

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
PHONE: (512) 494-9949
FAX: (512) 494-9919

KEVIN O'HANLON

kohanlon@808west.com

Rio Grande Valley Office
426 W. Caffery Ave.
Pharr, Texas 78577

San Antonio Office
117 W. Craig Place
San Antonio, Texas 78212

April 21, 2022

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

RE: Application to the Nederland Independent School District from ETC Marketing, LTD

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Nederland Independent School District is notifying ETC Marketing, LTD of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. Please prepare the Economic Impact Report.

The Applicant submitted the Application to the school district on April 18, 2022. The Board voted to accept the application on April 18, 2022. The application has been determined complete as of April 21, 2022.

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

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Jefferson CAD
ETC Marketing, LTD



April 18, 2022

Nederland Independent School District
ATT: Dr. Stuart Kieschnick
220 17th Street
Nederland, Texas 77627

RE: ETC Marketing, LTD Application for Appraised Value Limitation on Qualified Property

Dr. Kieschnick:

In accordance with Section 313 of the Texas Property Tax Code, please find attached an application for an appraised value limitation on qualified property between ETC Marketing, LTD and Nederland Independent School District.

ETC Marketing, LTD is proposing to build a petrochemical plant to manufacture propylene and ethane from natural gas liquids feedstock. The site will be located within a proposed reinvestment zone in Jefferson County within Nederland Independent School District.

Enclosed are additional details and further information regarding the description, location, qualified investment, and job creation associated with the development of the proposed project.

If you have any questions or would like to request further information, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink that reads "Mike Fry". The signature is written in a cursive, flowing style.

Mike Fry-Director, Energy Services
mfry@keatax.com



ETC Marketing, LTD

***Application for Appraised Value Limitation on Qualified Property
with Nederland Independent School District***



Tab 1: Pages 1 through 11 of Application



Application for Appraised Value Limitation on Qualified Property

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

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

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

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

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

When the Comptroller receives the notice and required information from the school district, and has determined that all assertions of confidentiality are appropriate, the Comptroller will publish all submitted non-confidential application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller's rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project and issue a certificate for a limitation on appraised value to the school board regarding the application by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete by the Comptroller), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

April 18, 2022

Date Application Received by District

Dr. Stuart

First Name

Kieschnick

Last Name

Superintendent

Title

Nederland Independent School District

School District Name

220 17th Street

Street Address

220 17th Street

Mailing Address

Nederland

City

Texas

State

77627

ZIP

409-724-2391

Phone Number

409-724-4280

Fax Number

N/A

Mobile Number (optional)

skieschnick@nederlandisd.org

Email Address

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



Yes



No

SECTION 1: School District Information *(continued)*3. Authorized School District Consultant *(If Applicable)*

Kevin	O'Hanlon
First Name	Last Name
Partner	
Title	
O'Hanlon, Demerath, & Castillo	
Firm Name	
512-494-9949	N/A
Phone Number	Fax Number
N/A	kohanlon@808west.com
Mobile Number <i>(optional)</i>	Email Address
4. On what date did the district determine this application complete?	April 21, 2022

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

Megan	McKavanagh	
First Name	Last Name	
Senior Manager, Property Tax	Energy Transfer Partners, L.P.	
Title	Organization	
800 E. Sonterra Blvd. Suite 400		
Street Address		
800 E. Sonterra Blvd. Suite 400		
Mailing Address		
San Antonio	TX	78258-3941
City	State	ZIP
210-572-0457	210-403-6664	
Phone Number	Fax Number	
N/A	megan.mckavanagh@energytransfer.com	
Mobile Number <i>(optional)</i>	Business Email Address	
2. Will a company official other than the authorized company representative be responsible for responding to future information requests?		
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

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

Daryl	Bunker	
First Name	Last Name	
Senior Director-Project Development	Energy Transfer	
Title	Organization	
1300 Main Street		
Street Address		
1300 Main Street		
Mailing Address		
Houston	TX	77002
City	State	ZIP
409-790-8651	N/A	
Phone Number	Fax Number	
N/A	daryl.bunker@energytransfer.com	
Mobile Number <i>(optional)</i>	Business Email Address	

3. Does the applicant authorize the consultant to provide and obtain information related to this application?

☒ Yes ☐ No

SECTION 2: Applicant Information (*continued*)

4. Authorized Company Consultant (If Applicable)

Mike

First Name

Fry

Last Name

Director-Energy Services

Title

KE Andrews

Firm Name

469-298-1618

Phone Number

469-298-1617

Fax Number

mfry@keatax.com

Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☒ Yes ☐ No

The total fee shall be paid at the same time the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

- 1a. If yes, include all transaction information below. Include proof of application fee paid to the school district in **Tab 2**. Any confidential banking information provided will not be publicly posted.

\$ 125,000.00

Payment Amount

Check

Transaction Type

KE Andrews & Company

Nederland ISD

Payor

Payee

April 14, 2022

Date transaction was processed

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☒ No ☐ N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☒ No ☐ N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? ETC Marketing, LTD
2. Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 10505324730
3. Parent Company Name N/A
4. Parent Company Tax ID N/A
5. NAICS code 325110
6. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☒ No
- 6a. If yes, please list application number, name of school district and year of agreement
- N/A

SECTION 5: Applicant Business Structure

1. Business Organization of Applicant (*corporation, limited liability corporation, etc*) LTD
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☒ Yes ☐ No
- 2a. If yes, attach in **Tab 3** a copy of the most recently submitted Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

SECTION 5: Applicant Business Structure *(continued)*

2b. Texas Franchise Tax Reporting Entity Taxpayer Name

ETC Marketing, LTD

2c. Reporting Entity Taxpayer Number

10505324730

3. Is the applicant current on all tax payments due to the State of Texas? ☒ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☒ Yes ☐ No ☐ N/A

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? ☒ Yes ☐ No
2. The property will be used for one of the following activities:
- (1) manufacturing ☒ Yes ☐ No
 - (2) research and development ☐ Yes ☒ No
 - (3) a clean coal project, as defined by Section 5.001, Water Code ☐ Yes ☒ No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code ☐ Yes ☒ No
 - (5) renewable energy electric generation ☐ Yes ☒ No
 - (6) electric power generation using integrated gasification combined cycle technology ☐ Yes ☒ No
 - (7) nuclear electric power generation ☐ Yes ☒ No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) ☐ Yes ☒ No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051* ☐ Yes ☒ No
3. Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☒ No
4. Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☒ No
5. Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☒ No
6. Are you including property that is owned by a person other than the applicant? ☐ Yes ☒ No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? ☐ Yes ☒ No

*Note: Applicants requesting eligibility under this category should note that there are additional application and reporting data submission requirements.

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information. If the project is an amendment or a reapplication please specify and provide details regarding the original project.
2. Check the project characteristics that apply to the proposed project:
- | | |
|---|--|
| <input checked="" type="checkbox"/> Land has no existing improvements | <input type="checkbox"/> Land has existing improvements <i>(complete Section 13)</i> |
| <input type="checkbox"/> Expansion of existing operation on the land <i>(complete Section 13)</i> | <input type="checkbox"/> Relocation within Texas |

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

NOTE: Only construction beginning after the application review start date (the date the Texas Comptroller of Public Accounts deems the application complete) can be considered qualified property and/or qualified investment.

1. Estimated school board ratification of final agreement September 1, 2022
 2. Estimated commencement of construction January 1, 2024
 3. Beginning of qualifying time period (MM/DD/YYYY) January 1, 2025
 4. First year of limitation (YYYY) January 1, 2027
- 4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):
- ☐ A. January 1 following the application date ☐ B. January 1 following the end of QTP
- ☒ C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations December 31, 2026

SECTION 10: The Property

1. County or counties in which the proposed project will be located Jefferson County
2. Central Appraisal District (CAD) that will be responsible for appraising the property Jefferson CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☒ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

M&O (ISD): <u>Nederland, .872; 100%</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>Nederland, .3; 100%</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Jefferson, .363184; 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>City of Nederland, .517206; 100%</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Sabine Neches Nav., .092067; 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>

SECTION 10: The Property *(continued)*

5. List all state and local incentives as an annual percentage. Include the estimated start and end year of the incentive:

County: Abatement, net 71%; 2027-2032
*(Incentive type, percentage, start and end year)*City: Abatement, net 61%; 2027-2036
*(Incentive type, percentage, start and end year)*Hospital District: N/A
*(Incentive type, percentage, start and end year)*Water District: N/A
*(Incentive type, percentage, start and end year)*Other (describe): N/A
*(Incentive type, percentage, start and end year)*Other (describe): N/A
(Incentive type, percentage, start and end year)

6. Is the project located entirely within the ISD listed in Section 1?
- ☒
- Yes
- ☐
- No

6a. If no, attach in **Tab 6** maps of the entire project (depicting all other relevant school districts) and additional information on the project scope and size. Please note that only the qualified property within the ISD listed in Section 1 is eligible for the limitation from this application. Please verify that all information in **Tabs 7 and 8**, Section 11, 12 and 13, and map project boundaries pertain to only the property within the ISD listed in Section 1.

7. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)?
- ☐
- Yes
- ☒
- No

7a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Texas Tax Code 313.021(1) Qualified Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at comptroller.texas.gov/economy/local/ch313/.

1. At the time of application, what is the estimated minimum qualified investment required for this school district?
- \$ 30,000,000.00

2. What is the amount of appraised value limitation for which you are applying?
- \$ 30,000,000.00

Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.

3. Does the qualified investment meet the requirements of Tax Code §313.021(1)?
- ☒
- Yes
- ☐
- No

4. Attach a description of the qualified investment [See §313.021(1).] The description must include:

- a specific and detailed description of the qualified investment you propose to make within the project boundary for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
- a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
- a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).

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

SECTION 12: Texas Tax Code 313.021(2) Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] The description must include:

- a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
- a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**);
- a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and reinvestment zone boundaries (**Tab 11**); and
- Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? ☐ Yes ☒ No

Note: Property used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area cannot be considered qualified property and will not be eligible for a limitation. See TAC §9.1051(16).

SECTION 12: Texas Tax Code 313.021(2) Qualified Property (*continued*)

2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? ☐ Yes ☒ No
- 2a. If yes, attach complete documentation including:
- legal description of the land (**Tab 9**);
 - each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (**Tab 9**);
 - owner (**Tab 9**);
 - the current taxable value of the land, attach estimate if land is part of larger parcel (**Tab 9**); and
 - a detailed map showing the location of the land with vicinity map (**Tab 11**).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? ☐ Yes ☒ No
- 3a. If yes, attach the applicable supporting documentation:
- evidence that the area qualifies as an enterprise zone as defined by the Governor's Office (**Tab 16**);
 - legal description of reinvestment zone (**Tab 16**);
 - order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
 - guidelines and criteria for creating the zone (**Tab 16**); and
 - a map of the reinvestment zone or enterprise zone boundaries with vicinity map (**Tab 11**)
- 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date.
- What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? Please See Tab 16

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

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

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

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create? 12
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) 13
3. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☐ Yes ☒ No
- 3a. If yes, attach evidence of industry standard in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
- a. Non-qualified job wages
- average weekly wage for all jobs (all industries) in the county is \$ 1,140.25
- b. Qualifying job wage minimum option §313.021(5)(A)
-110% of the average weekly wage for manufacturing jobs in the county is \$ 2,342.75
- c. Qualifying job wage minimum option §313.021(5)(B)
-110% of the average weekly wage for manufacturing jobs in the region is \$ 1,204.86
5. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☒ §313.021(5)(B)
6. What is the minimum required annual wage for each qualifying job based on the qualified property? \$ 62,652.70
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? \$ 62,652.70
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No
9. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☒ No
- 9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☒ No
- 10a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, and C in **Tab 14**. **Note:** Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by an entity other than the Comptroller's office, in **Tab 15**. (not required)
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Tab 2: Proof of Payment Application Fee

Attached.



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

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

Tab 3: Documentation of Combined Group Membership Under Texas Tax Code 171.0001 (7), history of tax default, delinquencies and/or material litigation (if applicable)

Attached.



**Response to Section 5 question 2a.,
documentation of combined group
membership, received by CPA**



800 E. Sonterra Blvd
San Antonio, Texas 78258-3941
210-403-7300

June 8, 2021

Texas Comptroller of Public Accounts
PO Box 149348
Austin, TX 78714-9348

Re: ETC Marketing, Ltd.
800 E Sonterra Blvd.
San Antonio, TX 78258
Taxpayer Number: 10505324730

Dear Sir or Madam:

To meet its filing requirements, enclosed is the extension for ETC Marketing, Ltd. (taxpayer number 10505324730). Due to its extensive affiliates, ETC Marketing, Ltd. is paper filing its extension. The extension payment of \$12,000,000 has been made online through the TexNet system.

As discussed with a representative in your office, paper filing this extension will fulfill all 2021 report year extension reporting requirements. Please update your records to reflect ETC Marketing, LTD. and its affiliates have met its extension requirement for the 2021 Report period.

If you have any questions or need any additional information, please contact me at 210-403-7300.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sayuri Berentsen', written in a cursive style.

Sayuri Berentsen
Senior Manager - Tax

Tab 4: Detailed Description of the Project

ETC Marketing, LTD is proposing to build a petrochemical plant to manufacture propylene and ethane from natural gas liquids feedstock. The site will be located within a proposed reinvestment zone in Jefferson County within Nederland Independent School District.

The proposed project is being developed by Energy Transfer. Energy Transfer is one of the largest and most diversified midstream energy companies in North America with approximately 114,000 miles of pipeline infrastructure across 41 states. In 2020, Energy Transfer spent \$462 million on maintain and improving assets. Energy Transfer is dedicated to the safely delivering reliable energy across America, while committing to protect the environment and communities their operations are located within.

Please Note: This application covers all qualified property in the reinvestment zone and project boundary within Nederland ISD including the following:

- FCC Unit
- Traditional Pyrolysis Steam Cracker
- Furnaces
- Cold Recovery Plant
- Fire-mains
- Slop Oil Containment and Sump Systems
- Instrument Air Systems
- Metathesis Unit
- Hydrogen PSA Unit
- Steam Distribution Headers
- Condensate Recovery System
- Flare System
- Cooling Tower and Piping System
- Plant Air Systems
- Decoking Air Systems

Ethylene & Propylene Cracking

Ethylene and propylene are important petrochemicals that are formed when ethane, an NGL, being “cracked.” Cracking is an advanced technology process that heats feedstocks and in this case ethane, to a temperature in which the molecule “cracks” into smaller molecules, including ethylene and propylene. These molecules are important petrochemicals used in a variety of products including plastics and textiles.



Tab 5: Documentation to Assist in Determining if Limitation is a Determining Factor

ETC Marketing, LTD is a leading midstream energy company whose primary activities include gathering, treating, processing, and transporting natural gas and natural gas liquids to a variety of markets and states. In the states mentioned below, Energy Transfer currently operates over 34,050 miles of pipeline, 32 gas processing plants, 19 gas treating facilities and 3 gas conditioning plants. The states where these operations are located include Arizona, New Mexico, Utah, Colorado, Kansas, Oklahoma, Texas, Arkansas and Louisiana.

As the primary available property tax incentive in Texas, a 313 agreement is vital to the development of the ETC's petrochemical plant. Multiple other potential projects are presently competing for the same capital expenditures by the company, including possible plants in Louisiana and in New Mexico.

- Louisiana offers a 10-year, 100% property tax abatement under that state's Industrial Tax Exemption program as well as additional state sales tax incentives.
- New Mexico offers Industrial Revenue Bonds and Job Training incentive programs.

Along the Gulf Coast region, where the production of petrochemicals is centered, Energy Transfer has a large footprint with assets including NGL export terminals and multiple fractionators. The company's Gulf Coast presence gives Energy Transfer the ability to locate this facility in other states where their company is active, including Louisiana. In the event, a 313 property tax limitation agreement is not received for this proposed project, Energy Transfer would have to relocate this facility where the property tax was either lower or economic incentive agreements could be executed. An appraised value limitation agreement is the determining factor for this proposed project's location in the state of Texas.



Tab 6: Description of how Project is Located in More than One District, Including List of Percentage in Each District and, if Determined to be a Single Unified Project, Documentation from the Office of the Governor (if applicable)

Not Applicable.



Tab 7: Description of Qualified Investment

ETC Marketing, LTD is proposing to build a petrochemical plant to manufacture propylene and ethane from natural gas liquids feedstock. The site will be located within a proposed reinvestment zone in Jefferson County within Nederland Independent School District.

The proposed is being developed by Energy Transfer. Energy Transfer is one of the largest and most diversified midstream energy companies in North America with approximately 114,000 miles of pipeline infrastructure across 41 states. In 2020, Energy Transfer spent \$462 million on maintain and improving assets. Energy Transfer is dedicated to the safely delivering reliable energy across America, while committing to protect the environment and communities their operations are located within.

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- Hydrogen PSA Unit
- Steam Distribution Headers
- Condensate Recovery System
- Flare System
- Cooling Tower and Piping System
- Plant Air Systems
- Decoking Air Systems



Tab 8: Description of Qualified Property

ETC Marketing, LTD is proposing to build a petrochemical plant to manufacture propylene and ethane from natural gas liquids feedstock. The site will be located within a proposed reinvestment zone in Jefferson County within Nederland Independent School District.

The proposed project is being developed by Energy Transfer. Energy Transfer is one of the largest and most diversified midstream energy companies in North America with approximately 114,000 miles of pipeline infrastructure across 41 states. In 2020, Energy Transfer spent \$462 million on maintain and improving assets. Energy Transfer is dedicated to the safely delivering reliable energy across America, while committing to protect the environment and communities their operations are located within.

Please Note: This application covers all qualified property in the reinvestment zone and project boundary within Nederland ISD including the following:

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- Furnaces
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- Fire-mains
- Slop Oil Containment and Sump Systems
- Instrument Air Systems
- Metathesis Unit
- Hydrogen PSA Unit
- Steam Distribution Headers
- Condensate Recovery System
- Flare System
- Cooling Tower and Piping System
- Plant Air Systems
- Decoking Air Systems



Tab 9: Description of Land

Not Applicable.



2424 Ridge Road
Rockwall, TX 75087



469.298.1594



www.keatax.com



*Tab 10: Description of All Property Not Eligible to Become Qualified
Property (if applicable)*

Not Applicable.



Tab 11: Maps



Please See Attached.



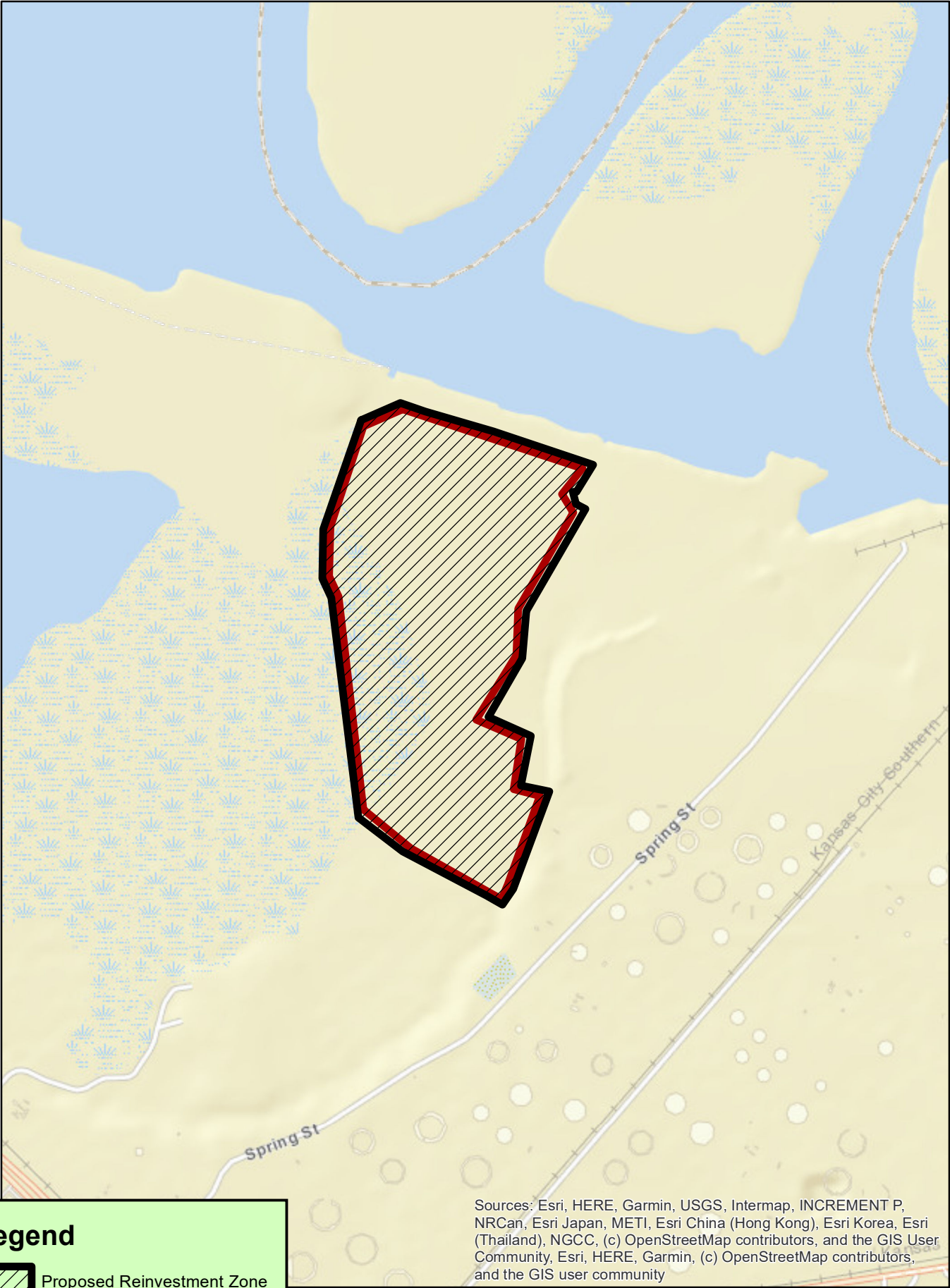


Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community, Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community, Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community


Legend


-  Proposed Reinvestment Zone
-  Project Boundary

0 0.125 0.25 0.5 Miles

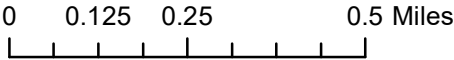


Legend

 Proposed Reinvestment Zone

 Project Boundary

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community, Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

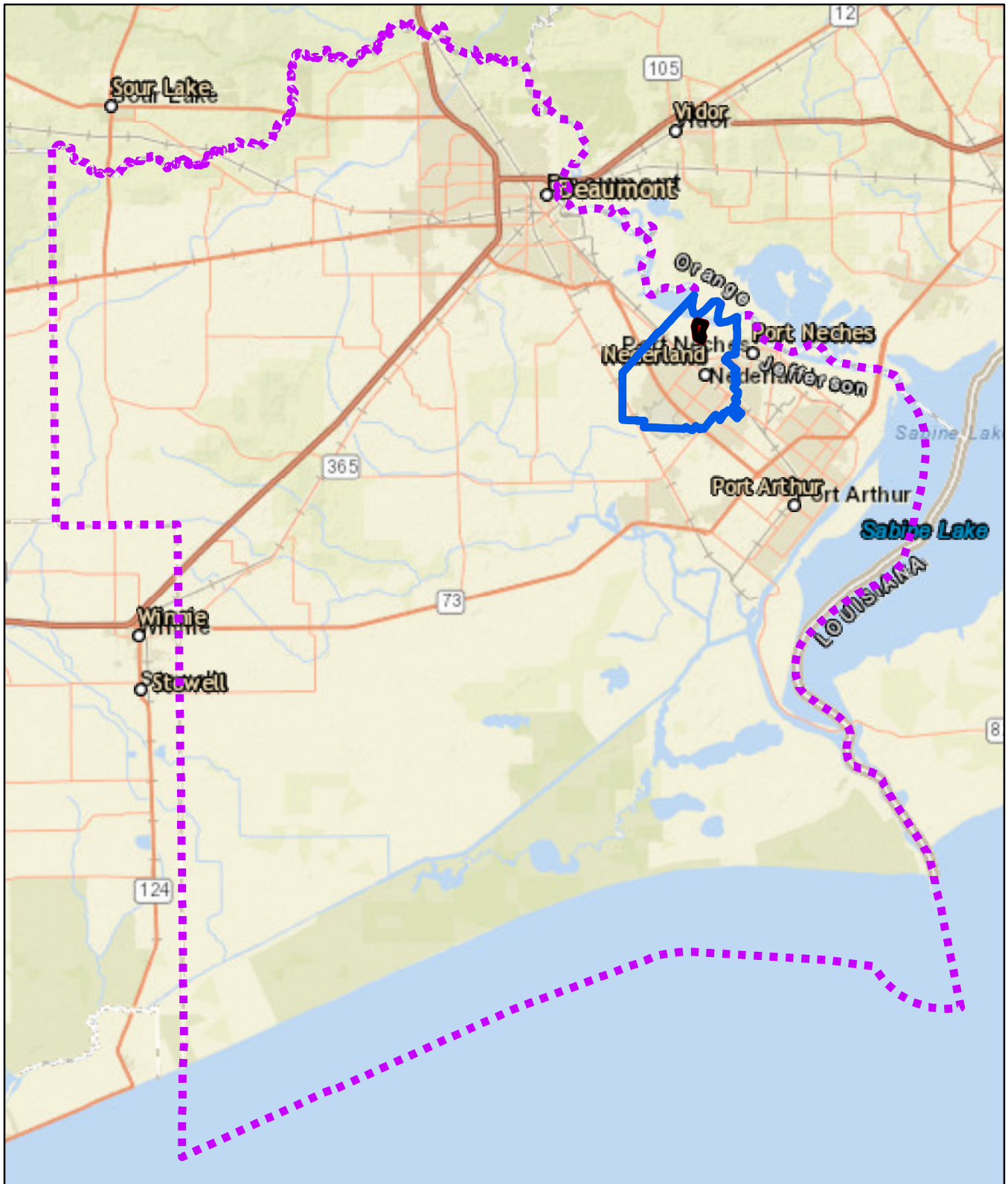


N







ETC Marketing, LTD

N



Legend

-  Proposed Reinvestment Zone
-  Project Boundary
-  Nederland ISD
-  Jefferson County

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community, Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

0 3.75 7.5 15 Miles

*Tab 12: Request for Waiver of Job Creation Requirement and
Supporting Information (if applicable)*

Not Applicable.



Tab 13: Calculation of Three Possible Wage Requirements and Supporting Information (if applicable)

Calculation 1: Jefferson County Average Weekly Wage: \$1,140.25

Quarter	Area	Ownership	Industry	Average Weekly Wage
Q4 2020	Jefferson County, TX	Total All	All Industries	\$1,186.00
Q1 2021	Jefferson County, TX	Total All	All Industries	\$1,131.00
Q2 2021	Jefferson County, TX	Total All	All Industries	\$1,111.00
Q3 2021	Jefferson County, TX	Total All	All Industries	\$1,133.00

Quarterly Census of Employment and Wages (QCEW) Report

[Customize the report/Help with Accessibility](#)

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2020	01	Jefferson	Total All	Total, All Industries	1,147
2020	02	Jefferson	Total All	Total, All Industries	1,098
2020	03	Jefferson	Total All	Total, All Industries	1,096
2020	04	Jefferson	Total All	Total, All Industries	1,186
2021	01	Jefferson	Total All	Total, All Industries	1,131
2021	02	Jefferson	Total All	Total, All Industries	1,111
2021	03	Jefferson	Total All	Total, All Industries	1,133

Calculation 2: 110% Jefferson County Average Manufacturing Weekly: \$2,342.73

<i>Quarter</i>	<i>Area</i>	<i>Ownership</i>	<i>Industry</i>	<i>Average Weekly Wage</i>
<i>Q4 2020</i>	<i>Jefferson County, TX</i>	<i>Private</i>	<i>Manufacturing</i>	<i>\$2,029.00</i>
<i>Q1 2021</i>	<i>Jefferson County, TX</i>	<i>Private</i>	<i>Manufacturing</i>	<i>\$2,389.00</i>
<i>Q2 2021</i>	<i>Jefferson County, TX</i>	<i>Private</i>	<i>Manufacturing</i>	<i>\$2,046.00</i>
<i>Q3 2021</i>	<i>Jefferson County, TX</i>	<i>Private</i>	<i>Manufacturing</i>	<i>\$2,055.00</i>

Quarterly Census of Employment and Wages (QCEW) Report

[Customize the report/Help with Accessibility](#)

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2020	01	Jefferson	Private	Manufacturing	2,345
2020	02	Jefferson	Private	Manufacturing	1,933
2020	03	Jefferson	Private	Manufacturing	1,968
2020	04	Jefferson	Private	Manufacturing	2,029
2021	01	Jefferson	Private	Manufacturing	2,389
2021	02	Jefferson	Private	Manufacturing	2,046
2021	03	Jefferson	Private	Manufacturing	2,055

Calculation 3: 110% Regional Manufacturing Wage: \$1,204.86 weekly or \$62,652.70 annually

2020 Manufacturing Average Wages by Council of Government Region Wages for All Occupations			
COG	COG Number	Wages	
		Hourly	Annual
Panhandle Regional Planning Commission	1	\$23.32	\$48,501
South Plains Association of Governments	2	\$20.42	\$42,473
NORTEX Regional Planning Commission	3	\$20.64	\$42,928
North Central Texas Council of Governments	4	\$32.34	\$67,261
Ark-Tex Council of Governments	5	\$21.30	\$44,299
East Texas Council of Governments	6	\$29.28	\$60,904
West Central Texas Council of Governments	7	\$21.54	\$44,797
Rio Grande Council of Governments	8	\$19.02	\$39,552
Permian Basin Regional Planning Commission	9	\$22.57	\$46,945
Concho Valley Council of Governments	10	\$27.28	\$56,739
Heart of Texas Council of Governments	11	\$23.41	\$48,696
Capital Area Council of Governments	12	\$29.96	\$62,326
Brazos Valley Council of Governments	13	\$18.41	\$38,286
Deep East Texas Council of Governments	14	\$21.07	\$43,829
South East Texas Regional Planning Commission	15	\$27.38	\$56,957
Houston-Galveston Area Council	16	\$29.83	\$62,050
Golden Crescent Regional Planning Commission	17	\$22.09	\$45,945
Alamo Area Council of Governments	18	\$27.45	\$57,101
South Texas Development Council	19	\$19.20	\$39,945
Coastal Bend Council of Governments	20	\$35.39	\$73,603
Lower Rio Grande Valley Development Council	21	\$20.70	\$43,056
Texoma Council of Governments	22	\$19.18	\$39,897
Central Texas Council of Governments	23	\$21.34	\$44,390
Middle Rio Grande Development Council	24	\$22.98	\$47,809
Texas		\$28.00	\$58,233

Calculated by the Texas Workforce Commission Labor Market and Career Information Department.

Data published: August 2021.

Data published annually, next update will likely be July 31, 2022

Annual Wage Figure assumes a 40-hour work week.

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

Wage data is produced from Texas Occupational Employment and Wage Statistics (OEWS) data, and is not to be compared to BLS estimates.

Data intended only for use implementing Chapter 313, Texas Tax Code.

Tab 14: Schedules A1, A2, B, & C completed and signed Economic Impact (if applicable)

Please See Attached.



PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	2024-2025	2024	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period								
Complete tax years of qualifying time period	QTP1	2025-2026	2025	\$ 835,375,000.00				\$ 835,375,000.00
	QTP2	2026-2027	2026	\$ 1,000,000,000.00				\$ 1,000,000,000.00
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]								
				\$ 1,835,375,000.00				\$ 1,835,375,000.00
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)								
				\$ 1,835,375,000.00				

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

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

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

PROPERTY INVESTMENT AMOUNTS								
(Estimated investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property (SEE NOTE)	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		Enter amounts from TOTAL row in Schedule A1 in the row below				
				\$1,835,375,000.00				\$1,835,375,000.00
Each year prior to start of value limitation period	0	2022-2023	2022					
Each year prior to start of value limitation period	0	2023-2024	2023					
Each year prior to start of value limitation period	0	2024-2025	2024					
Each year prior to start of value limitation period	0	2025-2026	2025	\$835,375,000.00				\$835,375,000.00
Each year prior to start of value limitation period	0	2026-2027	2026	\$1,000,000,000.00				\$1,000,000,000.00
Value limitation period***	1	2027-2028	2027					
	2	2028-2029	2028					
	3	2029-2030	2029					
	4	2030-2031	2030					
	5	2031-2032	2031					
	6	2032-2033	2032					
	7	2033-2034	2033					
	8	2034-2035	2034					
	9	2035-2036	2035					
	10	2036-2037	2036					
Total Investment made through limitation				\$1,835,375,000.00				\$1,835,375,000.00
Continue to maintain viable presence	11	2037-2038	2037					
	12	2038-2039	2038					
	13	2039-2040	2039					
	14	2040-2041	2040					
	15	2041-2042	2041					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2042-2043	2042					
	17	2043-2044	2043					
	18	2044-2045	2044					
	19	2045-2046	2045					
	20	2046-2047	2046					
	21	2047-2048	2047					
	22	2048-2049	2048					
	23	2049-2050	2049					
	24	2050-2051	2050					
	25	2051-2052	2051					

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

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

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

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

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

Date	4/18/2022	
Applicant Name	ETC Marketing, LTD	Form 50-296A
ISD Name	Nederland ISD	<i>Revised October 2020</i>

				Qualified Property			Estimated Taxable Value		
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period	0	2022-2023	2022						
Each year prior to start of Value Limitation Period	0	2023-2024	2023						
Each year prior to start of Value Limitation Period	0	2024-2025	2024						
Each year prior to start of Value Limitation Period	0	2025-2026	2025						
Each year prior to start of Value Limitation Period	0	2026-2027	2026			\$ 417,687,500.00	\$ 417,687,500.00	\$ 417,687,500.00	\$ 417,687,500.00
Value Limitation Period	1	2027-2028	2027			\$ 1,835,375,000.00	\$ 1,835,375,000.00	\$ 1,835,375,000.00	\$ 30,000,000.00
	2	2028-2029	2028			\$ 1,743,606,250.00	\$ 1,743,606,250.00	\$ 1,743,606,250.00	\$ 30,000,000.00
	3	2029-2030	2029			\$ 1,651,837,500.00	\$ 1,651,837,500.00	\$ 1,651,837,500.00	\$ 30,000,000.00
	4	2030-2031	2030			\$ 1,560,068,750.00	\$ 1,560,068,750.00	\$ 1,560,068,750.00	\$ 30,000,000.00
	5	2031-2032	2031			\$ 1,468,300,000.00	\$ 1,468,300,000.00	\$ 1,468,300,000.00	\$ 30,000,000.00
	6	2032-2033	2032			\$ 1,376,531,250.00	\$ 1,376,531,250.00	\$ 1,376,531,250.00	\$ 30,000,000.00
	7	2033-2034	2033			\$ 1,284,762,500.00	\$ 1,284,762,500.00	\$ 1,284,762,500.00	\$ 30,000,000.00
	8	2034-2035	2034			\$ 1,192,993,750.00	\$ 1,192,993,750.00	\$ 1,192,993,750.00	\$ 30,000,000.00
	9	2035-2036	2035			\$ 1,101,225,000.00	\$ 1,101,225,000.00	\$ 1,101,225,000.00	\$ 30,000,000.00
	10	2036-2037	2036			\$ 1,009,456,250.00	\$ 1,009,456,250.00	\$ 1,009,456,250.00	\$ 30,000,000.00
Continue to maintain viable presence	11	2037-2038	2037			\$ 917,687,500.00	\$ 917,687,500.00	\$ 917,687,500.00	\$ 917,687,500.00
	12	2038-2039	2038			\$ 825,918,750.00	\$ 825,918,750.00	\$ 825,918,750.00	\$ 825,918,750.00
	13	2039-2040	2039			\$ 734,150,000.00	\$ 734,150,000.00	\$ 734,150,000.00	\$ 734,150,000.00
	14	2040-2041	2040			\$ 642,381,250.00	\$ 642,381,250.00	\$ 642,381,250.00	\$ 642,381,250.00
	15	2041-2042	2041			\$ 550,612,500.00	\$ 550,612,500.00	\$ 550,612,500.00	\$ 550,612,500.00
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2042-2043	2042			\$ 458,843,750.00	\$ 458,843,750.00	\$ 458,843,750.00	\$ 458,843,750.00
	17	2043-2044	2043			\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00
	18	2044-2045	2044			\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00
	19	2045-2046	2045			\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00
	20	2046-2047	2046			\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00
	21	2047-2048	2047			\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00
	22	2048-2049	2048			\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00
	23	2049-2050	2049			\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00
	24	2050-2051	2050			\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00
	25	2051-2052	2051			\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00	\$ 367,075,000.00

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
 Only include market value for eligible property on this schedule.

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period	0	2022-2023	2022					
Each year prior to start of Value Limitation Period	0	2023-2024	2023					
Each year prior to start of Value Limitation Period	0	2024-2025	2024					
Each year prior to start of Value Limitation Period	0	2025-2026	2025	1500	\$ 62,652.70			
Each year prior to start of Value Limitation Period	0	2026-2027	2026	1500	\$ 62,652.70			
Value Limitation Period <small>The qualifying time period could overlap the value limitation period.</small>	1	2027-2028	2027			13	12	\$ 62,652.70
	2	2028-2029	2028			13	12	\$ 62,652.70
	3	2029-2030	2029			13	12	\$ 62,652.70
	4	2030-2031	2030			13	12	\$ 62,652.70
	5	2031-2032	2031			13	12	\$ 62,652.70
	6	2032-2033	2032			13	12	\$ 62,652.70
	7	2033-2034	2033			13	12	\$ 62,652.70
	8	2034-2035	2034			13	12	\$ 62,652.70
	9	2035-2036	2035			13	12	\$ 62,652.70
	10	2036-2037	2036			13	12	\$ 62,652.70
Years Following Value Limitation Period	11 through 25	2037-2052	2037-2051			13	12	\$ 62,652.70

Notes: See TAC 9.1051 for definition of non-qualifying jobs.
Only include jobs on the project site in this school district.

Tab 15: Economic Impact Analysis, other payments made in the state or other economic information (if applicable)

Not Applicable.



Tab 16: Description of Reinvestment or Enterprise Zone

Currently, it is anticipated that Nederland Independent School District will create the reinvestment zone prior to the execution of the agreement. Please find attached their letter of intent.



NEDERLAND INDEPENDENT SCHOOL DISTRICT

RESOLUTION CREATING THE ETC REINVESTMENT ZONE NO. 001

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

WHEREAS, the Nederland Independent School District (the “District”) desires to encourage the development of primary employment and to attract major investment in the District and contribute to the economic development of the region in which the school district is located; and,

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

WHEREAS, the District published notice of a public hearing regarding the possible designation of the area described in the attached **Exhibit A** as a reinvestment zone for the purposes of Chapter 313 of the Texas Tax Code; and,

WHEREAS, the District wishes to create a reinvestment zone within the boundaries of the school district in Nederland Texas as shown on the map attached as **Exhibit B**; and,

WHEREAS, the District has given written notice of the proposed action and the Public Hearing to all political subdivisions and taxing authorities having jurisdiction over the property proposed to be designated as the reinvestment zone, described in the attached **Exhibits A & B**; and,

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE NEDERLAND INDEPENDENT SCHOOL DISTRICT:

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

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

- (a) That the public hearing on the adoption of *THE ETC REINVESTMENT ZONE NO. 001* has been called, held and conducted, and that notices of such hearing have been published and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and,
- (b) That the boundaries of *THE ETC REINVESTMENT ZONE NO. 001* be and, by the adoption of this Resolution, are declared and certified to be the area as described in the description attached hereto as “**Exhibit A**”; and,
- (c) That the map attached hereto as “**Exhibit B**” is declared to be and, by the adoption of this Resolution, is certified to accurately depict and show the boundaries of *THE ETC REINVESTMENT ZONE NO. 001* which is described in **Exhibit A**; and further certifies that the property described in **Exhibit A** is inside the boundaries shown on **Exhibit B**; and,
- (d) That creation of *THE ETC REINVESTMENT ZONE NO. 001* with boundaries as described in **Exhibit A** and **Exhibit B** will result in benefits to the Nederland Independent School District and to land included in the zone, and that the improvements sought are feasible and practical; and,
- (e) That the *THE ETC REINVESTMENT ZONE NO. 001* described in **Exhibit A** and **Exhibit B** meets the criteria set forth in Texas Tax Code §312.0025 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, in that it is reasonably likely that the designation will contribute to the retention or expansion of primary employment, and/or will attract investment in the zone that will be a benefit to the property, and would contribute to economic development within the Nederland Independent School District.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, the Nederland Independent School District hereby creates a reinvestment zone under the provisions of Texas Tax Code §312.0025, encompassing the area described by the descriptions in **Exhibit A** and **Exhibit B**, and such reinvestment zone is hereby designated and shall hereafter be referred to as *THE ETC REINVESTMENT ZONE NO. 001*.

SECTION 4. That the existence of the *THE ETC REINVESTMENT ZONE NO. 001* shall first take effect upon, XXXX XX, 2022, the date of the adoption of this Resolution by the Board of Trustees and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of such adoption.

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

Resolution.

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

PASSED, APPROVED AND ADOPTED on this XX day of XXXX, 2022.

**NEDERLAND INDEPENDENT
SCHOOL DISTRICT**

By: _____
President
Board of Trustees

ATTEST: _____
Secretary
Board of Trustees

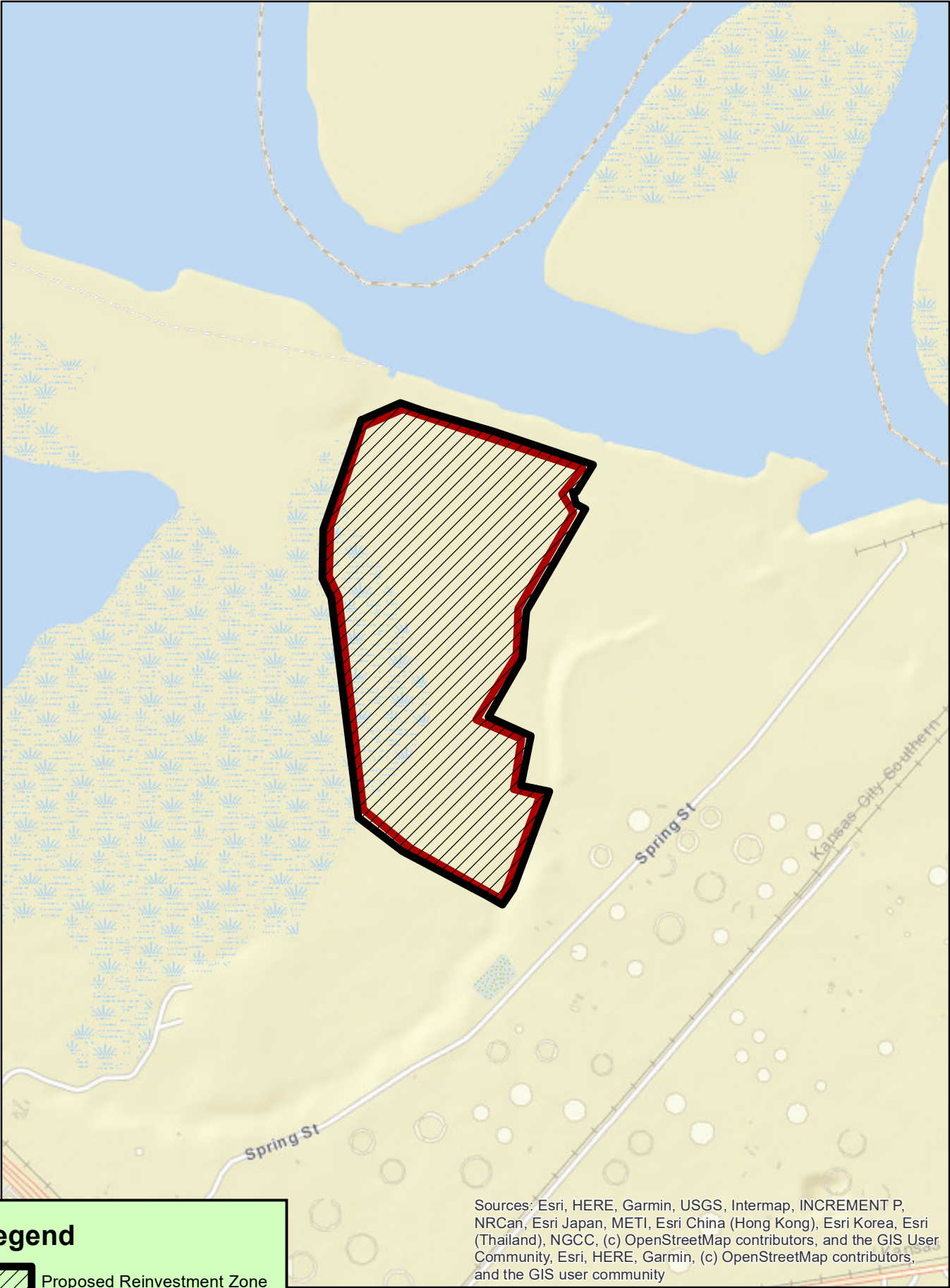
EXHIBIT A

LEGAL DESCRIPTION OF THE ETC REINVESTMENT ZONE NO. 001


THE ETC REINVESTMENT ZONE NO. 001


EXHIBIT B

SURVEY MAPS OF THE ETC REINVESTMENT ZONE NO. 001

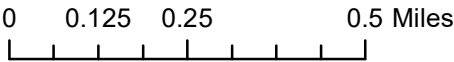


Legend

 Proposed Reinvestment Zone

 Project Boundary

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community, Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community



*Tab 17: Signature and Certification Page, Signed and Dated by
Authorized School District Representative and Authorized
Company Representative (applicant)*

Please See Attached.



2424 Ridge Road
Rockwall, TX 75087



469.298.1594



www.keatax.com



SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**.

NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16 with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print
here

Dr. Stuart Kieschnick

Print Name (Authorized School District Representative)

4-18-2022

Title

sign
here

Dr. S. K.

Signature (Authorized School District Representative)

4-18-2022

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

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

print
here

Megan McKavanagh

Print Name (Authorized Company Representative (Applicant))

Sr. Mgr Property Tax

Title

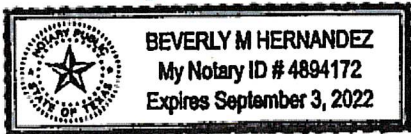
sign
here

Megan McKavanagh

Signature (Authorized Company Representative (Applicant))

April 14, 2022

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

14 day of April, 2022

Beverly M. Hernandez

Notary Public in and for the State of Texas

My Commission expires

9.3.2022

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.