14,156,210	\$0	\$840,119	\$1,213,552	\$1,750	\$16,211,631
2034	\$20,483,596	\$0	\$1,195,453	\$1,726,831	\$1,785	\$23,407,665
2035	\$21,098,104	\$0	\$1,231,316	\$1,778,636	\$1,821	\$24,109,877
2036	\$21,731,047	\$0	\$1,268,256	\$1,831,995	\$1,857	\$24,833,155
2037	\$22,382,978	\$0	\$1,306,303	\$1,886,955	\$1,894	\$25,578,131
2038	\$23,054,468	\$0	\$1,345,493	\$1,943,564	\$1,932	\$26,345,456
2039	\$23,746,102	\$0	\$1,385,857	\$2,001,871	\$1,971	\$27,135,801
2040	\$24,458,485	\$0	\$1,427,433	\$2,061,927	\$2,010	\$27,949,855
2041	\$25,192,239	\$0	\$1,470,256	\$2,123,785	\$2,050	\$28,788,330
2042	\$25,948,006	\$0	\$1,514,364	\$2,187,498	\$2,091	\$29,651,960
2043	\$26,726,446	\$0	\$1,559,795	\$2,253,123	\$2,133	\$30,541,498
2044	\$27,528,240	\$0	\$1,606,588	\$2,320,717	\$2,176	\$31,457,721
2045	\$28,354,087	\$0	\$1,654,786	\$2,390,339	\$2,219	\$32,401,431
2046	\$29,204,710	\$0	\$1,704,430	\$2,462,049	\$2,264	\$33,373,452
2047	\$30,080,851	\$0	\$1,755,563	\$2,535,910	\$2,309	\$34,374,633
2048	\$30,983,276	\$0	\$1,808,229	\$2,611,987	\$2,355	\$35,405,849
2049	\$31,912,775	\$0	\$1,862,476	\$2,690,347	\$2,402	\$36,468,001
2050	\$32,870,158	\$0	\$1,918,351	\$2,771,058	\$2,450	\$37,562,017
2051	\$33,856,263	\$0	\$1,975,901	\$2,854,189	\$2,499	\$38,688,853
2052	\$34,871,951	\$0	\$2,035,178	\$2,939,815	\$2,549	\$39,849,493
2053	\$35,918,109	\$0	\$2,096,234	\$3,028,009	\$2,600	\$41,044,952
2054	\$36,995,652	\$0	\$2,159,121	\$3,118,850	\$2,652	\$42,276,275
2055	\$38,105,522	\$0	\$2,223,894	\$3,212,415	\$2,705	\$43,544,537
2056	\$39,248,688	\$0	\$2,290,611	\$3,308,788	\$2,760	\$44,850,846
2057	\$40,426,148	\$0	\$2,359,329	\$3,408,051	\$2,815	\$46,196,344
2058	\$41,638,933	\$0	\$2,430,109	\$3,510,293	\$2,871	\$47,582,206
2059	\$42,888,101	\$0	\$2,503,012	\$3,615,602	\$2,928	\$49,009,643
2060	\$44,174,744	\$0	\$2,578,103	\$3,724,070	\$2,987	\$50,479,903
2061	\$45,499,986	\$0	\$2,655,446	\$3,835,792	\$3,047	\$51,994,270
2062	\$46,864,986	\$0	\$2,735,109	\$3,950,865	\$3,108	\$53,554,068
2063	\$48,270,935	\$0	\$2,817,163	\$4,069,391	\$3,170	\$55,160,659
2064	\$49,719,063	\$0	\$2,901,677	\$4,191,473	\$3,233	\$56,815,447

Table 59 continued on the next page

**Table 59 - Continued**  
**Local Estimated Total Taxable Sales or Spending**

Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Company's Taxable Spending	Indirect & Induced Taxable Spending	Taxable Spending by Visitors in The Community	Total Taxable Sales
2065	\$51,210,635	\$0	\$2,988,728	\$4,317,217	\$3,298	\$58,519,878
2066	\$52,746,954	\$0	\$3,078,390	\$4,446,734	\$3,364	\$60,275,442
2067	\$54,329,363	\$0	\$3,170,741	\$4,580,136	\$3,431	\$62,083,671
2068	\$55,959,244	\$0	\$3,265,864	\$4,717,540	\$3,500	\$63,946,147
2069	\$57,638,021	\$0	\$3,363,839	\$4,859,066	\$3,570	\$65,864,496
<b>Total</b>	<b><u>\$1.310.28 M</u></b>	<b><u>\$0.00 M</u></b>	<b><u>\$76.48 M</u></b>	<b><u>\$110.48 M</u></b>	<b><u>\$0.09 M</u></b>	<b><u>\$1,497.33 M</u></b>

## Sales Tax Collections

With a combined 2.00% local sales tax rate, Cameron County and nearby cities will collect sales tax on the spending of workers, companies and visitors:

Table 60 Estimated Sales Tax Collections During Operations						
Year	On Workers' Spending	On The Facility's Taxable Sales	On the Company's Taxable Spending	On Indirect Companies' Taxable Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2033	\$283,124	\$0	\$16,802	\$24,271	\$35	\$324,233
2034	\$409,672	\$0	\$23,909	\$34,537	\$36	\$468,153
2035	\$421,962	\$0	\$24,626	\$35,573	\$36	\$482,198
2036	\$434,621	\$0	\$25,365	\$36,640	\$37	\$496,663
2037	\$447,660	\$0	\$26,126	\$37,739	\$38	\$511,563
2038	\$461,089	\$0	\$26,910	\$38,871	\$39	\$526,909
2039	\$474,922	\$0	\$27,717	\$40,037	\$39	\$542,716
2040	\$489,170	\$0	\$28,549	\$41,239	\$40	\$558,997
2041	\$503,845	\$0	\$29,405	\$42,476	\$41	\$575,767
2042	\$518,960	\$0	\$30,287	\$43,750	\$42	\$593,039
2043	\$534,529	\$0	\$31,196	\$45,062	\$43	\$610,830
2044	\$550,565	\$0	\$32,132	\$46,414	\$44	\$629,154
2045	\$567,082	\$0	\$33,096	\$47,807	\$44	\$648,029
2046	\$584,094	\$0	\$34,089	\$49,241	\$45	\$667,469
2047	\$601,617	\$0	\$35,111	\$50,718	\$46	\$687,493
2048	\$619,666	\$0	\$36,165	\$52,240	\$47	\$708,117
2049	\$638,255	\$0	\$37,250	\$53,807	\$48	\$729,360
2050	\$657,403	\$0	\$38,367	\$55,421	\$49	\$751,240
2051	\$677,125	\$0	\$39,518	\$57,084	\$50	\$773,777
2052	\$697,439	\$0	\$40,704	\$58,796	\$51	\$796,990
2053	\$718,362	\$0	\$41,925	\$60,560	\$52	\$820,899
2054	\$739,913	\$0	\$43,182	\$62,377	\$53	\$845,526
2055	\$762,110	\$0	\$44,478	\$64,248	\$54	\$870,891
2056	\$784,974	\$0	\$45,812	\$66,176	\$55	\$897,017
2057	\$808,523	\$0	\$47,187	\$68,161	\$56	\$923,927
2058	\$832,779	\$0	\$48,602	\$70,206	\$57	\$951,644
2059	\$857,762	\$0	\$50,060	\$72,312	\$59	\$980,193
2060	\$883,495	\$0	\$51,562	\$74,481	\$60	\$1,009,598
2061	\$910,000	\$0	\$53,109	\$76,716	\$61	\$1,039,885
2062	\$937,300	\$0	\$54,702	\$79,017	\$62	\$1,071,081
2063	\$965,419	\$0	\$56,343	\$81,388	\$63	\$1,103,213
2064	\$994,381	\$0	\$58,034	\$83,829	\$65	\$1,136,309
2065	\$1,024,213	\$0	\$59,775	\$86,344	\$66	\$1,170,398
2066	\$1,054,939	\$0	\$61,568	\$88,935	\$67	\$1,205,509

Table 60 continued on the next page

**Table 60 - Continued**  
**Estimated Sales Tax Collections During Operations**

Year	On Workers' Spending	On The Facility's Taxable Sales	On the Company's Taxable Spending	On Indirect Companies' Taxable Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2067	\$1,086,587	\$0	\$63,415	\$91,603	\$69	\$1,241,673
2068	\$1,119,185	\$0	\$65,317	\$94,351	\$70	\$1,278,923
2069	\$1,152,760	\$0	\$67,277	\$97,181	\$71	\$1,317,290
<u>Total</u>	<u>\$26,205,501</u>	<u>\$0</u>	<u>\$1,529,670</u>	<u>\$2,209,609</u>	<u>\$1,891</u>	<u>\$29,946,672</u>

### Hotel Occupancy Tax Collections

From the overnight lodging spending of visitors to the facility, cities in the county will collect the following hotel occupancy taxes:

**Table 61**  
**Estimated Hotel Occupancy Tax Collections**  
**from Visitors**

Year	City Hotel Spending on Lodging	City Hotel Occupancy Tax Collections
2033	\$9,450	\$662
2034	\$9,639	\$675
2035	\$9,832	\$688
2036	\$10,028	\$702
2037	\$10,229	\$716
2038	\$10,434	\$730
2039	\$10,642	\$745
2040	\$10,855	\$760
2041	\$11,072	\$775
2042	\$11,294	\$791
2043	\$11,519	\$806
2044	\$11,750	\$822
2045	\$11,985	\$839
2046	\$12,225	\$856
2047	\$12,469	\$873
2048	\$12,718	\$890

*Table 61 continued on the next page*

**Table 61 - Continued**  
**Estimated Hotel Occupancy Tax Collections**  
**from Visitors**

Year	<i>Spending on Lodging</i>	City Hotel Occupancy Tax Collections
2049	\$12,973	\$908
2050	\$13,232	\$926
2051	\$13,497	\$945
2052	\$13,767	\$964
2053	\$14,042	\$983
2054	\$14,323	\$1,003
2055	\$14,610	\$1,023
2056	\$14,902	\$1,043
2057	\$15,200	\$1,064
2058	\$15,504	\$1,085
2059	\$15,814	\$1,107
2060	\$16,130	\$1,129
2061	\$16,453	\$1,152
2062	\$16,782	\$1,175
2063	\$17,117	\$1,198
2064	\$17,460	\$1,222
2065	\$17,809	\$1,247
2066	\$18,165	\$1,272
2067	\$18,528	\$1,297
2068	\$18,899	\$1,323
2069	\$19,277	\$1,349
<u>Total</u>	<u>\$510,624</u>	<u>\$35,744</u>

## Property Tax Collections - JETI Investment

As detailed in an earlier section of this report ("Estimated Ad Valorem Taxes Imposed by Each Taxing Unit on the Investment") the annual property taxes to be collected on the facility's investment property is summarized below:

Table 62 Ad Valorem Tax Collections for Local Taxing Units on Investment					
Year	N/A	Cameron County	Point Isabel ISD	Other Local Jurisdictions	Total
2033	\$0	\$1,068,197	\$127,109	\$627,574	\$1,822,879
2034	\$0	\$1,216,879	\$144,801	\$714,925	\$2,076,605
2035	\$0	\$1,241,217	\$644,747	\$729,224	\$2,615,188
2036	\$0	\$1,266,041	\$657,642	\$743,808	\$2,667,491
2037	\$0	\$1,291,362	\$670,795	\$758,685	\$2,720,841
2038	\$0	\$1,317,189	\$684,211	\$773,858	\$2,775,258
2039	\$0	\$1,343,533	\$697,895	\$789,335	\$2,830,763
2040	\$0	\$1,370,403	\$711,853	\$805,122	\$2,887,379
2041	\$0	\$1,397,811	\$726,090	\$821,225	\$2,945,126
2042	\$0	\$1,425,768	\$740,612	\$837,649	\$3,004,029
2043	\$0	\$1,454,283	\$755,424	\$854,402	\$3,064,109
2044	\$0	\$1,483,369	\$770,533	\$871,490	\$3,125,391
2045	\$0	\$1,513,036	\$2,603,649	\$888,920	\$5,005,605
2046	\$0	\$1,543,297	\$2,655,722	\$906,698	\$5,105,717
2047	\$0	\$1,574,163	\$2,708,836	\$924,832	\$5,207,831
2048	\$0	\$1,605,646	\$2,763,013	\$943,329	\$5,311,988
2049	\$0	\$1,637,759	\$2,818,273	\$962,195	\$5,418,227
2050	\$0	\$1,670,514	\$2,874,639	\$981,439	\$5,526,592
2051	\$0	\$1,703,924	\$2,932,131	\$1,001,068	\$5,637,124
2052	\$0	\$1,738,003	\$2,990,774	\$1,021,089	\$5,749,866
2053	\$0	\$1,772,763	\$3,050,589	\$1,041,511	\$5,864,864
2054	\$0	\$1,808,218	\$3,111,601	\$1,062,341	\$5,982,161
2055	\$0	\$1,844,383	\$3,173,833	\$1,083,588	\$6,101,804
2056	\$0	\$1,881,270	\$3,237,310	\$1,105,260	\$6,223,840
2057	\$0	\$1,918,896	\$3,302,056	\$1,127,365	\$6,348,317
2058	\$0	\$1,957,274	\$3,368,097	\$1,149,913	\$6,475,283
2059	\$0	\$1,996,419	\$3,435,459	\$1,172,911	\$6,604,789
2060	\$0	\$2,036,347	\$3,504,168	\$1,196,369	\$6,736,885
2061	\$0	\$2,077,074	\$3,574,252	\$1,220,296	\$6,871,622
2062	\$0	\$2,118,616	\$3,645,737	\$1,244,702	\$7,009,055
2063	\$0	\$2,160,988	\$3,718,651	\$1,269,596	\$7,149,236
2064	\$0	\$2,204,208	\$3,793,024	\$1,294,988	\$7,292,221
2065	\$0	\$2,248,292	\$3,868,885	\$1,320,888	\$7,438,065
2066	\$0	\$2,293,258	\$3,946,263	\$1,347,306	\$7,586,826
2067	\$0	\$2,339,123	\$4,025,188	\$1,374,252	\$7,738,563
2068	\$0	\$2,385,906	\$4,105,692	\$1,401,737	\$7,893,334
2069	\$0	\$2,433,624	\$4,187,806	\$1,429,772	\$8,051,201
<b>Total</b>	<b>\$0.00 M</b>	<b>\$64.34 M</b>	<b>\$90.73 M</b>	<b>\$37.80 M</b>	<b>\$192.87 M</b>

**Property Tax Collections - Land and Inventories**

In addition to the property taxes generated for local taxing units on the facility's eligible JETI investment, local taxing units will also benefit from property taxes paid on the facility's taxable land and inventory property. The table below shows the estimated taxable value of the facility's land and inventories.

<b>Table 63</b>			
<b>Appraised Value of the Facility's Land &amp; Inventories</b>			
Year	Land	Inventories	Total Appraised Value of Land & Inventories
2033	\$0	\$345,892,900	\$345,892,900
2034	\$0	\$605,312,576	\$605,312,576
2035	\$0	\$864,732,251	\$864,732,251
2036	\$0	\$864,732,251	\$864,732,251
2037	\$0	\$864,732,251	\$864,732,251
2038	\$0	\$864,732,251	\$864,732,251
2039	\$0	\$864,732,251	\$864,732,251
2040	\$0	\$864,732,251	\$864,732,251
2041	\$0	\$864,732,251	\$864,732,251
2042	\$0	\$864,732,251	\$864,732,251
2043	\$0	\$864,732,251	\$864,732,251
2044	\$0	\$864,732,251	\$864,732,251
2045	\$0	\$864,732,251	\$864,732,251
2046	\$0	\$864,732,251	\$864,732,251
2047	\$0	\$864,732,251	\$864,732,251
2048	\$0	\$864,732,251	\$864,732,251
2049	\$0	\$864,732,251	\$864,732,251
2050	\$0	\$864,732,251	\$864,732,251
2051	\$0	\$864,732,251	\$864,732,251
2052	\$0	\$864,732,251	\$864,732,251
2053	\$0	\$864,732,251	\$864,732,251
2054	\$0	\$864,732,251	\$864,732,251
2055	\$0	\$864,732,251	\$864,732,251
2056	\$0	\$864,732,251	\$864,732,251
2057	\$0	\$864,732,251	\$864,732,251
2058	\$0	\$864,732,251	\$864,732,251
2059	\$0	\$864,732,251	\$864,732,251
2060	\$0	\$864,732,251	\$864,732,251
2061	\$0	\$864,732,251	\$864,732,251

*Table 63 continued on the next page*

<b>Table 63 - Continued</b>			
<b>Appraised Value of the Facility's Land &amp; Inventories</b>			
Year	Land	Inventories	Total Appraised Value of Land & Inventories
2062	\$0	\$864,732,251	\$864,732,251
2063	\$0	\$864,732,251	\$864,732,251
2064	\$0	\$864,732,251	\$864,732,251
2065	\$0	\$864,732,251	\$864,732,251
2066	\$0	\$864,732,251	\$864,732,251
2067	\$0	\$864,732,251	\$864,732,251
2068	\$0	\$864,732,251	\$864,732,251
2069	\$0	\$864,732,251	\$864,732,251

*Appraised Value Assumptions:*  
*Land Value: Not included.*  
*Inventories: Company's projections.*

<b>Table 64</b>						
<b>Ad Valorem Taxes for Other Taxing Units on Land &amp; Inventories</b>						
Year	Taxable Value of Land & Inventories	N/A <b>0.000000</b>	Cameron County <b>0.424393</b>	Point Isabel ISD <b>0.730300</b>	Other Local Jurisdictions <b>0.249334</b>	Total <b>1.404027</b>
2033	\$345,892,900	\$0	\$1,467,945	\$2,526,056	\$862,429	\$4,856,430
2034	\$605,312,576	\$0	\$2,568,904	\$4,420,598	\$1,509,250	\$8,498,752
2035	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2036	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2037	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2038	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2039	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2040	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2041	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2042	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2043	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2044	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2045	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2046	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2047	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2048	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074

Table 64 continued on the next page

**Table 64 - Continued**  
**Ad Valorem Taxes for Other Taxing Units on Land & Inventories**

Year	Taxable Value of Land & Inventories	N/A <b>0.000000</b>	Cameron County <b>0.424393</b>	Point Isabel ISD <b>0.730300</b>	Other Local Jurisdictions <b>0.249334</b>	Total <b>1.404027</b>
2049	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2050	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2051	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2052	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2053	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2054	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2055	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2056	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2057	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2058	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2059	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2060	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2061	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2062	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2063	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2064	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2065	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2066	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2067	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2068	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
2069	\$864,732,251	\$0	\$3,669,863	\$6,315,140	\$2,156,072	\$12,141,074
<b>Total</b>		<b>\$0</b>	<b>\$132,482,059</b>	<b>\$227,976,541</b>	<b>\$77,834,182</b>	<b>\$438,292,782</b>

## The Total Tax Revenues for Local Taxing Units from the Facility's Operations

The total increase in local tax revenues from the facility's operations are shown below.

Table 65 Tax Revenues for Local Taxing Units During Operations by Year							
Year	City Sales Tax Collections	County Sales Tax Collections	City Hotel Occupancy Taxes	Property Taxes JETI Investment	Property Taxes Land & Inventories	Total Local Revenues	
2033	\$324,233	\$0	\$662	\$1,822,879	\$4,856,430	\$7,004,203	
2034	\$468,153	\$0	\$675	\$2,076,605	\$8,498,752	\$11,044,185	
2035	\$482,198	\$0	\$688	\$2,615,188	\$12,141,074	\$15,239,148	
2036	\$496,663	\$0	\$702	\$2,667,491	\$12,141,074	\$15,305,931	
2037	\$511,563	\$0	\$716	\$2,720,841	\$12,141,074	\$15,374,194	
2038	\$526,909	\$0	\$730	\$2,775,258	\$12,141,074	\$15,443,972	
2039	\$542,716	\$0	\$745	\$2,830,763	\$12,141,074	\$15,515,298	
2040	\$558,997	\$0	\$760	\$2,887,379	\$12,141,074	\$15,588,210	
2041	\$575,767	\$0	\$775	\$2,945,126	\$12,141,074	\$15,662,742	
2042	\$593,039	\$0	\$791	\$3,004,029	\$12,141,074	\$15,738,933	
2043	\$610,830	\$0	\$806	\$3,064,109	\$12,141,074	\$15,816,820	
2044	\$629,154	\$0	\$822	\$3,125,391	\$12,141,074	\$15,896,443	
2045	\$648,029	\$0	\$839	\$5,005,605	\$12,141,074	\$17,795,546	
2046	\$667,469	\$0	\$856	\$5,105,717	\$12,141,074	\$17,915,116	
2047	\$687,493	\$0	\$873	\$5,207,831	\$12,141,074	\$18,037,271	
2048	\$708,117	\$0	\$890	\$5,311,988	\$12,141,074	\$18,162,069	
2049	\$729,360	\$0	\$908	\$5,418,227	\$12,141,074	\$18,289,570	
2050	\$751,240	\$0	\$926	\$5,526,592	\$12,141,074	\$18,419,833	
2051	\$773,777	\$0	\$945	\$5,637,124	\$12,141,074	\$18,552,920	
2052	\$796,990	\$0	\$964	\$5,749,866	\$12,141,074	\$18,688,894	
2053	\$820,899	\$0	\$983	\$5,864,864	\$12,141,074	\$18,827,820	
2054	\$845,526	\$0	\$1,003	\$5,982,161	\$12,141,074	\$18,969,763	
2055	\$870,891	\$0	\$1,023	\$6,101,804	\$12,141,074	\$19,114,792	
2056	\$897,017	\$0	\$1,043	\$6,223,840	\$12,141,074	\$19,262,974	
2057	\$923,927	\$0	\$1,064	\$6,348,317	\$12,141,074	\$19,414,382	
2058	\$951,644	\$0	\$1,085	\$6,475,283	\$12,141,074	\$19,569,087	
2059	\$980,193	\$0	\$1,107	\$6,604,789	\$12,141,074	\$19,727,163	
2060	\$1,009,598	\$0	\$1,129	\$6,736,885	\$12,141,074	\$19,888,686	
2061	\$1,039,885	\$0	\$1,152	\$6,871,622	\$12,141,074	\$20,053,734	
2062	\$1,071,081	\$0	\$1,175	\$7,009,055	\$12,141,074	\$20,222,385	
2063	\$1,103,213	\$0	\$1,198	\$7,149,236	\$12,141,074	\$20,394,722	
2064	\$1,136,309	\$0	\$1,222	\$7,292,221	\$12,141,074	\$20,570,826	
2065	\$1,170,398	\$0	\$1,247	\$7,438,065	\$12,141,074	\$20,750,784	
2066	\$1,205,509	\$0	\$1,272	\$7,586,826	\$12,141,074	\$20,934,681	
2067	\$1,241,673	\$0	\$1,297	\$7,738,563	\$12,141,074	\$21,122,608	
2068	\$1,278,923	\$0	\$1,323	\$7,893,334	\$12,141,074	\$21,314,654	
2069	\$1,317,290	\$0	\$1,349	\$8,051,201	\$12,141,074	\$21,510,915	
<b>Total</b>	<b>\$29.95 M</b>	<b>\$0.00 M</b>	<b>\$0.04 M</b>	<b>\$192.87 M</b>	<b>\$438.29 M</b>	<b>\$661.14 M</b>	

## The Total Tax Revenues for Local Taxing Units from the Facility's Operations - Direct vs. Indirect

The table below details the total increase in local tax revenues from the facility's operations by direct and indirect sources.

Table 66			
Direct vs. Indirect: Tax Revenues for Local Taxing Units During Operations by Year			
Year	Direct Taxes	Indirect Taxes	Total Local Revenues
2033	\$6,696,111	\$308,092	\$7,004,203
2034	\$10,599,266	\$444,919	\$11,044,185
2035	\$14,780,888	\$458,259	\$15,239,148
2036	\$14,833,931	\$472,000	\$15,305,931
2037	\$14,888,042	\$486,153	\$15,374,194
2038	\$14,943,242	\$500,730	\$15,443,972
2039	\$14,999,555	\$515,744	\$15,515,298
2040	\$15,057,001	\$531,208	\$15,588,210
2041	\$15,115,605	\$547,137	\$15,662,742
2042	\$15,175,390	\$563,542	\$15,738,933
2043	\$15,236,379	\$580,440	\$15,816,820
2044	\$15,298,597	\$597,845	\$15,896,443
2045	\$17,179,775	\$615,772	\$17,795,546
2046	\$17,280,880	\$634,236	\$17,915,116
2047	\$17,384,017	\$653,254	\$18,037,271
2048	\$17,489,227	\$672,843	\$18,162,069
2049	\$17,596,551	\$693,019	\$18,289,570
2050	\$17,706,033	\$713,800	\$18,419,833
2051	\$17,817,716	\$735,204	\$18,552,920
2052	\$17,931,644	\$757,250	\$18,688,894
2053	\$18,047,863	\$779,957	\$18,827,820
2054	\$18,166,418	\$803,346	\$18,969,763
2055	\$18,287,356	\$827,436	\$19,114,792
2056	\$18,410,727	\$852,248	\$19,262,974
2057	\$18,536,578	\$877,804	\$19,414,382
2058	\$18,664,960	\$904,127	\$19,569,087
2059	\$18,795,924	\$931,240	\$19,727,163
2060	\$18,929,521	\$959,165	\$19,888,686
2061	\$19,065,806	\$987,928	\$20,053,734
2062	\$19,204,831	\$1,017,554	\$20,222,385
2063	\$19,346,654	\$1,048,068	\$20,394,722
2064	\$19,491,329	\$1,079,498	\$20,570,826
2065	\$19,638,914	\$1,111,870	\$20,750,784
2066	\$19,789,469	\$1,145,213	\$20,934,681
2067	\$19,943,052	\$1,179,556	\$21,122,608
2068	\$20,099,726	\$1,214,929	\$21,314,654
2069	\$20,259,552	\$1,251,363	\$21,510,915
<b>Total</b>	<b>\$632.69 M</b>	<b>\$28.45 M</b>	<b>\$661.14 M</b>

**Table 66**  
**Tax Revenues for Local Taxing Units During Operations by Taxing Unit**

	Sales Tax Collections	Hotel Occupancy Taxes	Property Taxes JETI Investment	Property Taxes Land & Inventories	Total Local Revenues
Nearby Cities	\$29,946,672	\$35,744	\$0	\$0	\$29,982,416
Cameron County	\$0	\$0	\$64,339,052	\$132,482,059	\$196,821,111
Point Isabel ISD	\$0	\$0	\$90,727,359	\$227,976,541	\$318,703,899
Brownsville Navigation District	\$0	\$0	\$3,879,357	\$7,988,076	\$11,867,433
Emergency Services District #1	\$0	\$0	\$9,510,936	\$19,584,193	\$29,095,129
South Texas ISD	\$0	\$0	\$7,458,844	\$15,358,682	\$22,817,527
Texas Southmost College District	\$0	\$0	\$16,950,527	\$34,903,230	\$51,853,757
<b>Total</b>	<b><u>\$29.95 M</u></b>	<b><u>\$0.04 M</u></b>	<b><u>\$192.87 M</u></b>	<b><u>\$438.29 M</u></b>	<b><u>\$661.14 M</u></b>

## Discussion of Indirect and Induced Impacts

This analysis calculated the direct economic impact of the facility from its construction project and during its operations. In addition, the indirect and induced impacts were also calculated.

Indirect revenues, jobs and salaries are created in new or existing firms in the state, such as parts suppliers, that may supply goods and services to the facility. In addition, induced revenues, jobs and salaries are created and supported in new or existing 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 on the state, regional economic multipliers were used. Regional economic multipliers for the state and counties are included in the US Department of Commerce’s Regional Input-Output Modeling System (RIMS II).

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

The output multipliers show the estimated total output - inclusive of direct, indirect, and induced revenues - of other companies in the state for every dollar of revenue at the facility or for every dollar spent during construction. The employment multipliers show the total number of jobs created for each direct job of the associated activity. The earnings multipliers show the total amount of salaries paid to these workers. The following multipliers were used in this analysis to estimate the statewide impacts:

	During Construction	During Operations
Output multiplier	2.4464	2.4445
Employment multiplier	2.2999	2.9250
Earnings multiplier	2.0049	2.2541

The local economic impact is estimated for Cameron County with the multipliers shown below.

	During Construction	During Operations
Output multiplier	1.4741	1.4711
Employment multiplier	1.5140	1.7938
Earnings multiplier	1.3604	1.4532

## About Impact DataSource

Impact DataSource is a 30-year old Austin, Texas economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in Texas and 39 other states. In addition, the firm has developed economic impact analysis computer programs for several clients including the Tennessee Department of Economic & Community Development.

The firm's principal, Paul Scheuren, performed this economic impact analysis. Paul has a Master of Arts in economics from Clemson University as well as a Bachelor of Business Administration in actuarial science from Temple University.

## Some Rates and Assumptions Used in this Analysis

### State tax rates for tax revenues that go into the state's general revenue fund:

Texas business franchise tax:

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A rate of .375% is used for taxable entities primarily engaged in retail or wholesale trade, and a .75% rate is used for all other entities.

Sales and use tax rate	6.25%
Hotel occupancy tax rate	6.00%
Gasoline tax, per gallon	\$0.20
Percent of gasoline taxes going into state general revenues	25.00%
Motor vehicle sales and use tax	6.25%
Percent of total salaries that a typical worker spends on taxable goods and services	26.00%

Estimated other taxes collected annually by the state for the general revenue fund for each worker household:

	Total Collections in 2025	Number of Households in the State (2024 ACS)	Amount of Annual Collections Per Worker Household
Cigarette and tobacco taxes	\$1.111 B	11,449,769	\$97
Alcoholic beverage taxes	\$2.068 B	11,449,769	\$181
Net lottery proceeds	\$3.350 B	11,449,769	\$293
Total			\$571.00

**Some assumptions used in this analysis:**

*Annual state gasoline tax collections per worker:*

Miles driven per year by a typical worker	15,000
Miles per gallon	20
Number of gallons of gasoline purchased each year by a typical worker	750
Gasoline tax, per gallon	\$0.20
Gasoline taxes paid each year by a typical worker	\$150
Percent of gasoline taxes going into the general fund	25%
Gasoline taxes paid each year by a typical worker going to the general fund	\$37.50

*Annual motor vehicle sales and use tax collections per worker:*

Number of new or used automobiles purchased per 10 workers each year	2
Average value of new or used automobiles purchased by a typical worker who purchases an automobile	\$35,000
Motor vehicle sales and use tax	6.25%
Annual motor vehicle sales and use taxes paid by a typical worker	\$437.50

*Estimated other taxes collected annually by the state for the general revenue fund for each worker household:*

Summary of annual state taxes, other than sales taxes, collected from each worker:

Gasoline taxes	\$37.50
Motor vehicle sales and use taxes	\$437.50
Cigarette and tobacco taxes	\$97.00
Alcoholic beverage taxes	\$181.00
Net lottery proceeds	\$293.00
Total	\$1,046.00

Estimated annual increase in the above taxes per worker over each of the next 37 years 3.00%

**Local tax rates used in this analysis:**

Local Sales Tax Rates

Nearby Cities	2.00%
Cameron County	0.00%
<u>Total Local Sales Tax Rate</u>	<u>2.00%</u>

Local Hotel Occupancy Tax Rates

Nearby Cities	7.00%
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Local Property Tax Rates

City: N/A		0.000000
County: Cameron County		0.424393
School: Point Isabel ISD		0.730300
	M&O Rate:	0.679800
	I&S Rate:	0.050500
Spec Dist #1: Brownsville Navigation District		0.025589
Spec Dist #2: Emergency Services District #1		0.062736
Spec Dist #3: South Texas ISD		0.049200
Spec Dist #4: Texas Southmost College District		0.111809
Total Rate		1.404027

**AFFIDAVIT OF Saronic Technologies, Inc.**

BEFORE ME, the undersigned authority, personally appeared Natalie Wiegand, who, being by me duly sworn, deposed and said:

"My name is Natalie Wiegand. I am over 18 years of age, of sound mind, and I have never been convicted of a felony or a crime of moral turpitude. I have personal knowledge of the facts stated in this affidavit and all the facts stated herein are true and correct.

I am Vice President of Operations and am authorized to make this affidavit on behalf of Saronic Technologies, Inc. Saronic Technologies, Inc., hereby attests that it is not ineligible under Government Code, §403.606 to submit an application or enter into an agreement under Texas Jobs, Energy, Technology and Innovation Act ("Act").

We certify that Saronic Technologies, Inc., has thoroughly reviewed the ineligibility criteria outlined in Section 403.606 and Saronic Technologies, Inc., affirms to the best of our knowledge and belief, none of the circumstances or conditions that render the company ineligible under Government Code, §403.606 are applicable.

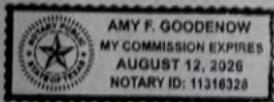
We understand the importance of accuracy and completeness in providing this information and acknowledge that any false statement or misrepresentation may result in legal consequences including rejection of an application or rescission of an agreement entered under the Act."

WITNESS MY HAND on this the 17 day of [Month], [Year].

December, 2025

Natalie Wiegand  
[Your Signature]

SUBSCRIBED AND SWORN TO BEFORE ME on Natalie Wiegand to certify which witness my hand and official seal.



Amy F. Goodenow  
Notary Public, State of Texas

My commission expires August 12, 2026