RECEIVED
By Docket Room at 11/06/2023 4:31 p.m.

September 2022

Tax Abatement Economic Analysis Study: Corpus Christi, Nueces County, and San Patricio County

Autocase
Economic Advisory

CAPE
Coastal Alliance to Protect Our Environment

Table of Contents

Glossary

Abatement	A reduction in an individual’s or corporation’s tax payment
Extraterritorial Jurisdiction	The legal authority for a government to exercise authority beyond its normal bounds
Forgone Revenues (Projected)	The amount of revenue projected that a taxing jurisdiction would have received had a tax incentive agreement not been in place
Independent School District (ISD)	A school district which operates independently of any municipality, County or State, which requires its own taxing authority.
Industrial District	A district created by a city and located near the city’s Extraterritorial Jurisdiction for the purpose of incentivizing corporations to build within the limits to create economic development in the area
Limitation	A limit set on the value of a property such that no valuation greater than said limit can be taxed
Payment in Lieu of Taxes (PILOT)	A payment made to a taxing authority to compensate for some or all of the revenue loss due to tax exemptions
Revenue Protection Payment (RPP)	A payment made to an ISD to compensate for any school tax revenue loss due to a tax limitation as part of entering into a Texas 313 Value Limitation Agreement
Supplemental Payment (SP)	A payment made to an ISD in addition to an RPP as part of entering into a Texas 313 Value Limitation Agreement

1. Executive Summary

Background

Every year in the state of Texas, billions of dollars of tax revenues are forgone by city, county, and state taxing jurisdictions through engaging in various tax incentive agreements with corporations under the premise of economic development. The incentive programs in this study are authorized by state law and are known as Tax Code Chapter 313 — Value Limitation, Tax Code Chapter 312 — Property Tax Abatement Act, and Industrial District Agreements.

Due to the availability of such agreements, corporations located within certain cities and counties have strived to maximize their exemptions through engaging in as many applicable agreements as possible. These agreements are used as an economic development tool to ostensibly serve as a catalyst to drive economic growth by attracting industries to build and invest within the Texas economy. However, the viability of these agreements have been widely questioned and there is ongoing debate concerning the programs (Morris et al., 2021) Proponents of the agreements anticipate that the benefits of economic development subsequent from the agreements will outweigh the costs in forgone tax revenues, while opponents and skeptics are concerned that these tax avoidance measures may be more harmful than beneficial to the local residents and Texas taxpayers (Jensen, 2018). The controversy is further heightened as the Texas Chapter 313 agreement is set to expire at year end (Larsen et al., 2022). An evaluation of the forgone tax revenues, with close scrutiny, must be conducted through using a rigorous analysis of the corporations' investments utilizing these incentives.

Chapter 313 agreements are limitation agreements between Independent School Districts (ISD) and corporations, in which the corporation's taxable property value is limited for no more than 10 years. In this study there are varying timelines based on when each agreement term will begin. The earliest agreements started in 2016 and the latest will start in 2025. The majority of these Chapter 313 agreements have already begun. It is important to acknowledge that there have been recent agreement applications by Cheniere, as the program is set to sunset this year. Such agreements would start in the 2040's and extend into the 2050s. In exchange for this limitation the corporation promises to create jobs, make investments in property which will develop the area and make supplemental payments (SPs) and Revenue Protection Payments (RPPs) to the ISDs. While these payments are made to the ISD, the impacts of forgone revenue are ultimately borne by the state. This subject is further discussed in this report.

Chapter 312 agreements are property abatement agreements between local tax units such as towns, cities, counties, and colleges. Agreements with counties are the primary focus of this study. The agreements involve abating a portion of a corporation's property tax for a period of no more than 10 years. In exchange corporations promise to create jobs, build property to contribute to economic development and in some cases provide payments in lieu of taxes (PILOTs). PILOTs are additional payments that a corporation pays to the taxing unit in exchange for tax benefits of the agreement.

Industrial District Agreements offer immunity from annexation and are made between cities and corporations. The city grants corporations the opportunity to locate within an industrial zone which is immune from city annexation, implies no requirements to pay city taxes or abide by certain city zoning laws and permit requirements. In exchange the corporation offers to build property to spur economic development and make PILOT payments. These payments are at a reduced rate in comparison to the city taxes that would have been paid if the corporation operations were within city limits.

This study focuses on the tax incentive agreements being used in Nueces and San Patricio County using a selection of firms in the petrochemical and steel industry as they contribute a large share of agreements within the Coastal Bend area. These industries not only receive substantial abatements, but they also contribute to the air and water pollution in the region. Industries such as wind and solar have also received abatements, but do not have the associated pollution impacts on the counties. The purpose of this study is to conduct a thorough analysis of the agreements engaged in by these corporations. It aims to determine the forgone revenues and their implications to the residents of San Patricio and Nueces County, the City of Corpus Christi, and the State of Texas as a whole.

For simplicity, the jurisdiction of Delmar College has been included with the Nueces County figures and the jurisdictions of the City of Ingleside and the San Patricio Drainage District have been included with the San Patricio County figures, as they are all located within these counties.

Public access to the executed agreements between various taxing authorities and entities seeking economic development incentives is characterized by overlapping jurisdictions, secrecy, bureaucratic hurdles and delay, and legal obstacles. A more transparent process of disclosure would foster public understanding of the purpose, operation, cost, and benefit of the economic development incentive programs. This analysis was undertaken to determine and convey the impacts of these economic incentive programs.

Key Findings

- Total forgone tax revenues amount to roughly **$2.47 billion**
- Average cost per job within the industry amounts to **$953,294** within a range of **$89,000 - $11,000,000 per job**
- Cheniere experiences the largest tax break among corporations with **$1.2 billion** and **50%** of the share in total tax revenues forgone
- Chapter 313 agreements contribute to the largest forgone tax revenue among agreement types with **$1.7 billion** and a share of **70%** of total tax revenues forgone
- The forgone revenues for Corpus Christi, Nueces County and San Patricio County, consist of **5%, 5%**, and **171%** of their respective annual budgets

Table 1 and 2 below reflect the impacts of these agreements regarding the taxes saved by the corporation, number of jobs promised to create and cost per job in foregone revenues. These employment estimates are projections over the duration of the agreement based on the jobs promised at the beginning of the agreement. Table 1 reflects these impacts by corporation, while Table 2 reflects them by agreement type. Results are displayed in descending order of corporation taxes saved. The second column depicts the taxes that would have been paid by the corporation without an agreement. The third column shows the taxes paid by the corporation with an agreement present. The fourth column is the taxes saved by the corporation by engaging in the agreement with any PILOTs made to the counties deducted. The fifth column represents the number of jobs the corporation promises to create during the submission of their application. The last column is a calculation of the cost per jobs promised by dividing the tax saving or forgone revenue by the number of jobs the corporation promised to create. This study does not verify whether the promised jobs have actually materialized, partially due to the fact that there are some agreements that have not yet begun, with corporations yet to begin construction on the project. It is important to note that the number of jobs will differ amongst tables 1,2, & 3 as multiple agreements can be made with multiple taxing jurisdictions with one company, which can all require a condition to promise a number of jobs.

Table 1: Tax Incentive Totals Projected For 312, 313, & IDAs Aggregated By Corporation

Corporation	Corporations's Taxes Without Agreement	Corporation's Taxes With Agreement	Corporation’s Tax Savings (Minus Payment in Lieu of Taxes or PILOT)	# of Jobs Promised By Corporation	Cost Per Each Corporate Job
Cheniere	$1,480,416,391	$205,905,414	$1,226,510,978	290	$4,229,348
Gulf Coast Growth Ventures	$591,425,240	$129,260,992	$460,098,222	915	$502,840
Steel Dynamics	$269,629,125	$72,235,151	$197,063,524	592	$332,878
Oxy	$202,130,394	$22,775,967	$179,354,427	153	$1,172,251
Permico	$108,674,081	$31,267,795	$77,406,286	92	$841,373
Corpus Christi Polymers	$93,861,782	$18,452,710	$60,671,585	220	$275,780
Voestalpine	$73,904,188	$15,110,077	$58,794,111	170	$345,848
TPCO	$65,045,696	$23,538,298	$41,507,397	32	$1,297,106
Epic Y Grade Logistics	$56,831,136	$15,327,878	$41,503,258	10	$4,150,326
Equistar Chemicals	$43,386,911	$9,036,471	$34,350,440	3	$11,450,147
Flint Hills	$40,958,983	$7,055,107	$33,903,876	N/A	N/A
Chemours	$48,325,237	$15,268,874	$33,056,363	48	$688,674
Ticona Polymer	$22,054,033	$4,601,261	$17,452,772	31	$562,993
Enbridge	$8,251,094	$3,389,728	$4,861,366	20	$243,068
Air Liquide	$6,678,804	$3,452,995	$3,225,809	3	$1,075,270
Nashtec	$1,971,348	$804,246	$1,167,102	13	$89,777
Citgo	$12,089	$3,529	$8,560	N/A	N/A
Valero	$2,010	$1,256	$754	N/A	N/A
Total	**$3,113,558,543**	**$577,487,748**	**$2,470,936,831**	**2,592**	**$953,294**

Table 2: Tax Incentive Totals Projected For 312, 313, & IDAs Aggregated By Agreement

Agreement With Corporation	Corporations's Taxes Without Agreement	Corporation's Taxes With Agreement	Corporation's Tax Savings (Minus Payment in Lieu of Taxes or PILOT)	# of Jobs Promised By Corporation	Cost Per Each Corporate Job
313	$2,193,618,127	$456,388,859	$1,737,229,268	1,814	$957,679
312	$798,225,138	$94,675,807	$638,415,367	2,309	$276,490
IDA	$121,715,278	$26,423,082	$95,292,195	N/A	N/A
Total	**$3,113,558,543**	**$577,487,748**	**$2,470,936,831**	**N/A**	**N/A**

Tables 3 and 4 delve into further detail. Table 3 dissects the information further, by presenting the impacts of the agreements by the tax jurisdictions involved. Table 4 shows the forgone revenues for the counties and the City of Corpus Christi by share of their respective budgets.

Table 3: Tax Incentive Totals For Each Jurisdiction Within Agreement

Tax Jurisdiction	Agreement With Corporation	Corporation's Taxes Without Agreement	Corporation's Taxes With Agreement	Corporation's Tax Savings (Minus Payment in Lieu of Taxes or PILOT)	# of Jobs Promised By Corporation	Cost Per Each Corporate Job
Gregory-Portland ISD (San Patricio County)	313	$1,648,245,548	$329,259,334	$1,318,986,214	715	$1,844,736
San Patricio County	312	$592,585,535	$59,948,238	$492,637,297	1103	$446,634
Sinton ISD (San Patricio County)	313	$188,036,775	$51,908,665	$136,128,110	592	$229,946
Ingleside ISD (San Patricio County)	313	$119,482,167	$14,878,155	$104,604,012	204	$512,765
City of Corpus Christi (Nueces County)	IDA	$121,715,278	$26,423,082	$95,292,195	N/A	N/A
San Patricio Drainage District	312	$105,064,857	$10,262,773	$84,405,607	1845	$45,748
Cal-Allen ISD (Nueces County)	313	$94,131,228	$22,299,209	$71,832,019	23	$3,123,131
Robstown ISD (Nueces County)	313	$91,493,304	$27,587,395	$63,905,909	40	$1,597,648
Tuloso-Midway ISD (Nueces County)	313	$50,374,378	$9,194,869	$41,179,509	220	$187,180
Nueces County	312	$72,718,558	$17,281,244	$40,699,827	363	$112,121
Del Mar College (Nueces County)	312	$21,688,851	$5,408,320	$16,280,530	230	$70,785
City of Ingleside (San Patricio County)	312	$6,167,337	$1,775,232	$4,392,105	23	$190,961
Corpus Christi ISD (Nueces County)	313	$1,854,727	$1,261,232	$593,495	20	$29,675
Totals		**$3,113,558,543**	**$577,487,748**	**$2,470,936,831**	**N/A**	**N/A**

Table 4: Forgone Losses Compared to City and County Budgets

Region	Forgone Revenue	Total Budget	Share of Forgone Revenue	Annualized Share of Foregone Revenue
City of Corpus Christi	$95,292,195	$264,191,785	36%	5%
Nueces County	$56,980,358	$247,732,017	23%	5%
San Patricio County	$581,435,010	$42,613,712	1364%	171%

Note:
Total Budget figures for Corpus Christi are collected from the revenues of the general fund from the 2020/21 operating budget on page 115.
(https://www.cctexas.com/sites/default/files/FY20-21-Adopted-Operating-Budget-Online.pdf)
Nueces County figures are taken from the 2020/20 Adopted Budget in Brief on page 2.
(https://www.nuecesco.com/home/showpublisheddocument/27702/637425255817730000)
San Patricio County figures are retrieved from the revenues of the general fund of the Adopted 2022 budget on page 5.
https://www.co.san-patricio.tx.us/upload/page/5549/docs/Financial/Budgets/Adopted%20Budget%202022.pdf

2. Overview & Purpose

Autocase Economic Advisory, with subcontractor Maritimatix™, was engaged to provide an economic and financial study to determine the estimated value of lost tax revenue through three of the most ubiquitous agreements in particular: Texas Chapter 313 Value Limitation Agreement, Chapter 312 Property Tax Abatement Program, and Industrial District Agreements (IDAs).

In 1981 a constitutional amendment was approved which granted authority to towns, cities and counties along with other government taxing units that collect property taxes to extend exemptions on eligible investments for the purpose of development or redevelopment of property (Greer, 2018). Given these powers granted by the Texas Constitution, the Legislature adopted the Property Redevelopment and Tax Abatement Act (PRTAA) in 1987 (TEX. TAX CODE §313.001). Today, it is more commonly referred to as the Chapter 312 Property Tax Abatement Act. Since inception, school districts along with other local taxing jurisdictions were authorized to extend exemptions under this law.

However, in 2001 an amendment (Tex. Tax Code §313.002(f)) was made which excluded the school districts. The opposition was concerned that the abatements would diminish school tax revenue bases. This exclusion made way for another exemption opportunity for Independent School Districts (ISDs). It came in the form of an agreement commonly known as the Texas Chapter 313 value limitation agreement. In essence, the agreement would allow ISDs to extend exemptions to eligible corporations planning to develop property within the school district. In exchange, corporations were also required to make Revenue Protection Payments (RPPs) to protect the revenues of the ISDs. This addressed the concerns that former opponents had with the ISDs' involvement in the 312 agreements; however it led to other consequences. While corporations were required to make RPPs to offset ISD tax revenue losses, it is primarily the state that reimburses the majority of losses through providing state aid. The loss felt by the state is the forgone school property tax revenue that would otherwise have reduced the need for state aid. As a result, state taxpayers are the prime stakeholders affected. This is a notion that is further outlined in detail within this report.

In addition to the 312 and 313 agreements, Industrial District Agreements have also been employed by municipalities to extend exemptions. Cities have created industrial districts within their extraterritorial jurisdiction which allow corporations to locate near the city without being subject to city property taxes and zoning and permitting requirements.

Of the major industries engaged in agreements, the petrochemical and steel manufacturing industries contribute a large share in the Texas Coastal Bend region. Within the Coastal Bend region, these industries contribute to 51% of active Chapter 313 agreements; a major agreement which will be further discussed in this study. Thus, this study has selected a list of corporations from these industries in order to achieve a set of firms to conduct the analysis. This study focuses particularly on the tax incentive agreements these firms have engaged in within the Nueces and San Patricio Counties. For simplicity, the jurisdiction of Delmar College has been included with the Nueces County figures and the jurisdictions of the City of Ingleside and the San Patricio Drainage District have been included with the San Patricio County figures, as they are all located within these counties. This study aims to provide a thorough analysis of the corporations and their respective tax incentive agreement to determine the taxation avoided and forgone tax revenues borne by the affected stakeholders. This evaluation will aim to convey the operations, impacts, and valuations of these agreements, providing sufficient information to stakeholders from which to form their own opinions.

3. Tax Incentive Agreements

This tax study focuses on the three key agreements which corporations have used to leverage tax avoidance in the Counties of Nueces and San Patricio. The Texas Chapter 313 Value Limitation Agreement, the Chapter 312 Property Tax Abatement Program, and Industrial District Agreements (IDAs). These agreements are further outlined as follows.

Tax Code Chapter 313 — Value Limitation And Tax Credits

The Texas Chapter 313 Value Limitation Agreement is an agreement in which the taxpayer is granted an appraised value limitation on the value of their property when subject to taxes. Agreements are negotiated between the taxpaying corporation and Independent School Districts (ISDs). The limitation is applied for a period of no more than 10 years, in which there is a reduction in the property's taxable value for school district Maintenance and Operations (M&O) tax. In exchange for such value limitation, the taxpaying institution must provide a minimum level of qualifying investment to build property and must create a minimum amount of required jobs. An example scenario is as follows. A corporation engages in a Chapter 313 agreement and receives a $30 million limitation on their taxable property value regarding the school district's M&O tax rate for 10 years. This means that for 10 years the school M&O tax rate can only be applied to the $30 million portion of the corporation's property value regardless of how much the actual total value of the property increases. In exchange, a corporation would agree to make a minimum value of investment to build, such as $80 million. This minimum level is determined by certain criteria which will be further discussed shortly. In addition to a minimum investment the corporation is required to create, for example, 30 or more jobs.

In accordance with tax code Chapter 313, the minimum requirements vary with respect to the value of taxable property in the school district whether the school district is located in a non-rural (subchapter B) or rural (subchapter C) community. Tables 5 and 6 show how subchapter B and C districts are categorized, along with the corresponding minimum qualifying investment.

Table 5: Categorization and Minimum Investment of Non-Rural School Districts (Subchapter B)

Category	Taxable Value of All Property	Minimum Qualified Investment
I	$10 billion or more	$100 million
II	$1 billion or more but less than $10 billion	$80 million
III	$500 million or more but less than $1 billion	$60 million
IV	$100 million or more but less than $500 million	$40 million
V	Less than $100 million	$20 million

Source: Comptroller.Texas.Gov
URL: https://comptroller.texas.gov/economy/local/ch313/values.php

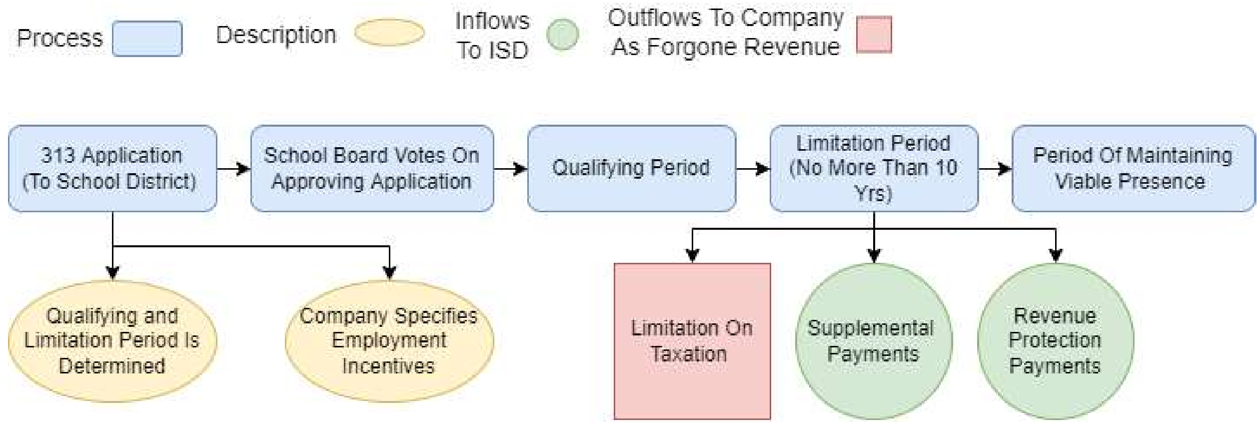
Table 6 : Categorization and Minimum investment of Rural School Districts (Subchapter C)

Category	Taxable Value of Industrial Property	Minimum Qualified Investment
I	$200 million or more	$30 million
II	$90 million or more but less than $200 million	$20 million
III	$1 million or more but less than $90 million	$10 million
IV	$100,000 or more but less than $1 million	$5 million
V	Less than $100,000	$1 million

Source: Comptroller.Texas.Gov
URL: https://comptroller.texas.gov/economy/local/ch313/values.php

The process of engaging in a Chapter 313 agreement is outlined in Figure 1. First the taxpaying institution must apply for a 313 agreement. At this point the employment incentives, the qualifying period, and the limitation period are specified. The employment incentives are defined as the number of qualifying and non-qualifying jobs the institution is willing to hire, along with the minimum salary that they are promising to pay each employee. Following the application and approval process is the qualifying period. The qualifying period is the period in which the taxpaying institution must begin its investment; after qualifying, the limitation period begins. The qualifying period is 2 years for all the corporations in this study. The limitation period is the period in which the taxpaying institution experiences a limitation in the taxable property value. Thus, any value of the property over said amount is not subject to the M&O ad valorem taxation. During this period, payments to the ISD may also be paid in the form of Revenue Protection Payments (RPP) and supplemental payments (SP). RPPs are payments made to the ISD from the taxpaying institution to cover any forgone revenue loss experienced by the ISD for a given tax year, due to the limitation. Supplemental payments are additional payments that can be made by the taxpaying institution to the ISD. Once the limitation period ends, the taxpaying institution must maintain a viable presence for a given period, which is usually five years amongst the corporations in this study. During this time ad valorem taxes are paid in accordance with the full taxable value of the appraised property.

Figure 1: Chapter 313 Agreement Process



Due to the nature of revenue protection payments, it is important to note that the impact of tax revenue loss is most felt not by the ISD, as their revenues are protected, but rather by the State of Texas as a whole and ultimately the state taxpayers. The state is the major entity affected by the 313 limitation as a result of a 1993 state legislation aimed to create equity in the education system in the state of Texas (Texas Comptroller's Office, 2019). The legislation is a plan to make school financing equitable across all school districts. Under the law an “entitlement” limit is set for each school. Any excess property tax revenues over this entitlement limit are recaptured from property-wealthy school districts and redistributed to poorer school districts in the form of state aid. Thus, when a school gives up potential revenue it forgoes potential revenues that would otherwise contribute to decreasing the demand for state aid, which is a benefit to the state.

Figure 2: Revenue/Expenditure Process Of An ISD That Has 313 In Place

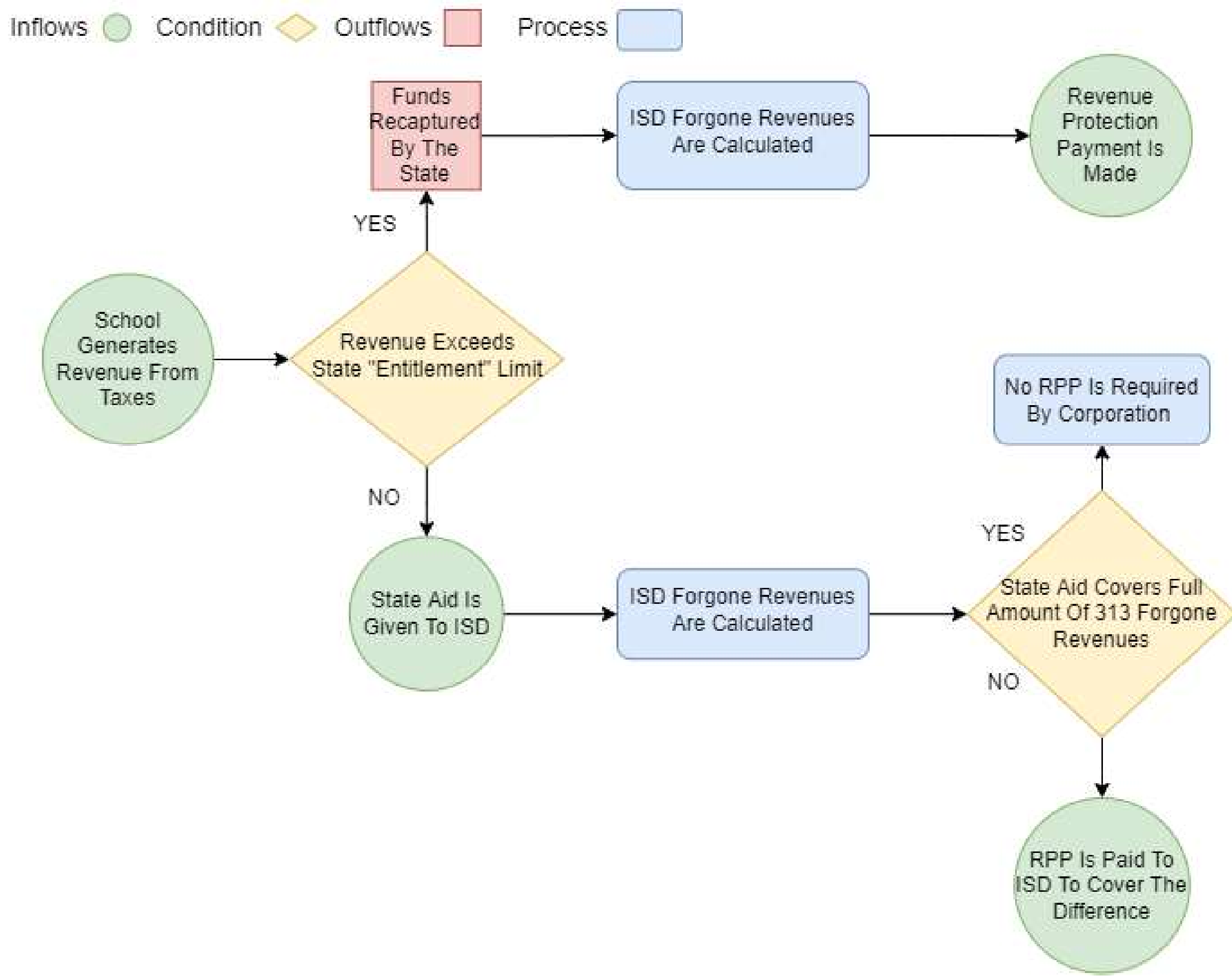


Figure 2 more clearly conveys how this legislation contributes to the 313 limitation's impact on the state. It outlines the revenue and expenditure process of an ISD and incorporates the relationship that the state and 313 taxpaying institutions have with one another. Initially tax revenue is generated by the ISD through ad valorem taxation. There is a limit of school district revenues set by the Legislature, which contributes to the equalization of school district funding. If the school revenue generated exceeds this limit, excess funds are "recaptured" by the state to be redistributed to other districts. However, if a school district's revenue is below its school finance "entitlement", funds are received from the state. If state aid is given to contribute to maintaining the district's "entitlement", then a lesser amount than an RPP is required. However, if the district does not receive aid and falls below the district's "entitlement" because of the workings of the school finance system, the taxpaying institution must make a RPP to replace the full value of revenues forgone to maintain district revenue. The former outcome is usually the case for the duration of the agreement. Where state aid is a contributor this offsets any potential forgone revenue as opposed to the RPPs alone. In some years, no RPP is made at all for many corporations. In most cases where a school is engaged in a 313 agreement, initial revenue is severely impacted due to the limitation. Rather than potentially having additional funds to fund the state aid for other ISDs or being self-sufficient, these ISDs face lower projected tax revenues which do not serve to ease the requirement of state aid.

The limitation serves to diminish state aid from two aspects: lower recapture funding inflows and higher state aid outflows. As stated previously, in most cases state aid is what funds the majority of a school budget, which limits the requirements for a RPP. This increased burden on an already diminishing state aid fund is precisely the reason why the 313 limitation agreement adversely affects the state taxpayer as opposed to the ISD engaged in the agreement. This study will serve to shed light on the effects of these 313 agreements, through quantifying the revenue loss borne by the state taxpayers. These effects have not gone unnoticed as Chapter 313 agreements are set to sunset as of December 31, 2022 (Larsen et al., 2022). However, there is still opportunity for agreements to be approved before the sunset date which will allow corporations to experience limitations after the fact. There has been an influx of applications in 2022 as corporations try to lock in agreements before the sunset date. However, there is always the possibility for a return in legislation. Hence, it is important for this study to shed light on the impacts to best inform all stakeholders affected by this agreement.

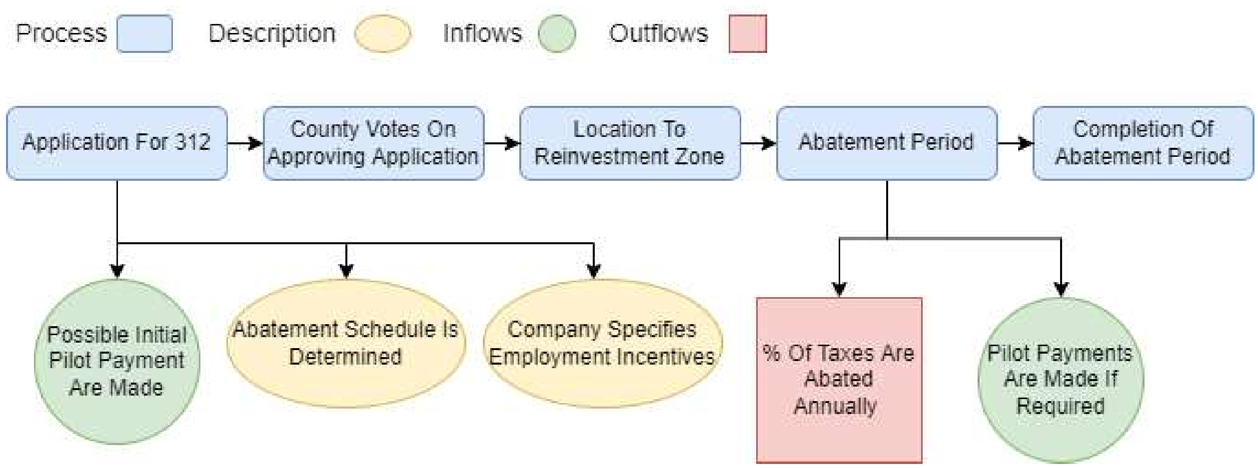
Tax Code Chapter 312 - Property Tax Abatement Act

The Texas Chapter 312 Property Tax Abatement Act is an agreement between a taxpaying institution and the respective county taxing unit it resides in. The agreement abates all or parts of the increase in the real and/or personal property from taxation. The abatement period is to last no longer than 10 years. In exchange for such abatements, the taxpaying institution must build property within a reinvestment zone, which is established by the local taxing jurisdiction, and promise to create new jobs. Several examples of standard abatement schedules with the abatement terms and periods can be seen in Table 7. During the 10-year abatement, the increased property value will be abated by the associated abatement percentage for the given year. The terms of each abatement can be unique and is negotiated at the application phase.

Table 7: Abatement Terms of Several 312 Agreements

GULF COAST GROWTH VENTURES		CHEMOURS		CHENIERE	
Year	Abatement Schedule	Year	Abatement Schedule	Year	Abatement Schedule
1	100%	1	100%	1	100%
2	100%	2	100%	2	100%
3	100%	3	70%	3	100%
4	70%	4	60%	4	100%
5	70%	5	50%	5	100%
6	70%	6	40%	6	100%
7	70%	7	30%	7	100%
8	70%	8	20%	8	100%
9	70%	9	10%	9	100%

Figure 3: Chapter 312 Agreement Process



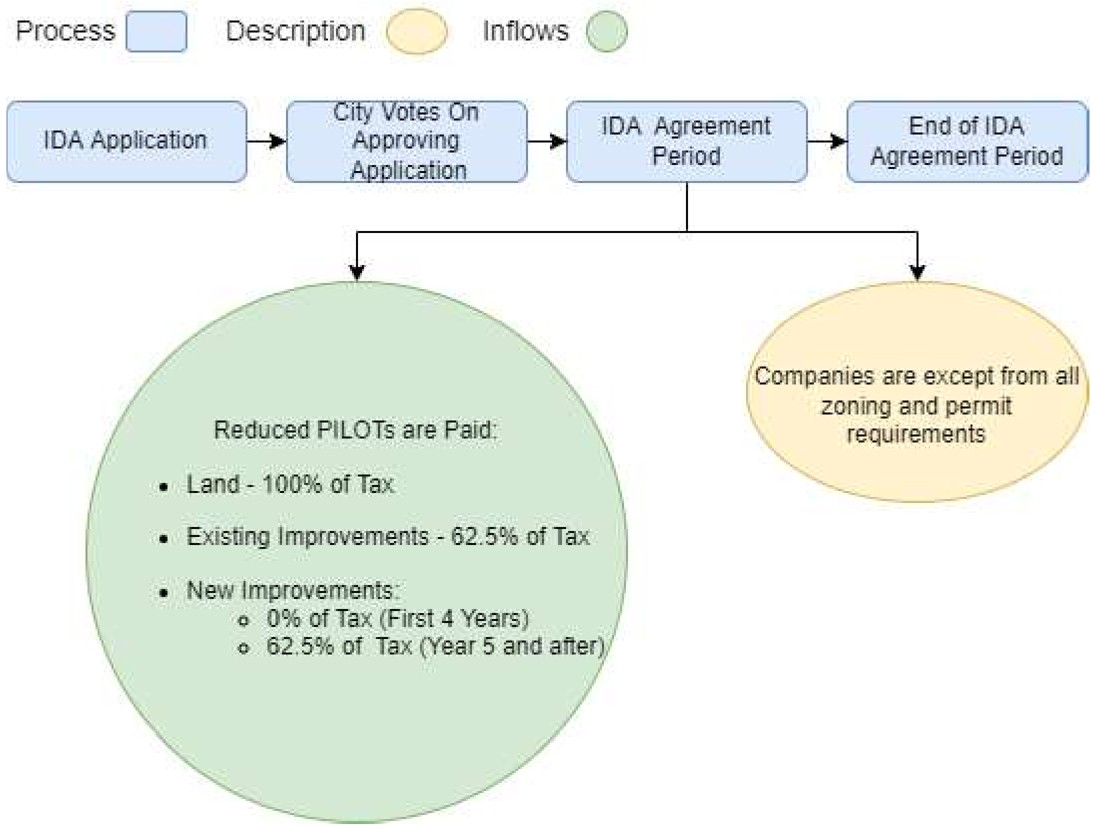
The agreement process for a Chapter 312 abatement can be seen in Figure 3. Initially the taxpaying corporation must apply for a 312 abatement. During this phase the abatement terms are determined, possible payments in lieu of taxes (PILOTs) are made to the associated taxing unit with the agreement, and the employment incentives are specified. The corporation will specify the number of jobs it promises to employ and the minimum required salary they will pay. Following the application, the taxpaying institution must locate and begin investing in the reinvestment zone and then the abatement period follows. During this period the taxpaying institution experiences a property value abatement according to the terms of the agreement. PILOT payments may also be paid during this time if they are part of the terms of agreement. Once the abatement period reaches completion, the agreement ends.

As the 312 property abatements exist between the institution and the county tax unit, the impact of revenue loss is most felt by county taxpayers. This study will seek to assess these impacts in a manner that is quantifiable regarding public benefits that are associated with such tax losses.

Industrial District Agreements

An Industrial District Agreement (IDA) offers companies, located in an industrial district, immunity from annexation and city zoning and permitting requirements in exchange for a payment in lieu of taxes (PILOT) to the city at a reduced rate. Cities can designate reinvestment zones in which they can make IDA agreements with any corporation located within the zone. The IDA agreement process is outlined in Figure 4.

Figure 4: IDA Process



Once a corporation determines they will be purchasing land within an industrial district, preferably with intentions to build new improvements, they can apply for an IDA. It is important to note that the intentions to build are not mandatory by law but rather incentivized through the terms of the agreement. For example Cheniere has an IDA agreement from 2019-2024 and to date the CAD records show that the associated property with the IDA has no new improvements. During the application process the terms of the agreement are affirmed and what follows is the IDA agreement period. This period is 5 years for all corporations in this study. During this period, in exchange for immunity from annexation, PILOT payments are made for each year of the agreement term. As seen in Figure 4, these

PILOT programs are a given percentage of what the corporation would have paid in ad valorem taxes given annexation. The proportions are as follows: 100% of the tax for land, 62.5% for existing improvements, and 0% for the first four years of a new improvement, with 62.5% thereafter until the agreement period ends. These agreements can also be extended or replaced by similar agreements upon negotiation between the parties.

Given that the IDA agreements are between the corporation and the city, city taxpayers are the stakeholders most affected by these agreements. As such, this analysis has been conducted to capture these impacts in revenue loss to the city taxpayer.

4. Valuation Approach

The objective of foregone tax revenue valuation in this study involves both corporations and agreements. There are several corporations engaged in various tax incentive agreements each impacting a specific region and community. Given this structure, valuations are first calculated for every agreement associated with a corporation. All results are then aggregated across three levels of interest: corporation, agreement type, and regions affected. As mentioned previously, a list of representative firms have been selected along with all tax incentive agreements they are engaged in. Table 8 displays the list of representative firms along with their agreements and regions affected.

Table 8: Summary Of Corporations, Agreements and Regions Affected

Corporation	Agreements	Regions Affected
Air Liquide	312, 313	San Patricio County, State
Chemours	312, 313, IDA	San Patricio County, State, City of Corpus Christi
Citgo	IDA	City of Corpus Christi
Cheniere (Corpus Christi Liquefaction)	312, 313, IDA	San Patricio & Nueces County, State, City of Corpus Christi
Corpus Christi Polymers (Formerly M&G Resins)	312, 313, IDA	Nueces County, State, City of Corpus Christi
Epic Y Grade Logistics (Formerly TexStar)	312, 313, IDA	Nueces County, State, City of Corpus Christi
Equistar Chemicals	313	State
Flint Hills (Refinery)	IDA	City of Corpus Christi
Gulf Coast Growth Ventures (ExxonMobil & SABIC)	312, 313	San Patricio County, State
Enbridge (MODA - Oxy IEE Center)	312	San Patricio County
Nashtec	312, IDA	San Patricio County, City of Corpus Christi
Oxy/Occidental/Ingleside Ethylene	312, 313, IDA	San Patricio & Nueces County, State, City of Corpus Christi
Permico	312, 313	Nueces County, State
Steel Dynamics (Buffalo)	312, 313	San Patricio County, State
Ticona Polymer	312	Nueces County
TPCO (Now TEDA TPCO)	312, IDA	San Patricio County, City of Corpus Christi
Valero	IDA	City of Corpus Christi
Voestalpine	312, 313	Nueces & San Patricio County, State

Chapter 313 Formulations

Chapter 313 agreements are value limitation agreements in which only a limited portion of a property's value is taxed. Therefore the elements involved for the tax analysis include:

- The value of the limited portion to be taxed ($30 million for all but three agreements with Permico, where limitation is $20 Million)
- The M&O taxation rate for the year and ISD in which the corporation is located
- The estimated property value for each year of the abatement period
- The value of any tax credits
- PILOT payments
- RPP payments
- Supplement payments
- Number of jobs promised
- Salary promised per job

All elements were gathered from the agreements, applications, findings, and school costing documentation located from the Texas Comptroller's Office through their website. Once these elements were collected the value of taxation the corporation would have paid without an agreement would be calculated using the M&O rate with the estimated property values. The value taxation paid with the agreement was calculated using the M&O rate and the limitation value. Following, the taxation avoided was calculated as the difference. All valuations were totalled across each year of the limitation to reflect the valuations for each agreement.

Chapter 312 Formulations

Chapter 312 agreements are property abatement agreements which offer a reduction on the portion or all of property taxes paid. As such, the elements involved in the analysis are:

- The agreement period
- The abatement percentages per year
- The tax rate of the taxing jurisdiction in which the agreement is made
- Valuation of the property improvements due to investment
- PILOT payments
- Number of employees promised to employ
- Salary promised per employee

With exception to the property valuation, these values were all extracted from each 312 agreement, which were obtained through public information requests with Nueces and San Patricio County. In order to determine the valuation of property improvements, a combination of various sources were used. Each 312 agreement contained an estimate of the value of investment that the corporation would engage in. This value would then be split across the construction phase of the abatement period to serve as an estimate for property value improvements. Following the construction phase, assuming the investment is complete, the entire value of the investment would be used as the valuation for improvements for the remainder of the abatement period.

Apart from the agreements, the actual valuation of improvements were acquired from the county appraisal district (CAD). Upon request from the respective CAD districts, lists of property IDs were received. An online property search was then conducted through the CAD websites using these property IDs. For this tax study, both the estimated improvement value from agreements and the actual improvements value from the CAD records were used to determine the improved property values of each corporation throughout the abatement period. The abatement period for all agreements have a termination date beyond the time of this study and most have already started. Thus, a combination of expected investment and actual investment values was necessary to estimate property improvement values for the duration of each abatement.

Once all the necessary elements of the agreements were gathered, the valuations for the corporation taxation given no agreement were calculated using the investment value and tax rate. The taxation given an agreement was calculated using the investment value, the tax rate and abatement percentage. The taxation avoided was calculated as the difference. Once calculated, the valuations for each year were totalled to represent the total valuations for each agreement.

Industrial District Agreements Formulations

These agreements involve a PILOT payment on improvements that is a reduced rate of the taxation a corporation would pay if their property becomes subject to annexation. Hence, the elements involved in the tax analysis include:

- The agreement period
- The PILOT percentages
- The value of property improvements
- The tax rate of the City of Corpus Christi (the city in this study in which IDAs are made)

The agreement period and PILOT percentages were gathered from each IDA agreement, which was retrieved from a City of Corpus Christi public records search. Each IDA agreement contained a list of geographic IDs which could be used to conduct a property search through the online CAD records. As these agreements held termination dates after the time of this study, an estimation of property improvement values was also necessary. As such, the estimated improvement values obtained for 312 agreements were also used for corporations that held both IDA and 312 agreements. Once the required information was gathered, the taxation that would have been paid if the corporation was annexed with no agreement was calculated using the value of property improvements and city tax rate. The PILOT payments were calculated using the value of property improvements, city tax rate, and PILOT percentages. The taxation avoided was calculated as the difference. The calculations are as follows:

Property Value * City Tax Rate = Taxation Due To Annexation

Property Value * PILOT Rate = Taxation With Agreement

Tax Savings = Taxation Due To Annexation - Taxation With Agreement

Once all valuations were determined, they were summed across each year of the agreement period to reflect valuations for each IDA.

Aggregation

Following the valuation calculations for all agreements, the next phase involved aggregating values for all agreements by corporation, agreement type, and region affected. For corporation aggregation, valuations for all agreements with the same corporation were grouped together. Concerning the aggregation of jobs, any jobs with overlap between agreements were removed to prevent double counting. Corporations promise jobs under both 312 and 313 agreements; however, the jobs provided by one corporation are used to fulfill both job promises in both agreements simultaneously. In the case where the corporation promised a higher number of jobs for one agreement than the other, the higher job count was counted.

When aggregating across agreements all valuations are summed by agreement type. In this case, jobs with corporation overlap are still included in order to isolate the job impacts of each agreement separately. Aggregations across regions are very similar to aggregations across agreement types as each agreement affects a particular region. All 313 agreements affect the state as discussed prior in this study, 312 agreements primarily affect their respective county and IDAs affect the City of Corpus Christi. The only difference in the aggregation stage is that the effects of 312 agreements are segmented to reflect the individual counties they affect, being Nueces and San Patricio Counties. Thus, the aggregation by region is aggregated by state (313 agreements), Nueces County (half of 312 agreements), San Patricio County (half of 312 agreements), and by the City of Corpus Christi (IDAs). Once aggregated, the results are ready for analysis.

6. Results and Analysis

This section aims to convey the results of this study through a variety of perspectives of interest. As previously discussed, the results have been aggregated by corporation, agreement type and regions affected to assess the various impacts from these perspectives.

Results By Corporation Aggregation

Table 9 below shows the results for tax incentive valuations aggregated by corporation. In total, corporations in the industries of focus would have paid taxes amounting to $3.11 billion dollars without the presence of a tax incentive agreement. With the implementation of a tax incentive agreement, corporations roughly paid $580 million dollars in taxes resulting in a tax avoidance of $2.47 billion dollars. The total promised jobs to be created within industry amounts to roughly 2,592 - with an average cost per job of $953,294. The highest total cost per job was Equistar Chemicals at a cost of $11,450,147 per job, followed by Cheniere at $4,229,348 per job and Epic Y Grade Logistics at $4,150,326 per job.

Table 9: Tax Incentive Totals For 312, 313, & IDAs Aggregated By Corporation

Corporation	Corporation's Taxes Without Agreement	Corporation's Taxes With Agreement	Corporation's Tax Savings (Minus PILOT)	# Of Jobs Promised By Corporation	Cost Per Each Corporate Job
Cheniere	$1,480,416,391	$205,905,414	$1,226,510,978	290	$4,229,348
Gulf Coast Growth Ventures	$591,425,240	$129,260,992	$460,098,222	915	$502,840
Steel Dynamics	$269,629,125	$72,235,151	$197,063,524	592	$332,878
Oxy	$202,130,394	$22,775,967	$179,354,427	153	$1,172,251
Permico	$108,674,081	$31,267,795	$77,406,286	92	$841,373
Corpus Christi Polymers	$93,861,782	$18,452,710	$60,671,585	220	$275,780
Voestalpine	$73,904,188	$15,110,077	$58,794,111	$170	$345,848
TPCO	$65,045,696	$23,538,298	$41,507,397	$32	$1,297,106
Epic Y Grade Logistics	$56,831,136	$15,327,878	$41,503,258	10	$4,150,326
Equistar Chemicals	$43,386,911	$9,036,471	$34,350,440	$3	$11,450,147
Flint Hills	$40,958,983	$7,055,107	$33,903,876	N/A	N/A
Chemours	$48,325,237	$15,268,874	$33,056,363	48	$688,674
Ticona Polymer	$22,054,033	$4,601,261	$17,452,772	31	
Enbridge	$8,251,094	$3,389,728	$4,861,366	20	$243,068
Air Liquide	$6,678,804	$3,452,995	$3,225,809	3	$1,075,270
Nashtec	$1,971,348	$804,246	$1,167,102	13	$89,777
Citgo	$12,089	$3,529	$8,560	N/A	N/A
Valero	$2,010	$1,256	$754	N/A	N/A
Total	**$3,113,558,543**	**$577,487,748**	**$2,470,936,831**	**2,592**	**$953,294**

Table 10 and Figure 5 shows the taxation avoided or revenues forgone by each corporation segmented by agreement.

Table 10: Corporation Taxation Avoided Segmented By Agreement

Corporation	Tax Savings	313	312	IDA
Cheniere	$1,226,510,978	$857,168,595	$369,342,383	$0
Gulf Coast Growth Ventures	$460,098,222	$407,156,873	$52,941,349	N/A
Steel Dynamics	$197,063,524	$136,128,110	$60,935,414	N/A
Oxy	$179,354,427	$82,875,211	$54,002,211	$42,477,005
Permico	$77,406,286	$63,905,909	$13,500,377	N/A
Corpus Christi Polymers	$60,671,585	$41,179,509	$18,126,422	$1,365,654
Voestalpine	$58,794,111	$55,254,241	$3,539,870	N/A
TPCO	$41,507,397	N/A	$36,347,862	$5,159,535
Epic Y Grade Logistics	$41,503,258	$37,481,579	$2,073,597	$1,948,081.92
Equistar Chemicals	$34,350,440	$34,350,440	N/A	N/A
Flint Hills	$33,903,876	N/A	N/A	$33,903,876
Chemours	$33,056,363	$19,319,885	$4,258,204	$9,478,274
Ticona Polymer	$17,452,772	N/A	$17,452,772	N/A
Enbridge	$4,861,366	N/A	$4,861,366	N/A
Air Liquide	$3,225,809	$2,408,916	$816,893	N/A
Nashtec	$1,167,102	N/A	$216,647	$950,455
Citgo	$8,560	N/A	N/A	$8,560
Valero	$754	N/A	N/A	$754
Total	**$2,486,285,901**	**$1,752,578,338**	**$638,415,367**	**$95,292,195**

When observing the taxation a corporation would have paid without an agreement with the taxation they paid/will pay with an agreement, the comparison can be more clearly visualized with the gap implicitly representing the taxation avoided by the corporation or revenue forgone in the case of the taxing jurisdictions associated with each agreement. Figure 6 displays these two totals for all corporations, while Figures 7-10 segments the corporations according to four groups from highest tax savings to lowest. This allows for a more clear observation of the data, especially regarding corporations with relatively smaller tax savings.

Figure 5: Tax Savings Of Corporation With Agreement Proportions

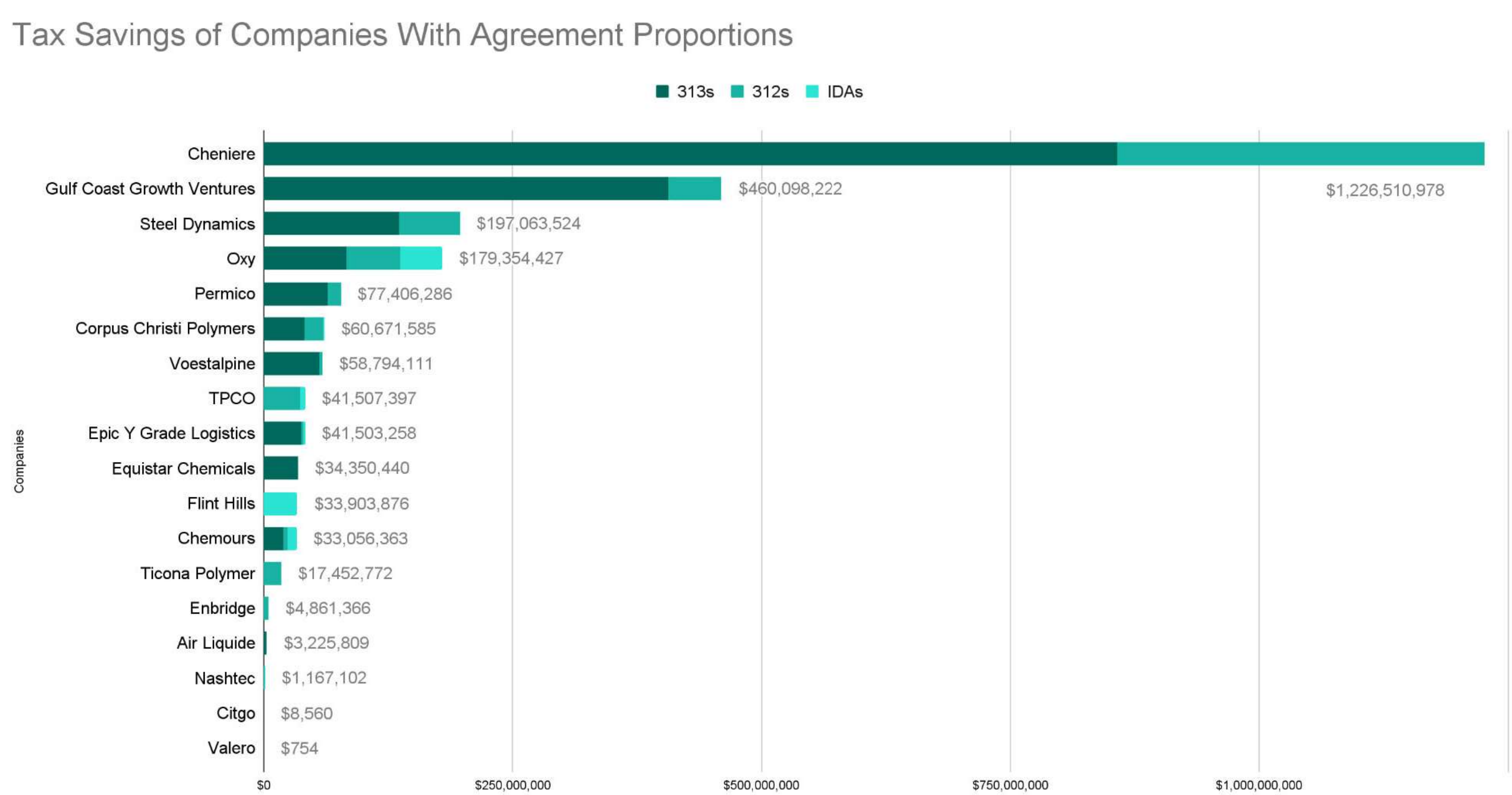
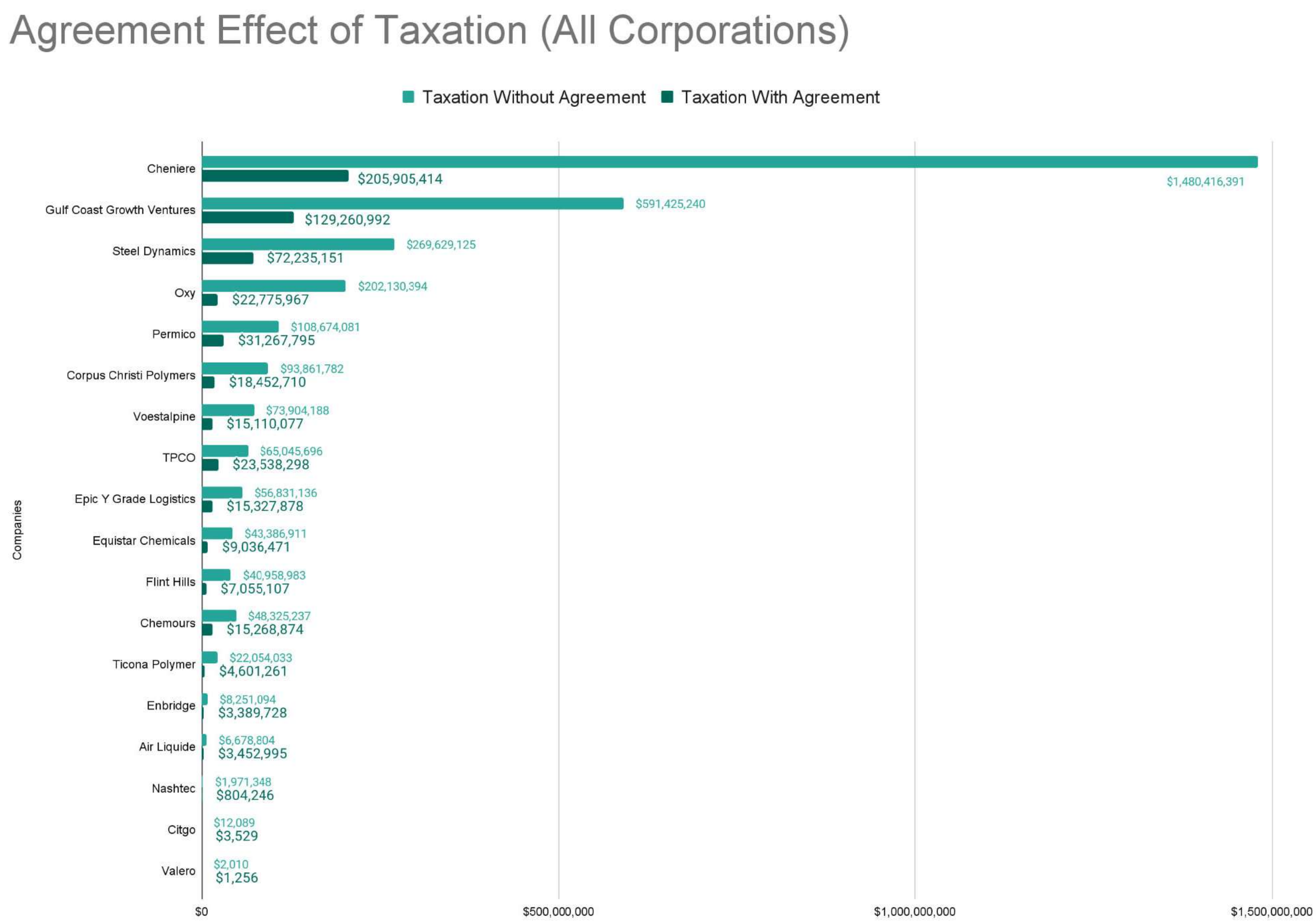


Figure 6: Agreement Effect On Corporation Taxation (All Corporations)



Autocase Economic Advisory

Figure 7: Agreement Effect On Corporation Taxation (1st Quartile)

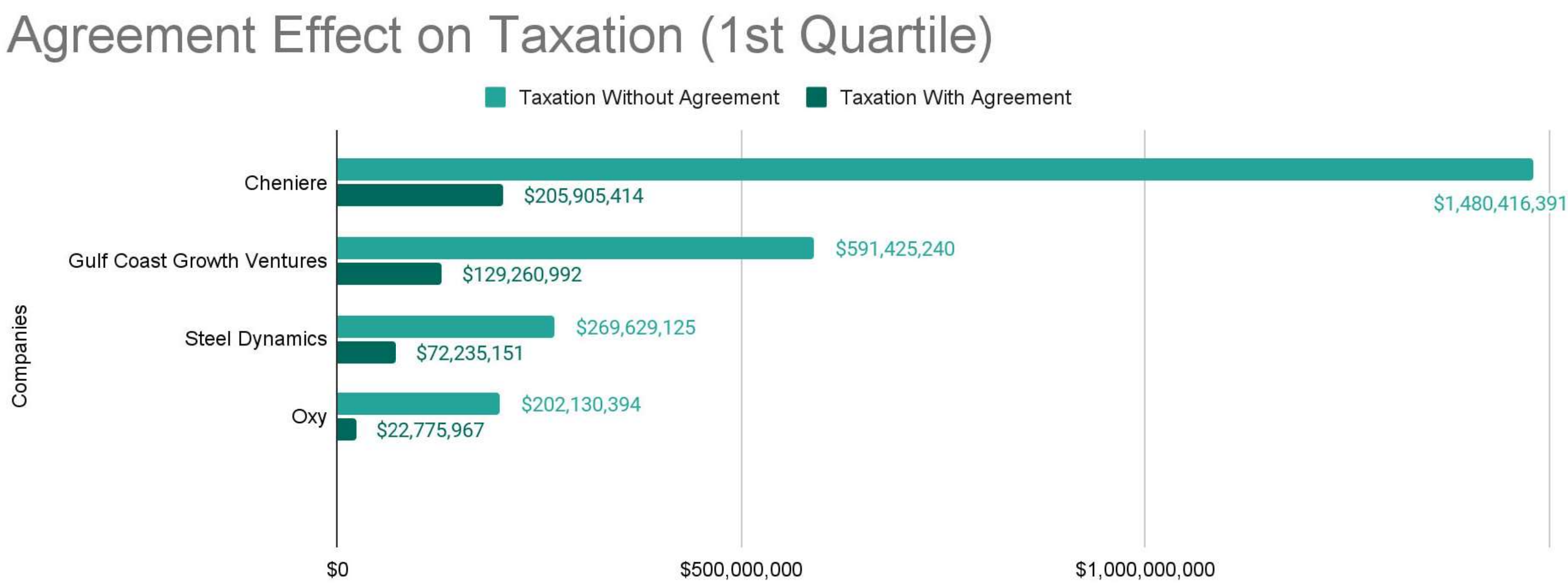


Figure 8: Agreement Effect On Corporation Taxation (2nd Quartile)

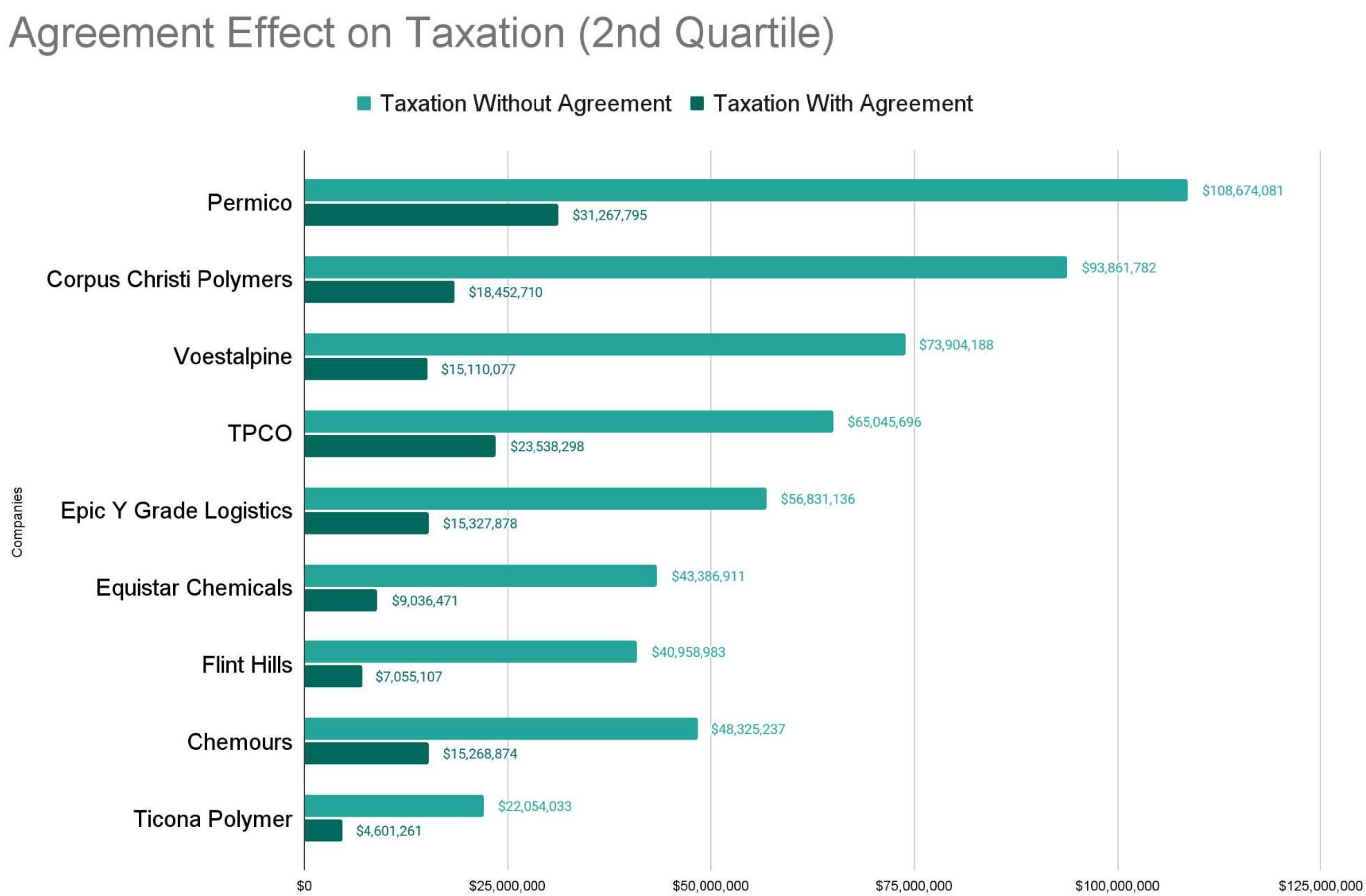


Figure 9: Agreement Effect On Corporation Taxation (3rd Quartile)

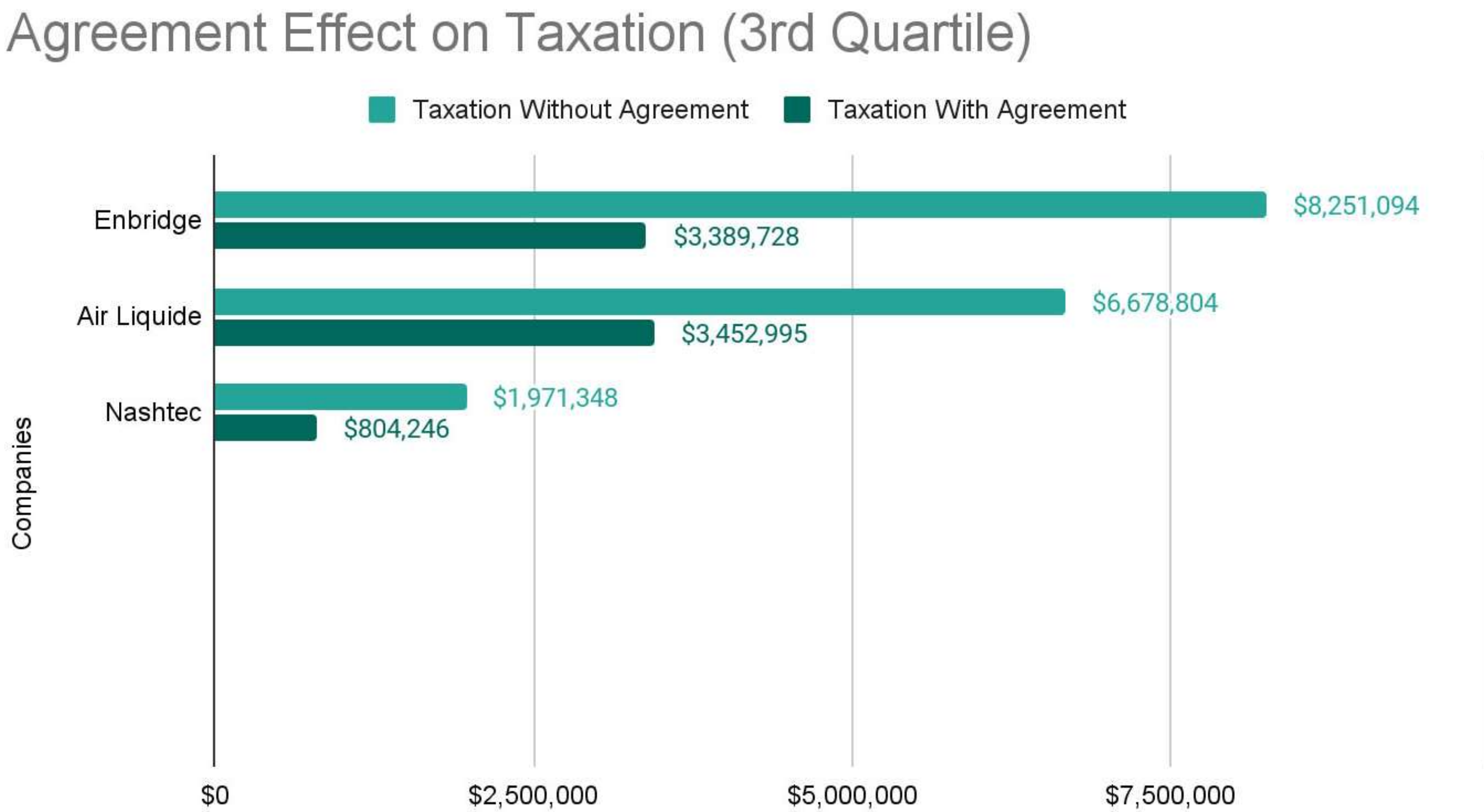
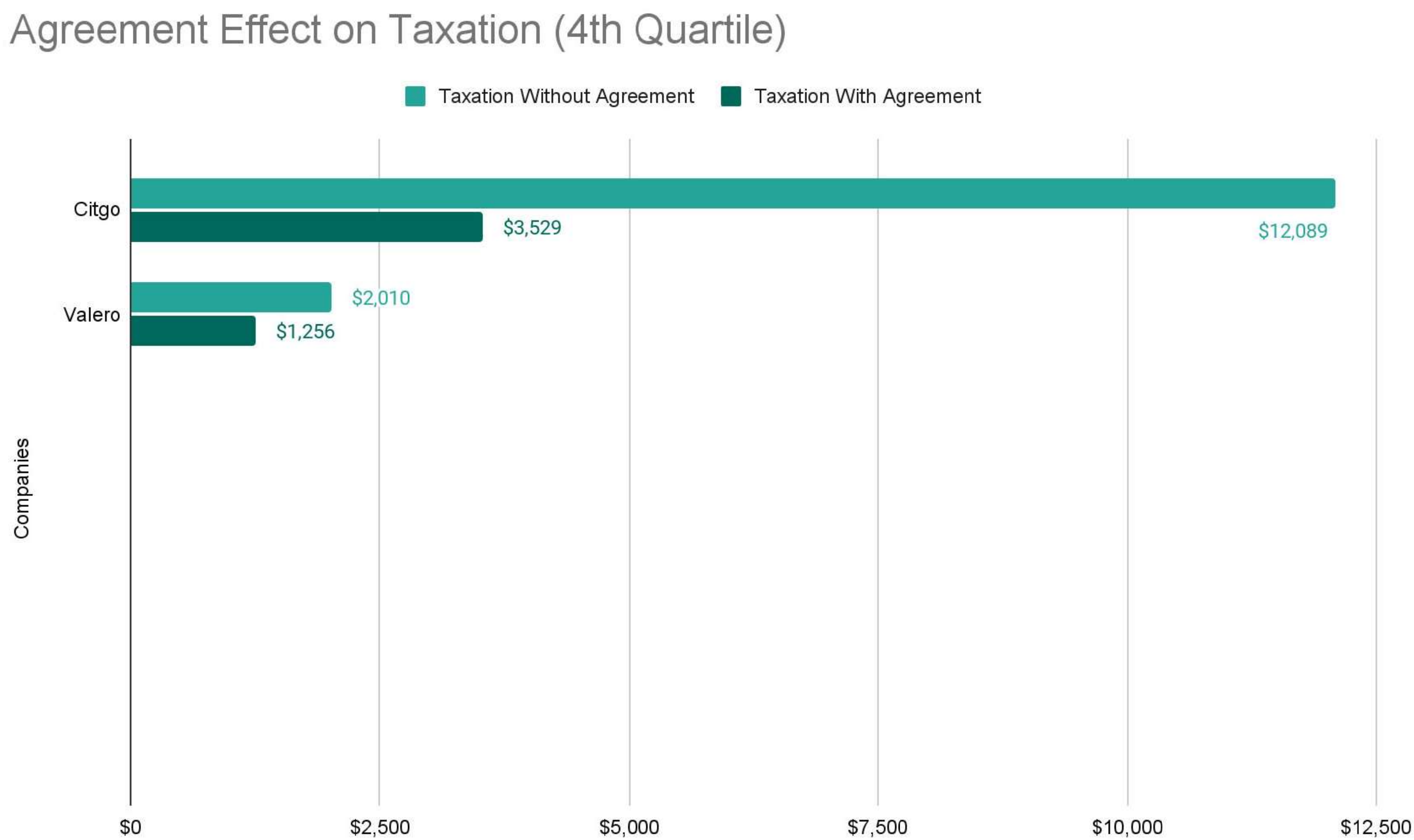
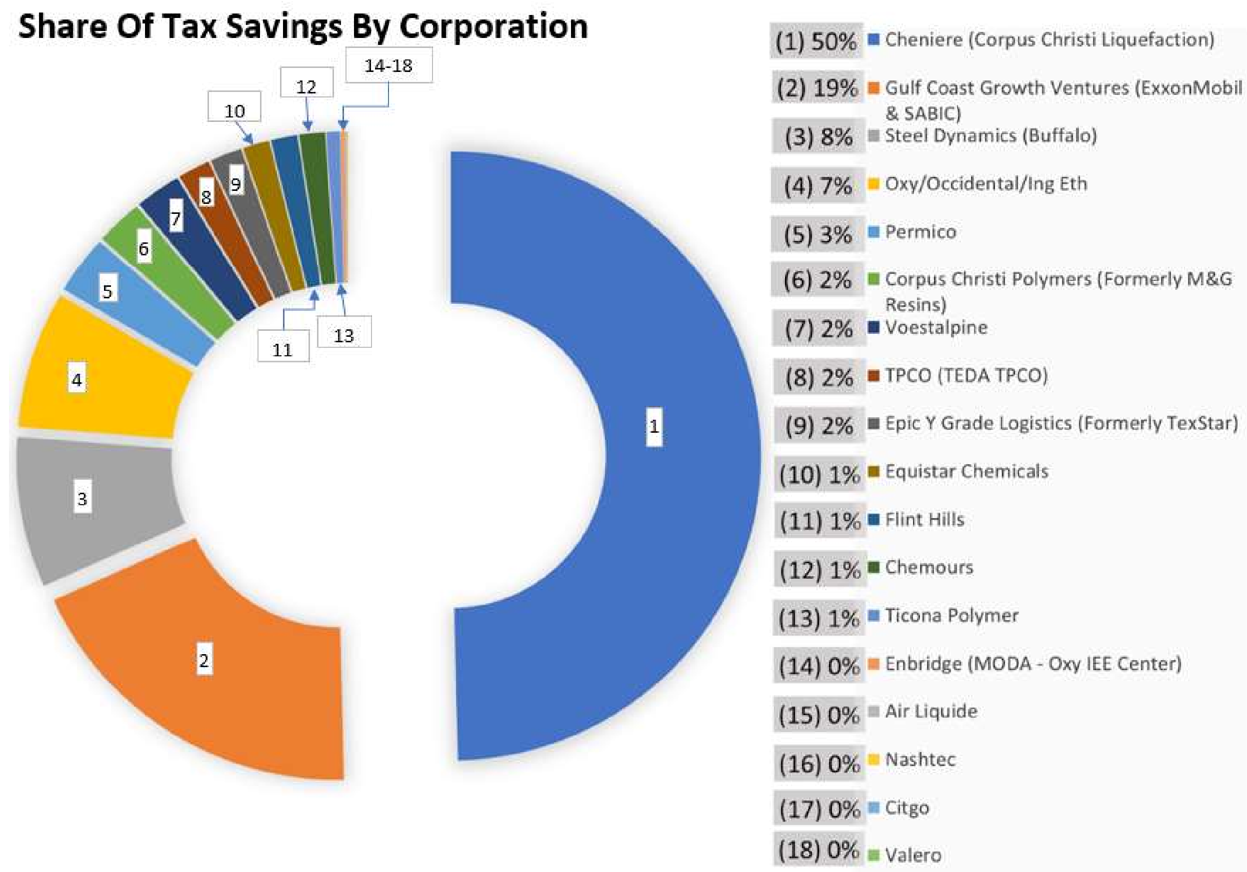


Figure 10: Agreement Effect On Corporation Taxation (4rth Quartile)



The proportions of tax savings can also be segmented to observe the corporations that have the greatest impact to forgone revenue due to tax incentive agreements. Figure 11 shows these proportional impacts. It indicates that Corpus Christi Liquefaction accounts for roughly half of the tax savings amongst the corporations in this study, followed by 19% by Gulf Coast Growth Ventures, 8% by Steel Dynamics and 7% by OXY. Together these 4 corporations contribute to approximately 84 percent of the share of foregone revenue.

Figure 11: Proportion Of Tax Savings By Corporation



Results By Agreement Aggregation

When aggregating across agreements the impacts of each agreement can be accessed specifically. Table 11 segments the valuations by agreement. Chapter 313 agreements are shown to have the largest impact of $1.7 billion in tax revenues foregone, followed by Chapter 312 with roughly $638 million, and lastly IDA agreements with $95 million. This is further evident in Figure 12, which shows the proportions of tax savings by agreements. Chapter 313 agreements account for 70% of the taxes forgone, followed by Chapter 312s and IDAs accounting for 26% and 4% respectively. Table 12 provides a more detailed breakdown of each tax Jurisdiction involved within each agreement type. It is important to note that the number of Jobs promised are listed higher compared to table 11 as there were jurisdictions that both had 312 agreements with the same corporation. Thus in table 11 jobs were excluded to prevent double counting within agreement types. In the case of table 12 these jobs are not excluded in order to reflect the number of jobs associated with each jurisdiction.

Table 11: Tax Incentive Totals For 312, 313, & IDAs Aggregated By Agreement

Agreement With Corporation	Corporation's Taxes Without Agreement	Corporation's Taxes With Agreement	Corporation's Tax Savings (Minus Payment in Lieu of Taxes or PILOT)	# Of Jobs Promised By Corporation	Cost Per Each Corporate Job
313	$2,193,618,127	$456,388,859	$1,737,229,268	1,814	$957,679
312	$798,225,138	$94,675,807	$638,415,367	2,309	$276,490
IDA	$121,715,278	$26,423,082	$95,292,195	N/A	N/A
Total	**$3,113,558,543**	**$577,487,748**	**$2,470,936,831**	**N/A**	**N/A**

Figure 12: Proportions of Tax Savings By Agreement

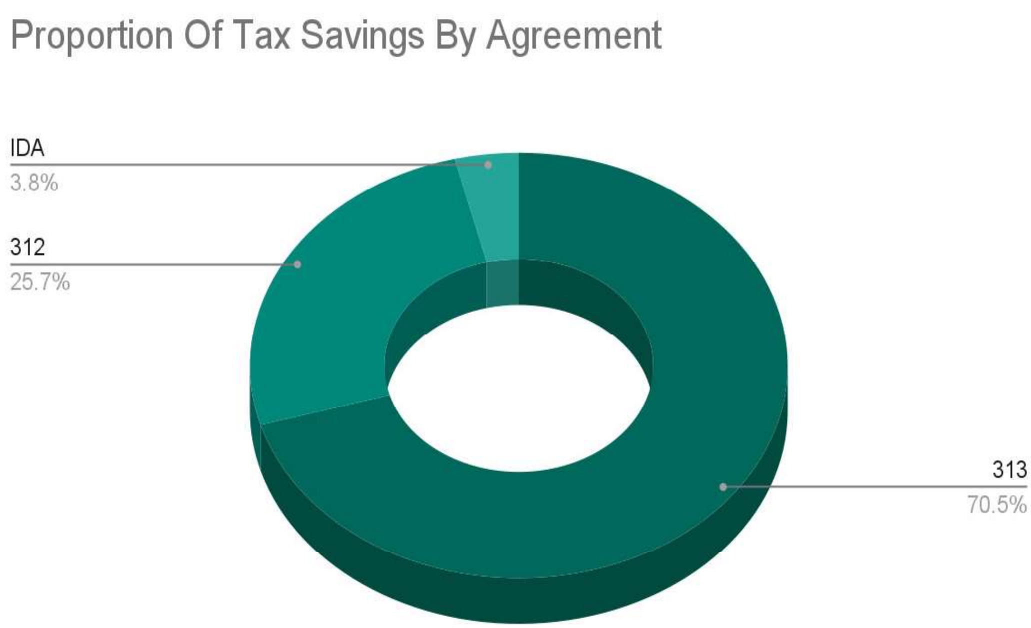


Table 12: Tax Incentive Totals For Each Jurisdiction Within Agreement

Tax Jurisdiction	Agreement With Corporation	Corpoations's Taxes Without Agreement	Corporation's Taxes With Agreement	Corporation's Tax Savings (Minus Payment in Lieu of Taxes or PILOT)	# of Jobs Promised By Corporation	Cost Per Each Corporate Job
Gregory-Portland ISD (San Patricio County)	313	$1,648,245,548	$329,259,334	$1,318,986,214	715	$1,844,736
San Patricio County	312	$592,585,535	$59,948,238	$492,637,297	1103	$446,634
Sinton ISD (San Patricio County)	313	$188,036,775	$51,908,665	$136,128,110	592	$229,946
Ingleside ISD (San Patricio County)	313	$119,482,167	$14,878,155	$104,604,012	204	$512,765
City of Corpus Christi (Nueces County)	IDA	$121,715,278	$26,423,082	$95,292,195	N/A	N/A
San Patricio Drainage District	312	$105,064,857	$10,262,773	$84,405,607	1845	$45,748
Cal-Allen ISD (Nueces County)	313	$94,131,228	$22,299,209	$71,832,019	23	$3,123,131
Robstown ISD (Nueces County)	313	$91,493,304	$27,587,395	$63,905,909	40	$1,597,648
Tuloso-Midway ISD (Nueces County)	313	$50,374,378	$9,194,869	$41,179,509	220	$187,180
Nueces County	312	$72,718,558	$17,281,244	$40,699,827	363	$112,121
Del Mar College (Nueces County)	312	$21,688,851	$5,408,320	$16,280,530	230	$70,785
City of Ingleside (San Patricio County)	312	$6,167,337	$1,775,232	$4,392,105	23	$190,961
Corpus Christi ISD (Nueces County)	313	$1,854,727	$1,261,232	$593,495	20	$29,675
Totals		**$3,113,558,543**	**$577,487,748**	**$2,470,936,831**	**N/A**	**N/A**

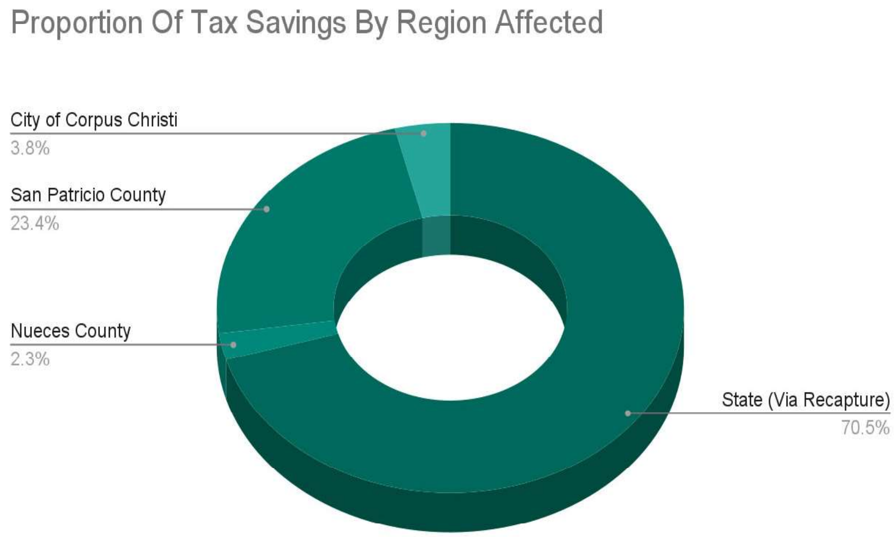
Results By Region Affected Aggregation

The aggregated results by regions affected are similar to the aggregation by agreement type, as the two are linked; these are shown in Table 13. Chapter 313 agreements affect the state, Chapter 312 primarily affect the counties of San Patricio and Nueces and the IDAs affect the City of Corpus Christi. Corresponding to the results by agreement aggregation, the State of Texas experiences the largest forgone revenue of $1.7 billion, followed by San Patricio County with foregone tax revenues of $580 million, the City of Corpus Christi with $95 million, and Nueces County with $56.9 million. These valuations are further described in Figure 13 with a breakdown of proportional impacts - the State of Texas accounts for 70% of the lost tax revenues, San Patricio County 23% percent, the City of Corpus Christi 4% and finally Nueces County at 3%.

Table 13: Tax Incentive Totals For 312, 313, & IDAs Aggregated By Regions Affected

Region	Corporation's Taxes Without Agreement	Corporation's Taxes With Agreement	Corporation's Tax Savings (Minus PILOT)	# Of Jobs Promised By Corporation	Cost Per Each Corporate Job
State (Via Recapture)	$2,193,618,127	$456,388,859	$1,737,229,268	1,814	$957,679
Nueces County	$94,407,409	$22,689,564	$56,980,358	363	$156,971
San Patricio County	$703,817,729	$71,986,243	$581,435,010	1,946	$298,785
City of Corpus Christi	$121,715,278	$26,423,082	$95,292,195	N/A	N/A
Total	**$3,113,558,543**	**$577,487,748**	**$2,470,936,831**	**N/A**	**N/A**

Figure 13: Proportion Of Tax Savings By Region Affected



To add more perspective to the potential revenue losses in the City of Corpus Christi and the Counties of San Patricio and Nueces, Table 14 compares their value of losses with their respective budgets to present the losses as a share of the budget. The share of the forgone revenues column reflects the share of the total revenue losses for the region with respect to the latest annual budget for that region. The annual share of forgone revenue represents the share of revenue based on an annualized value of forgone revenues. Given that forgone revenues are reflected over the entire agreement period they are annualized to be compared directly with the annual budgets of these regions. The annualized share of forgone revenues was calculated by dividing the total forgone revenues for each region by the average length of the agreements in years for each region. The City of Corpus Christi and Nueces County have an annual share of forgone revenue of 4% and 5% respectively when comparing their total budgets, while the annual forgone losses of San Patricio County reflect a share of 152% of the county budget, roughly 1.5 times the total expenditure of the county.

Table 14: Forgone Losses Compared to City and County Budgets

Region	Forgone Revenue	Total Budget	Share of Forgone Revenue	Annualized Share of Foregone Revenue
City of Corpus Christi	$95,292,195	$264,191,785	36%	5%
Nueces County	$56,980,358	$247,732,017	23%	5%
San Patricio County	$581,435,010	$42,613,712	1364%	171%

Note:
Total Budget figures for Corpus Christi are collected from the revenues of the general fund from the 2020/21 operating budget on page 115.
(https://www.cctexas.com/sites/default/files/FY20-21-Adopted-Operating-Budget-Online.pdf)
Nueces County figures are taken from the 2020/20 Adopted Budget in Brief on page 2.
(https://www.nuecesco.com/home/showpublisheddocument/27702/637425255817730000)
San Patricio County figures are retrieved from the revenues of the general fund of the Adopted 2022 budget on page 5.

Key Findings

- Total forgone tax revenues amount to roughly **$2.47 billion**
- Average cost per job within the industry amounts to **$959,215** dollars
- Cheniere experiences the largest tax break among corporations with **$1.2 billion** and **50%** of the share in total tax revenues forgone
- Chapter 313 agreements contribute to the largest forgone revenue among agreement types with **$1.7 billion** and a share of **70%** of total tax revenues forgone
- The forgone revenues for Corpus Christi, Nueces County and San Patricio County, consist of **5%, 5%,** and **171%** of their respective annual budgets

Applications To Potential Public Service Revenues

In this section the value of forgone revenues to the Counties of San Patricio and Nueces are applied to their respective budget splits to provide further insights on the value of public services forgone due to the forgone revenues from the Chapter 312 abatements. The shares of each public service were determined from each budget and applied to the forgone revenues to provide a rough estimate of the value of public services that are potentially forgone from the county and its residents.

Tables 15, 16, and 17 show an approximation of the potential public services forgone for each county based on the forgone revenues to each county and the budget splits. Nueces County and the City of Corpus Christi's share of services were retrieved from their 2020/2021 adopted budget. San Patricio County's share was calculated from their 2022 adopted budget. The county forgone revenues were then multiplied by the shares to determine the potential value of services forgone.

When observing the impact on public services, Public Safety and Law Enforcement, Administration and Justice, and the General government seem to be major contributors to the county budget. Social Services and Health and Welfare seem to be lower on the list. However, a case can be made that the services with higher shares are prioritized to be fully funded with current revenues such that additional revenues would be allocated more towards services with less of a share that are not necessarily fully funded. Regardless, what can be clearly seen is that millions of dollars are at stake regarding public services that otherwise would have had a lot more funding, which would greatly affect the communities in Nueces and San Patricio County.

Table 15: Nueces County Potential Forgone Public Services By Budget Split

Budget Item	Share Of Budget	Potential Forgone Service Revenues
Law Enforcement and Corrections	39.2%	$22,358,315
General Government	15.1%	$8,614,370
Administration and Justice	11.1%	$6,319,428
Self-Insurance	6.5%	$3,691,507
Debt Service	5.9%	$3,359,598
Other Uses	4.9%	$2,800,464
Buildings and Facilities	4.3%	$2,451,379
Roads, Bridges, and Transportation	4.2%	$2,395,938
Parks and Recreation	3.3%	$1,899,083
Health Safety and Sanitation	3.3%	$1,881,897
Social Services	1.5%	$834,138
Agriculture, Education and Consumer Services	0.4%	$239,104
Capital Outlay	0.3%	$154,779
Total	**100%**	**$57,000,000**

Table 16: San Patricio County Potential Forgone Public Services By Budget Split

Budget Item	Share Of Budget	Potential Forgone Service Revenues
Public Safety	29.8%	$172,973,800
Operating transfers	22.2%	$128,687,185
General Administration	11.2%	$64,776,683
Judicial	9.4%	$54,680,849
Financial Administration	6.7%	$38,971,250
Economic Development	5.5%	$31,941,098
Public Facilities	4.0%	$23,483,755
Culture and Recreation	3.3%	$18,923,537
Legal	2.9%	$16,570,330
Health & Welfare	2.4%	$13,925,275
Elections	1.1%	$6,634,888
Conservation	0.8%	$4,437,459
Debt Service	0.5%	$2,623,616
Environmental Protection	0.2%	$1,370,275
Total	**100%**	**$580,000,000**

Table 17: City of Corpus Christi Potential Forgone Public Services By Budget Split

Budget Item	Share Of Budget	Potential Forgone Service Revenues
Police	27.1%	$25,745,000
Fire	25.1%	$23,845,000
Non-operating Expenses	15.9%	$15,105,000
Solid Waste	10.6%	$10,070,000
Parks & Recreation	7.1%	$6,745,000
General Government	6.8%	$6,460,000
Library	1.8%	$1,710,000
Health	1.3%	$1,235,000
Animal Control	1.2%	$1,140,000
Code Enforcement	0.8%	$760,000
Community Development	0.3%	$285,000
Total	**100%**	**$95,000,000**

6. Current Scope and Considerations of Future Work

The focus of this study is to assess the forgone revenue experienced by the residents of San Patricio and Nueces County and the State of Texas through engaging in three tax incentive agreements: The Texas Chapter 313 Limitation agreement, the Texas Chapter 312 Abatement Agreement and Industrial District Agreements. These figures have been combined with the jobs promised, within the agreements, to provide figures of total cost per job. These results have been presented from 3 perspectives: by corporation, by agreement type and by regions affected.

Further applications have also been included such as comparing the revenue losses of the counties and the City of Corpus Christi to reflect its share of their respective budgets. The losses were also applied to the proportion of services that compose each budget to determine an estimate of public services that are potentially lost, due to forgone revenues.

While this report conducted a thorough assessment of the forgone revenues and their applications, there are further considerations that can be addressed in future work. The first consideration is the impact of jobs promised by the agreements. This study does not explore the impacts of actual jobs contributed. This is due to the availability of information and the fact that the majority of the years in the agreement period go well into the future upon which actual jobs cannot be verified. There are cases where corporations do not produce the number of jobs promised after entering the agreement. With the case of TPCO 400 jobs were promised when in reality to date about 32 jobs are currently verified. Thus, the possibility of other corporations failing to meet their obligations are also likely. Lastly, this study does not include all subsidies or tax incentive agreements that these corporations may receive including the state pollution control technology tax exemption from the State of Texas. Further work in this area would involve a reassessment of the actual jobs provided upon the completion of each agreement and an analysis with an exhaustive list of tax incentive agreements in mind.

Disclaimer

Disclaimer: This Report has been prepared by Autocase™ - the information, statements, statistics and commentary (together the 'Information') contained in this Report have been prepared by Autocase™ from publicly available material, discussions with industry experts and stakeholders, and from material provided by Maritimatix™. Autocase™ has relied upon the accuracy, currency and completeness of the Information sourced in the public domain and takes no responsibility for the accuracy, currency, reliability or correctness of the Information and acknowledges that changes in circumstances after the time of publication may impact the accuracy of the Information. The Information may change without notice and Autocase™ is not in any way liable for the accuracy of any information used or relied upon by a third party. Furthermore Autocase™ has not independently validated or verified the Information sourced or provided to it for the purpose of the Report. Accordingly, while the statements made in this report are given in good faith, Autocase™ accepts no responsibility for any errors in the information sourced or provided by other parties nor the effect of any such errors on our analysis, suggestions or report. Autocase™ has provided this advice solely for the benefit of the Coastal Alliance to Protect Our Environment and disclaims all liability and responsibility to any other parties for any loss, damage, cost or expense incurred or arising out of any person using or relying upon the information.

References

City of Corpus Christi. (n.d.). *City Corpus Christi Industrial Districts - www-cdn.cctexas.com*. INDUSTRIAL DISTRICTS. Retrieved May 19, 2022, from https://www-cdn.cctexas.com/sites/default/files/ED-IndustrialDistrictSummary.pdf

City of Corpus Christi. (n.d.). IIS windows server. Retrieved May 18, 2022, from https://docs.cctexas.com/WebLink/Browse.aspx?id=69087&repo=PublicRecords

Greer, S. (2018, December 18). *Chapter 312 and 313 Property Tax Abatements Help the Wealthy and Connected at Other Texans' Expense*. https://www.texaspolicy.com/wp-content/uploads/2018/12/2018-12-PP-Chapter-312-and-313-Property-Tax-Abatements-Help-Wealthy-ACEE-Greer.pdf. Retrieved June 29, 2022, from https://www.texaspolicy.com/wp-content/uploads/2018/12/2018-12-PP-Chapter-312-and-313-Property-Tax-Abatements-Help-Wealthy-ACEE-Greer.pdf

Jensen, N. M. (2018). Bargaining and the effectiveness of economic development incentives: An evaluation of the texas Chapter 313 program. *Public Choice*, *177*(1-2), 29–51. https://doi.org/10.1007/s11127-018-0583-8

Larsen, M., Neilson, R., & Brannen, B. (2022, March 7). *Time is running out: The sunset of Texas' Chapter 313*. Bloomberg Tax. Retrieved May 26, 2022, from https://news.bloomberglaw.com/tax-insights-and-commentary/time-is-running-out-the-sunset-of-texas-chapter-313

Morris, M., Tedesco, J., & Lamm, S. (2021, May 12). Huge corporations are saving $10 billion on Texas taxes, and you're paying for it. Houston Chronicle. Retrieved July 29, 2022, from https://www.houstonchronicle.com/news/investigations/article/unfair-burden-part-1-texas-tax-corporations-covid-16164744.php.

Nueces Cad. Nueces CAD - Property Search. (n.d.). Retrieved May 18, 2022, from https://propaccess.trueautomation.com/clientdb/?cid=75

PricewaterhouseCoopers. (n.d.). *Texas Economic Development Ch. 313 program to Sunset December 31, 2022*. PwC. Retrieved May 26, 2022, from https://www.pwc.com/us/en/services/tax/library/texas-economic-development-program-to-sunset-december-31-2022.html

San Patricio CAD Property Search. (n.d.). Retrieved May 18, 2022, from https://esearch.sanpatcad.org/

Story, L. (2012, December 3). *Lines blur as Texas gives industries a Bonanza*. The New York Times. Retrieved May 18, 2022, from https://www.nytimes.com/2012/12/03/us/winners-and-losers-in-texas.html

Texas Comptroller's Office. (n.d.). *CHAPTER 313 SCHOOL VALUE LIMITATION AGREEMENT DOCUMENTS*. Chapter 313 School Value Limitation Agreement documents. Retrieved July 4, 2022, from https://comptroller.texas.gov/economy/local/ch313/agreement-docs.php

Texas Comptroller's Office. (n.d.). Minimum school district limitation values. Retrieved May 18, 2022, from https://comptroller.texas.gov/economy/local/ch313/values.php

Texas Comptroller's Office. (n.d.). Property tax abatement act, Tax Code Chapter 312 Overview. Retrieved May 18, 2022, from https://comptroller.texas.gov/economy/local/ch312/

Texas Comptroller's Office. (n.d.). Tax code Chapter 313 - value limitation and tax credits. Retrieved May 18, 2022, from https://comptroller.texas.gov/economy/local/ch313/

Texas Comptroller's Office. (2019, January). *The litigation that shaped Texas Public Education: Texas School Finance*. The Litigation that Shaped Texas Public Education: Texas School Finance. Retrieved June 29, 2022, from https://comptroller.texas.gov/economy/fiscal-notes/2019/jan/litigation.php

Texas Public School Finance Overview - Texas Education Agency. Texas Education Agency. (n.d.). Retrieved May19 , 2022, from https://tea.texas.gov/sites/default/files/Texas%20Public%20School%20Finance%20Overview%202017-2018%20%28Jan%202018%29.pdf

Appendix

In this section all the data required to make all the calculations in this report are presented. Data of each agreement for each corporation is displayed in chart format.

Data concerning 313 agreement is collected from school costing figures which is available on the Texas Comptroller's website. Data on each agreement includes the agreement schedule, the M&O tax rate, the estimated value of the taxable project with and without the limitation, the tax savings, the Revenue Protection Payment to the school and possible Supplemental Payments. A source is also included linking directly to the costing data from the Texas Comptroller's website. The number of jobs and salary promised is collected from the agreement application which is also sourced by a link.

Regarding the 312 agreements the data is mostly collected from the agreements directly. This data includes, the number of jobs and salary promised, the abatement percentages, and the estimated investment spending of the projects built. The estimated investment spending is used as an estimate of the property value experiencing the abatement. These estimates are also reconciled with actual property values collected from the CAD records. A combination column is also used in the case where some estimates are taken from the CAD and others from the estimated investment spending. The tax rates are gathered from historical tax summaries for each county as well as the other taxing jurisdictions included in this study with 312 agreements such as the San Patricio Drainage district, Del Mar College, and the City of Ingleside.

Data pertaining to IDA's with Corpus Christi are also collected directly from the agreements. This includes the terms of the agreement and the PILOT percentages. It is important to note that the PILOT percentages differ from the abatement percentages. Whereas an abatement percentage reflects the percentage of taxes avoided, the PILOT percentage reflects the percentage to be paid of the full taxes that a corporation would have paid if not for an IDA agreement. The property values are collected from the CAD records based on property ID's and Geographic ID's available in each agreement. The City of Corpus Christi tax rates are collected from their historical tax summaries.

Air Liquide

Air Liquide - 313

Limitation Schedule

Source: https://assets.comptroller.texas.gov/ch313/1469/1469-ingleside-air-agmt.pdf

Year of Agreement	School Year	Project Taxable Value for M&O if no Limitation	Project Taxable Value for M&O with Limitation	Assumed M&O Tax Rate	Tax Savings to Corporation	School District Revenue Protection	Estimated Net tax benefit
QTP 1	2020-21	$0	$0	0.0096	$0	$0	$0
QTP 1	2021-22	$7,000,000	$7,000,000	0.0096	$0	$0	$0
VL1	2022-23	$63,050,000	$30,000,000	0.0096	$316,123	-$320,326	-$4,203
VL2	2023-24	$61,158,500	$30,000,000	0.0096	$298,031	$0	$298,031
VL3	2024-25	$59,323,745	$30,000,000	0.0096	$280,482	$0	$280,482
VL4	2025-26	$57,544,033	$30,000,000	0.0096	$263,459	$0	$263,459
VL5	2026-27	$55,817,712	$30,000,000	0.0096	$246,946	-$10,327	$236,619
VL6	2027-28	$54,143,180	$30,000,000	0.0096	$230,930	-$9,657	$221,273
VL7	2028-29	$52,518,885	$30,000,000	0.0096	$215,393	-$9,007	$206,386
VL8	2029-30	$50,943,318	$30,000,000	0.0096	$200,323	$0	$200,323
VL9	2030-31	$49,415,019	$30,000,000	0.0096	$185,705	-$7,766	$177,939
VL10	2031-32	$47,932,569	$30,000,000	0.0096	$171,525	-$7,173	$164,352

Jobs Promised: 3

Year	Jobs Promised	Estimated Salary
2022-23	3	$65,260
2023-24	3	$65,260
2024-25	3	$65,260
2025-26	3	$65,260
2026-27	3	$65,260

2027-28	3	$65,260
2028-29	3	$65,260
2029-30	3	$65,260
2030-31	3	$65,260
2031-32	3	$65,260

Source: https://assets.comptroller.texas.gov/ch313/1469/1469-ingleside-air-agmt.pdf

Air Liquide - 312

City of Ingleside

Core Info:

Total Investment	$50,000,000
PILOT	-
Total Jobs Promised	3
Average wage	$65,260

Abatement Schedule:

Period	Year (from 313)	Abatement	Tax Rate (using value of 2021)	Estimated Improvement Value	Permanent Jobs	Salary
1	2022	60%	0.466796%	$50,000,000	3	$65,260
2	2023	50%	0.466796%	$50,000,000	3	$65,260
3	2024	50%	0.466796%	$50,000,000	3	$65,260
4	2025	40%	0.466796%	$50,000,000	3	$65,260
5	2026	30%	0.466796%	$50,000,000	3	$65,260
6	2027	20%	0.466796%	$50,000,000	3	$65,260

Chemours

Chemours - 313

Limitation Schedule Source: https://assets.comptroller.texas.gov/ch313/1093/01093-CDR-4D-2020-0815-MCA-205903-Ingleside.xlsx

Year of Agreement	Tax Year	Market Value of Qualified Property (Before Any Exemptions)	Taxable Value of Qualified Property for I&S Purposes	Taxable Value of Qualified Property for M&O Purposes	I&S Tax Rate	M&O Tax Rate	Total Tax Levy (I&S and M&O) without Limitation	Total Tax Levy (I&S and M&O) with Limitation	Gross Tax Savings through Limitation	Revenue Protection Payments	Supplemental Payments (Paid/Estimated to be Paid)
QTP1	2017	$8,063,784	$8,063,784	$8,063,784	0.136	1.04	$94,830	$94,830	$0	$0	$0
QTP2	2018	$99,465,210	$80,000,000	$80,000,000	0.126	1.04	$932,800	$932,800	$0	$0	$0
L1	2019	$319,938,130	$300,000,000	$30,000,000	0.108	0.97	$3,232,500	$613,500	$2,619,000	$2,656,249	$0
L2	2020	$319,938,130	$300,000,000	$30,000,000	0.108	0.956	$3,191,995	$609,449	$2,582,545	$0	$1,033,018
L3	2021	$297,542,461	$278,042,461	$30,000,000	0.108	0.956	$2,958,367	$585,845	$2,372,522	$0	$280,382
L4	2022	$276,714,489	$257,214,489	$30,000,000	0.108	0.956	$2,736,758	$563,455	$2,173,303	$0	$218,900
L5	2023	$257,344,474	$237,844,474	$30,000,000	0.108	0.956	$2,530,661	$542,632	$1,988,029	$0	$218,900
L6	2024	$239,330,361	$219,830,361	$30,000,000	0.108	0.956	$2,338,991	$523,267	$1,815,724	$0	$218,900
L7	2025	$222,577,236	$203,077,236	$30,000,000	0.108	0.956	$2,160,738	$505,258	$1,655,481	$0	$218,900
L8	2026	$206,996,829	$187,496,829	$30,000,000	0.108	0.956	$1,994,963	$488,509	$1,506,454	$0	$218,900
L9	2027	$192,507,051	$173,007,051	$30,000,000	0.108	0.956	$1,840,792	$472,932	$1,367,860	$0	$218,900
L10	2028	$179,031,558	$159,531,558	$30,000,000	0.108	0.956	$1,697,413	$458,446	$1,238,967	$0	$218,900
MVP1	2029	$166,499,349	$146,999,349	$146,999,349	0.108	0.956	$1,564,071	$1,564,071	$0	$0	$218,900
MVP2	2030	$154,844,394	$135,344,394	$135,344,394	0.108	0.956	$1,440,062	$1,440,062	$0	$0	$218,900
MVP3	2031	$144,005,287	$124,505,287	$124,505,287	0.108	0.956	$1,324,734	$1,324,734	$0	$0	$218,900
MVP4	2032	$133,924,917	$114,424,917	$114,424,917	0.108	0.956	$1,217,479	$1,217,479	$0	$0	$0
MVP5	2033	$124,550,172	$105,050,172	$105,050,172	0.108	0.956	$1,117,732	$1,117,732	$0	$0	$0

Jobs Promised: 48

Tax Year	Jobs Promised	Estimated Salary
2019	48	$58,000
2020	48	$58,000
2021	48	$58,000
2022	48	$58,000
2023	48	$58,000
2024	48	$58,000
2025	48	$58,000
2026	48	$58,000
2027	48	$58,000
2028	48	$58,000

Source: https://assets.comptroller.texas.gov/ch313/1093/ingleside-1093-chemours-application.pdf

Chemours - 312

San Patricio County

Core Info:

Total Investment	$140,000,000
Total Jobs Promised	48
Average Wage (from 313)	$58,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Appraisal Value	CAD Value	Permanent Jobs	Salary
1	2017	100%	0.516324%	$70,000,000	$70,000,000	$0	0	$58,000

2	2018	100%	0.516324%	$70,000,000	$140,000,000	$80,000,000	48	$58,000
3	2019	70%	0.505600%			$300,000,000	48	$58,000
4	2020	60%	0.495157%			$213,000,000	48	$58,000
5	2021	50%	0.495157%			$249,313,210	48	$58,000
6	2022	40%	0.495157%			$249,313,210	48	$58,000
7	2023	30%	0.495157%			$249,313,210	48	$58,000
8	2024	20%	0.495157%			$249,313,210	48	$58,000
9	2025	10%	0.495157%			$249,313,210	48	$58,000
10	2026	10%	0.495157%			$249,313,210	48	$58,000

San Patricio Drainage District

Core Info:

Total Investment	$140,000,000
Total Jobs Promised	48
Average wage (from 313)	$58,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Appraisal Value	CAD Value	Permanent Jobs	Salary
1	2017	60.00%	0.065390%			$0	0	$58,000
2	2018	50.00%	0.069607%			$80,000,000	48	$58,000
3	2019	40.00%	0.065450%			$300,000,000	48	$58,000
4	2020	30.00%	0.061252%			$213,000,000	48	$58,000
5	2021	20.00%	0.059893%			$249,313,210	48	$58,000

Chemours - IDA

PILOT Schedule:

Period	Year	Tax Rate	PILOT%	Improvement Value
1	2020	0.646264%	0.00%	$363,511,950
2	2021	0.646264%	0.00%	$401,132,280
3	2022	0.646264%	0.00%	$401,132,280
4	2023	0.646264%	62.50%	$401,132,280
5	2024	0.646264%	62.50%	$401,132,280

CAD Property Values

https://esearch.sanpatcad.org/

Geo ID 0007332-0-9900005 Property ID 1001559

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	$131,677,600	$0	$0	$131,677,600	$0	$131,677,600
2020	$131,676,680	$0	$0	$131,676,680	$0	$131,676,680
2019	$124,139,800	$0	$0	$124,139,800	$0	$124,139,800
2018	$0	$0	$0	$119,304,510	$0	$119,304,510
2017	$113,084,050	$0	$0	$113,084,050	$0	$113,084,050
2016	$0	$0	$0	$75,751,220	$0	$75,751,220
2015	$0	$0	$0	$69,775,150	$0	$69,775,150
2014	$0	$0	$0	$79,651,260	$0	$79,651,260
2013	$0	$0	$0	$79,269,900	$0	$79,269,900
2012	$0	$0	$0	$75,181,140	$0	$75,181,140
2011	$0	$0	$0	$74,823,820	$0	$74,823,820

Geo ID 0007332-0-9900006 Property ID 1001560

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	$2,600,140	$0	$0	$2,600,140	$0	$2,600,140
2020	$2,652,050	$0	$0	$2,652,050	$0	$2,652,050
2019	$2,553,010	$0	$0	$2,553,010	$0	$2,553,010
2018	$0	$0	$0	$2,417,340	$0	$2,417,340
2017	$2,284,570	$0	$0	$2,284,570	$0	$2,284,570
2016	$0	$0	$0	$2,109,070	$0	$2,109,070
2015	$0	$0	$0	$2,174,490	$0	$2,174,490
2014	$0	$0	$0	$2,478,040	$0	$2,478,040
2013	$0	$0	$0	$2,613,170	$0	$2,613,170
2012	$0	$0	$0	$2,741,410	$0	$2,741,410
2011	$0	$0	$0	$2,808,410	$0	$2,808,410

Geo ID 0007332-0-9900007 Property ID 1001561

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	$1,018,620	$0	$0	$1,018,620	$0	$1,018,620
2020	$1,020,320	$0	$0	$1,020,320	$0	$1,020,320
2019	$1,103,620	$0	$0	$1,103,620	$0	$1,103,620
2018	$0	$0	$0	$1,098,630	$0	$1,098,630
2017	$1,070,760	$0	$0	$1,070,760	$0	$1,070,760
2016	$0	$0	$0	$1,013,580	$0	$1,013,580
2015	$0	$0	$0	$1,016,030	$0	$1,016,030
2014	$0	$0	$0	$967,070	$0	$967,070
2013	$0	$0	$0	$933,370	$0	$933,370
2012	$0	$0	$0	$897,740	$0	$897,740
2011	$0	$0	$0	$894,580	$0	$894,580

Geo ID 0007332-0-9900015 Property ID 1035459

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2018	$19,465,210	$0	$0	$19,465,210	$0	$19,465,210

Geo ID 0708571-0-9900005 Property ID $1,035,000

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	$249,313,210	$0	$0	$249,313,210	$0	$249,313,210
2020	$213,000,000	$0	$0	$213,000,000	$0	$213,000,000
2019	$300,000,000	$0	$0	$300,000,000	$0	$300,000,000

Geo ID 0708571-0-9900005 Property ID $1,035,460

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2018	$80,000,000	$0	$0	$80,000,000	$0	$80,000,000

Geo ID 0007332-0-9900015 Property ID 1034714

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	$16,522,710	$0	$0	$16,522,710	$0	$16,522,710
2020	$15,162,900	$0	$0	$15,162,900	$0	$15,162,900
2019	$19,938,130	$0	$0	$19,938,130	$0	$19,938,130

Citgo

Citgo - IDA

PILOT Schedule

Period	Year	Tax Rate	Improvement Value
1	2016	0.606264%	$0
2	2017	0.606264%	$114,743
3	2018	0.626264%	$252,968
4	2019	0.646264%	$252,968
5	2020	0.646264%	$252,968
6	2021	0.646264%	$252,968
7	2022	0.646264%	$252,968
8	2023	0.646264%	$252,968
9	2024	0.646264%	$252,968

CAD https://propaccess.trueautomation.com/ClientDB/PropertySearch.aspx?cid=75

Geo ID 3191-0011-0010 **Property ID** 241633

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2022	$114,743	$285,968	$0	$400,711	$0	$400,711
2021	$114,743	$285,968	$0	$400,711	$0	$400,711
2020	$114,743	$285,968	$0	$400,711	$0	$400,711
2019	$114,743	$285,968	$0	$400,711	$0	$400,711
2018	$114,743	$285,968	$0	$400,711	$0	$400,711
2017	$114,743	$285,968	$0	$400,711	$0	$400,711
2016	$0	$153,314	$0	$153,314	$0	$153,314
2015	$0	$153,314	$0	$153,314	$0	$153,314
2014	$0	$153,314	$0	$153,314	$0	$153,314

Year	Improvement	Pilot%
2016	$0	
2017	$114,743	0%
2018	$114,743	0%
2019	$114,743	0%
2020	$114,743	0%
2021	$114,743	62.50%
2022	$114,743	62.50%
2023	$114,743	62.50%
2024	$114,743	62.50%

Autocase Economic Advisory

2013	$0	$153,314	$0	$153,314	$0	$153,314
2012	$0	$153,314	$0	$153,314	$0	$153,314
2011	$0	$153,314	$0	$153,314	$0	$153,314
2010	$0	$153,314	$0	$153,314	$0	$153,314
2009	$0	$153,314	$0	$153,314	$0	$153,314
2008	$0	$153,314	$0	$153,314	$0	$153,314
2007	$0	$153,314	$0	$153,314	$0	$153,314
2006	$0	$153,314	$0	$153,314	$0	$153,314
2005	$0	$153,314	$0	$153,314	$0	$153,314
2004	$0	$153,314	$0	$153,314	$0	$153,314
2003	$0	$4,274	$0	$4,274	$0	$4,274
2002	$0	$4,274	$0	$4,274	$0	$4,274
2001	$0	$4,274	$0	$4,274	$0	$4,274
2000	$0	$0	$0	$0	$0	$0

Geo ID 5933-0001-0010 **Property ID** 274077

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2022	$95,155	$188,523	$0	$283,678	$0	$283,678
2021	$95,155	$152,342	$0	$247,497	$0	$247,497
2020	$95,155	$152,342	$0	$247,497	$0	$247,497
2019	$95,155	$152,342	$0	$247,497	$0	$247,497
2018	$95,155	$152,342	$0	$247,497	$0	$247,497
2017	$0	$152,342	$0	$152,342	$0	$152,342
2016	$0	$152,342	$0	$152,342	$0	$152,342
2015	$0	$152,342	$0	$152,342	$0	$152,342
2014	$0	$152,262	$0	$152,262	$0	$152,262
2013	$0	$152,262	$0	$152,262	$0	$152,262
2012	$0	$152,262	$0	$152,262	$0	$152,262

Year	Improvement	Pilot%
2016	$0	
2017	$0	
2018	$95,155	0%
2019	$95,155	0%
2020	$95,155	0%
2021	$95,155	0%
2022	$95,155	62.50%
2023	$95,155	62.50%
2024	$95,155	62.50%

2011	$0	$152,262	$0	$152,262	$0	$152,262
2010	$0	$152,262	$0	$152,262	$0	$152,262
2009	$0	$152,262	$0	$152,262	$0	$152,262
2008	$0	$152,262	$0	$152,262	$0	$152,262
2007	$0	$152,262	$0	$152,262	$0	$152,262
2006	$0	$152,262	$0	$152,262	$0	$152,262
2005	$0	$152,262	$0	$152,262	$0	$152,262
2004	$0	$152,262	$0	$152,262	$0	$152,262
2003	$0	$7,066	$0	$7,066	$0	$7,066
2002	$0	$7,066	$0	$7,066	$0	$7,066
2001	$0	$7,066	$0	$7,066	$0	$7,066
2000	$0	$0	$0	$0	$0	$0

Geo ID 5933-0004-0040 **Property ID** 274134

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2022	$43,070	$151,604	$0	$194,674	$0	$194,674
2021	$43,070	$122,508	$0	$165,578	$0	$165,578
2020	$43,070	$122,508	$0	$165,578	$0	$165,578
2019	$43,070	$122,508	$0	$165,578	$0	$165,578
2018	$43,070	$122,508	$0	$165,578	$0	$165,578
2017	$0	$122,508	$0	$122,508	$0	$122,508
2016	$0	$122,508	$0	$122,508	$0	$122,508
2015	$0	$122,508	$0	$122,508	$0	$122,508
2014	$0	$122,508	$0	$122,508	$0	$122,508
2013	$0	$122,508	$0	$122,508	$0	$122,508
2012	$0	$122,508	$0	$122,508	$0	$122,508
2011	$0	$122,508	$0	$122,508	$0	$122,508
2010	$0	$122,508	$0	$122,508	$0	$122,508

Year	Improvement	Pilot%
2016	$0	
2017	$0	
2018	$43,070	0%
2019	$43,070	0%
2020	$43,070	0%
2021	$43,070	0%
2022	$43,070	62.50%
2023	$43,070	62.50%
2024	$43,070	62.50%

2009	$0	$122,508	$0	$122,508	$0	$122,508
2008	$0	$122,508	$0	$122,508	$0	$122,508
2007	$0	$122,508	$0	$122,508	$0	$122,508
2006	$0	$122,508	$0	$122,508	$0	$122,508
2005	$0	$122,508	$0	$122,508	$0	$122,508
2004	$0	$122,508	$0	$122,508	$0	$122,508
2003	$0	$5,650	$0	$5,650	$0	$5,650
2002	$0	$5,650	$0	$5,650	$0	$5,650
2001	$0	$5,650	$0	$5,650	$0	$5,650
2000	$0	$0	$0	$0	$0	$0

Corpus Christi Liquefaction (Cheniere)

Data regarding Cheniere will be presented for each "Train" or operational unit. There are up to 5 trains included, along with a Dock project and a Castleton location which is only involved in a 312 agreement.

Corpus Christi Liquefaction - 313

Train 1

Limitation Schedule

Source: https://assets.comptroller.texas.gov/ch313/296/00296-CDR-3D-2020-0805-MCA-205902-GREGORY-PORTLAND.xlsx

Year of Agreement	Tax Year	Market Value of Qualified Property (Before Any Exemptions)	Taxable Value of Qualified Property for I&S Purposes	Taxable Value of Qualified Property for M&O Purposes	I&S Tax Rate	M&O Tax Rate	Total Tax Levy (I&S and M&O) without Limitation	Total Tax Levy (I&S and M&O) with limitation and After Application of Any Tax Credit	Total Gross Tax Savings	Revenue Protection Payments	Supplemental Payments (Paid/Estimated to be Paid)
QTP1	2016	$70,856,500	$70,856,500	$70,856,500	0.18	1.17	$956,563	$956,563	$0	$0	$0
QTP2	2017	$695,328,800	$695,328,800	$695,328,800	0.18	1.17	$9,386,939	$9,386,939	$0	$0	$0
L1	2018	$1,986,423,300	$1,986,423,300	$30,000,000	0.18	1.17	$26,816,715	$3,926,562	$22,890,153	$8,011,553	$0
L2	2019	$4,435,277,330	$4,074,601,180	$30,000,000	0.20	1.07	$51,680,204	$7,289,369	$44,390,835	$7,917,017	$2,184,516
L3	2020	$4,124,807,917	$3,621,220,805	$30,000,000	0.25	0.96	$43,925,408	$8,161,614	$35,763,795	$9,662,652	$415,811
L4	2021	$3,836,071,363	$3,332,484,251	$30,000,000	0.25	0.96	$40,423,034	$7,439,772	$32,983,262	$8,475,280	$429,538
L5	2022	$3,567,546,367	$3,063,959,255	$30,000,000	0.25	0.96	$37,165,826	$6,768,460	$30,397,366	$7,751,229	$429,538
L6	2023	$3,317,818,122	$2,814,231,010	$30,000,000	0.25	0.96	$34,136,622	$6,144,139	$27,992,483	$7,077,862	$429,538
L7	2024	$3,085,570,853	$2,581,983,741	$30,000,000	0.25	0.96	$31,319,463	$5,563,521	$25,755,942	$2,277,459	$429,538
L8	2025	$2,869,580,893	$2,365,993,781	$30,000,000	0.25	0.96	$28,699,505	$5,023,546	$23,675,958	$1,043,630	$429,538
MVP1	2026	$2,668,710,231	$2,165,123,119	$2,165,123,119	0.25	0.96	$26,262,943	$26,262,943	$0	$0	$429,538
MVP2	2027	$2,481,900,515	$1,978,313,403	$1,978,313,403	0.25	0.96	$23,996,942	$23,996,942	$0	$0	$429,538

Autocase
Economic Advisory

Jobs Promised: 90

Tax Year	Jobs Promised (Same as 312)	Estimated Salary (same as 312)
2018		
2019		
2020	90	$65,000
2021	90	$65,000
2022	90	$65,000
2023	90	$65,000
2024	90	$65,000
2025	90	$65,000

Source: https://assets.comptroller.texas.gov/ch313/296/Gregory-Portland-Corpus-Christi-Train-1-2019-Application-6-3-13.pdf

Train 2

Limitation Schedule Source: https://assets.comptroller.texas.gov/ch313/297/00297-CDR-3D-2020-0915-MCA-205902-GREGORY-PORTLAND-V2.xlsx

Year of Agreement	Tax Year	Market Value of Qualified Property (Before Any Exemptions)	Taxable Value of Qualified Property for I&S Purposes	Taxable Value of Qualified Property for M&O Purposes	I&S Tax Rate	M&O Tax Rate	Total Tax Levy (I&S and M&O) without Limitation	Total Tax Levy (I&S and M&O) with limitation and After Application of Any Tax Credit	Total Gross Tax Savings	Revenue Protection Payments	Supplemental Payments (Paid/Estimated to be Paid)
QTP1	2016	$0	$0	$0	0.18	1.17	$0	$0	$0	$0	$0
QTP2	2017	$81,990,700	$81,990,700	$81,990,700	0.18	1.17	$1,106,874	$1,106,874	$0	$0	$0
L1	2018	$436,810,000	$436,810,000	$30,000,000	0.18	1.17	$5,896,935	$1,137,258	$4,759,677	$1,665,887	$0
L2	2019	$1,360,221,630	$1,306,506,000	$30,000,000	0.20	1.07	$16,571,069	$1,821,467	$14,749,601	$2,045,319	$1,440,219
L3	2020	$3,114,476,098	$3,060,760,468	$30,000,000	0.25	0.96	$37,127,024	$6,828,752	$30,298,273	$7,011,833	$1,160,108
L4	2021	$2,896,462,771	$2,842,747,141	$30,000,000	0.25	0.96	$34,482,523	$6,283,718	$28,198,805	$7,154,753	$429,538
L5	2022	$2,693,710,377	$2,639,994,747	$30,000,000	0.25	0.96	$32,023,136	$5,776,837	$26,246,299	$6,608,052	$429,538

L6	2023	$2,505,150,651	$2,451,435,021	$30,000,000	0.25	0.96	$29,735,907	$5,305,438	$24,430,469	$6,099,619	$429,538
L7	2024	$2,329,790,105	$2,276,074,475	$30,000,000	0.25	0.96	$27,608,783	$4,867,037	$22,741,747	$1,415,784	$429,538
L8	2025	$2,166,704,798	$2,112,989,168	$30,000,000	0.25	0.96	$25,630,559	$4,459,323	$21,171,235	$808,425	$429,538
MVP1	2026	$2,015,035,462	$1,961,319,832	$1,961,319,832	0.25	0.96	$23,790,810	$23,790,810	$0	$0	$429,538
MVP2	2027	$1,873,982,979	$1,820,267,349	$1,820,267,349	0.25	0.96	$22,079,843	$22,079,843	$0	$0	$429,538

Jobs Promise: 35

Tax Year	Jobs Promised (Same as 312)	Estimated Salary (same as 312)
2018		
2019		
2020		
2021		
2022		
2023	35	$65,000
2024	35	$65,000
2025	35	$65,000

Source: https://assets.comptroller.texas.gov/ch313/297/Gregory-Portland-Corpus-Christi-Liquefaction-Train-2-2020-Application-6-3-13.pdf

Train 3

Limitation Schedule

Source: https://assets.comptroller.texas.gov/ch313/298/00298-CDR-3D-2020-0818-MCA-205902-GREGORY-PORTLAND-V4.xlsx

Year of Agreement	Tax Year	Market Value of Qualified Property (Before Any Exemptions)	Taxable Value of Qualified Property for I&S Purposes	Taxable Value of Qualified Property for M&O Purposes	I&S Tax Rate	M&O Tax Rate	Total Tax Levy (I&S and M&O) without Limitation	Total Tax Levy (I&S and M&O) with limitation and After Application of Any Tax Credit	Total Gross Tax Savings	Revenue Protection Payments	Supplemental Payments (Paid/Estimated to be Paid)
QTP1	2019	$147,600,000	$147,600,000	$147,600,000	0.20	1.07	$1,872,085	$1,872,085	$0	$0	$0
QTP2	2020	$633,525,500	$615,000,000	$615,000,000	0.25	0.96	$7,459,950	$7,459,950	$0	$0	$0

L1	2021	$2,054,066,700	$1,982,066,700	$30,000,000	0.25	0.96	$24,042,469	$5,244,067	$18,798,402	$4,840,291	$1,739,150
L2	2022	$1,910,282,031	$1,837,305,151	$30,000,000	0.25	0.96	$22,286,511	$3,897,887	$18,388,624	$1,971,901	$429,538
L3	2023	$1,776,562,289	$1,703,585,409	$30,000,000	0.25	0.96	$20,664,491	$3,563,588	$17,100,903	$0	$429,538
L4	2024	$1,652,202,929	$1,579,226,049	$30,000,000	0.25	0.96	$19,156,012	$3,252,689	$15,903,323	$0	$429,538
L5	2025	$1,536,548,724	$1,463,571,844	$30,000,000	0.25	0.96	$17,753,126	$2,963,554	$14,789,573	$7,957	$429,538
L6	2026	$1,428,990,313	$1,356,013,433	$30,000,000	0.25	0.96	$16,448,443	$2,694,658	$13,753,785	$0	$429,538
L7	2027	$1,328,960,991	$1,255,984,111	$30,000,000	0.25	0.96	$15,235,087	$2,444,585	$12,790,503	$989,255	$429,538
L8	2028	$1,235,933,722	$1,162,956,842	$30,000,000	0.25	0.96	$14,106,666	$2,212,016	$11,894,650	$903,310	$429,538
MVP1	2029	$1,149,418,361	$1,076,441,481	$1,076,441,481	0.25	0.96	$13,057,235	$13,057,235	$0	$0	$429,538
MVP2	2030	$1,068,959,076	$995,982,196	$995,982,196	0.25	0.96	$12,081,264	$12,081,264	$0	$0	$429,538

Jobs Promised: 35

Tax Year	Jobs Promised (Same as 312)	Estimated Salary (same as 312)
2021		
2022		
2023		
2024	35	$65,000
2025	35	$65,000
2026	35	$65,000
2027	35	$65,000
2028	35	$65,000

Source: https://assets.comptroller.texas.gov/ch313/298/Gregory-Portland-Corpus-Christi-Liquefaction-Train-3-2021-Application-6-3-13.pdf

Train 4

Limitation Schedule

Source: https://assets.comptroller.texas.gov/ch313/1179/01179-CDR-4D-2020-0805-MCA-205902-GREGORY-PORTLAND.xlsx

Year of Agreement	Tax Year	Market Value of Qualified Property (Before Any Exemptions)	Taxable Value of Qualified Property for I&S Purposes	Taxable Value of Qualified Property for M&O Purposes	I&S Tax Rate	M&O Tax Rate	Total Tax Levy (I&S and M&O) without Limitation	Total Tax Levy (I&S and M&O) with Limitation	Gross Tax Savings through Limitation	Revenue Protection Payments	Supplemental Payments (Paid/Estimated to be Paid)
QTP1	2023	$435,941,893	$435,941,893	$435,941,893	0.25	0.96	$5,287,975	$5,287,975	$0	$0	$0
QTP2	2024	$1,045,941,893	$1,045,941,893	$1,045,941,893	0.25	0.96	$12,687,275	$12,687,275	$0	$0	$0
L1	2025	$1,776,941,893	$1,776,941,893	$30,000,000	0.25	0.96	$21,554,305	$4,731,255	$16,823,050	$5,888,068	$86,754
L2	2026	$2,447,941,893	$2,447,941,893	$30,000,000	0.25	0.96	$29,693,535	$6,408,755	$23,284,780	$3,194,433	$2,147,692
L3	2027	$2,276,941,893	$2,276,941,893	$30,000,000	0.25	0.96	$27,619,305	$5,981,255	$21,638,050	$5,629,116	$429,538
L4	2028	$2,203,941,893	$2,203,941,893	$30,000,000	0.25	0.96	$26,733,815	$5,798,755	$20,935,060	$5,432,279	$429,538
L5	2029	$2,125,941,893	$2,125,941,893	$30,000,000	0.25	0.96	$25,787,675	$5,603,755	$20,183,920	$5,221,959	$429,538
L6	2030	$2,057,841,893	$2,057,841,893	$30,000,000	0.25	0.96	$24,961,622	$5,433,505	$19,528,117	$3,397,888	$429,538
L7	2031	$1,984,841,893	$1,984,841,893	$30,000,000	0.25	0.96	$24,076,132	$5,251,005	$18,825,127	$1,063,891	$429,538
L8	2032	$1,910,841,893	$1,910,841,893	$30,000,000	0.25	0.96	$23,178,512	$5,066,005	$18,112,507	$4,130,482	$429,538
L9	2033	$1,837,841,893	$1,837,841,893	$30,000,000	0.25	0.96	$22,293,022	$4,883,505	$17,409,517	$496,406	$429,538
L10	2034	$1,776,741,893	$1,776,741,893	$30,000,000	0.25	0.96	$21,551,879	$4,730,755	$16,821,124	$0	$429,538
MVP1	2035	$1,715,741,893	$1,715,741,893	$1,715,741,893	0.25	0.96	$20,811,949	$20,811,949	$0	$0	$429,538
MVP2	2036	$1,654,741,893	$1,654,741,893	$1,654,741,893	0.25	0.96	$20,072,019	$20,072,019	$0	$0	$429,538
MVP3	2037	$1,533,741,893	$1,533,741,893	$1,533,741,893	0.25	0.96	$18,604,289	$18,604,289	$0	$0	$429,538
MVP4	2038	$1,423,741,893	$1,423,741,893	$1,423,741,893	0.25	0.96	$17,269,989	$17,269,989	$0	$0	$0
MVP5	2039	$1,313,641,893	$1,313,641,893	$1,313,641,893	0.25	0.96	$15,934,476	$15,934,476	$0	$0	$0

Jobs Promised: 45

Tax Year	Jobs Promised (from 312)	Estimated Salary (from 312 drainage)
2025	45	$65,000
2026	45	$65,000
2027	45	$65,000
2028	45	$65,000
2029	45	$65,000
2030	45	$65,000
2031	45	$65,000
2032	45	$65,000
2033	45	$65,000
2034	45	$65,000

Source: https://assets.comptroller.texas.gov/ch313/1180/gregory-1180-corpus-app.pdf

Train 5

Limitation Schedule

Source: https://assets.comptroller.texas.gov/ch313/1180/01180-CDR-4D-2020-0805-MCA-205902-GREGORY-PORTLAND.xlsx

Year of Agreement	Tax Year	Market Value of Qualified Property (Before Any Exemptions)	Taxable Value of Qualified Property for I&S Purposes	Taxable Value of Qualified Property for M&O Purposes	I&S Tax Rate	M&O Tax Rate	Total Tax Levy (I&S and M&O) without Limitation	Total Tax Levy (I&S and M&O) with Limitation	Gross Tax Savings through Limitation	Revenue Protection Payments	Supplemental Payments (Paid/Estimated to be Paid)
QTP1	2023	$281,941,893	$281,941,893	$281,941,893	0.25	0.96	$3,419,955	$3,419,955	$0	$0	$0
QTP2	2024	$671,941,893	$671,941,893	$671,941,893	0.25	0.96	$8,150,655	$8,150,655	$0	$0	$0
L1	2025	$1,140,941,893	$1,140,941,893	$30,000,000	0.25	0.96	$13,839,625	$3,141,255	$10,698,370	$3,744,430	$0
L2	2026	$1,569,941,893	$1,569,941,893	$30,000,000	0.25	0.96	$19,043,395	$4,213,755	$14,829,640	$1,255,722	$2,147,692
L3	2027	$1,460,941,893	$1,460,941,893	$30,000,000	0.25	0.96	$17,721,225	$3,941,255	$13,779,970	$3,428,853	$429,538
L4	2028	$1,413,941,893	$1,413,941,893	$30,000,000	0.25	0.96	$17,151,115	$3,823,755	$13,327,360	$3,302,123	$429,538

L5	2029	$1,363,941,893	$1,363,941,893	$30,000,000	0.25	0.96	$16,544,615	$3,698,755	$12,845,860	$3,167,303	$429,538
L6	2030	$1,319,941,893	$1,319,941,893	$30,000,000	0.25	0.96	$16,010,895	$3,588,755	$12,422,140	$2,593,805	$429,538
L7	2031	$1,272,941,893	$1,272,941,893	$30,000,000	0.25	0.96	$15,440,785	$3,471,255	$11,969,530	$494,371	$429,538
L8	2032	$1,226,941,893	$1,226,941,893	$30,000,000	0.25	0.96	$14,882,805	$3,356,255	$11,526,550	$3,559,100	$429,538
L9	2033	$1,179,941,893	$1,179,941,893	$30,000,000	0.25	0.96	$14,312,695	$3,238,755	$11,073,940	$325,272	$429,538
L10	2034	$1,140,941,893	$1,140,941,893	$30,000,000	0.25	0.96	$13,839,625	$3,141,255	$10,698,370	$0	$429,538
MVP1	2035	$1,101,941,893	$1,101,941,893	$1,101,941,893	0.25	0.96	$13,366,555	$13,366,555	$0	$0	$429,538
MVP2	2036	$1,062,941,893	$1,062,941,893	$1,062,941,893	0.25	0.96	$12,893,485	$12,893,485	$0	$0	$429,538
MVP3	2037	$984,941,893	$984,941,893	$984,941,893	0.25	0.96	$11,947,345	$11,947,345	$0	$0	$429,538
MVP4	2038	$913,941,893	$913,941,893	$913,941,893	0.25	0.96	$11,086,115	$11,086,115	$0	$0	$0
MVP5	2039	$843,941,893	$843,941,893	$843,941,893	0.25	0.96	$10,237,015	$10,237,015	$0	$0	$0

Jobs Promised: 45

Tax Year	Jobs Promised (from 312)	Estimated Salary (from 312 Drainage)
2025	45	$65,000
2026	45	$65,000
2027	45	$65,000
2028	45	$65,000
2029	45	$65,000
2030	45	$65,000
2031	45	$65,000
2032	45	$65,000
2033	45	$65,000
2034	45	$65,000

Source: https://assets.comptroller.texas.gov/ch313/1179/gregory-1179-corpus-app.pdf

Autocase
Economic Advisory

Dock

Limitation Schedule

Source: https://assets.comptroller.texas.gov/ch313/362/00362-CDR-3D-2020-0804-MCA-178904-CorpusChristi-V2.xlsx

Year of Agreement	Tax Year	Market Value of Qualified Property (Before Any Exemptions)	Taxable Value of Qualified Property for I&S Purposes	Taxable Value of Qualified Property for M&O Purposes	I&S Tax Rate	M&O Tax Rate	Total Tax Levy (I&S and M&O) without Limitation	Total Tax Levy (I&S and M&O) with limitation and After Application of Any Tax Credit	Total Gross Tax Savings	Revenue Protection Payments	Supplemental Payments (Paid/Estimated to be Paid)
QTP1	2016	$1,000,000	$1,000,000	$1,000,000	0.18	1.06	$12,374	$12,374	$0	$0	$0
QTP2	2017	$4,475,000	$4,475,000	$4,475,000	0.18	1.06	$55,374	$55,374	$0	$0	$0
L1	2018	$81,574,640	$81,574,640	$30,000,000	0.20	1.11	$1,064,631	$494,679	$569,951	$637,976	$0
L2	2019	$0	$0	$0	0.28	0.99	$0	$0	$0	$0	$0
L3	2020	$0	$0	$0	0.28	1.01	$0	$0	$0	$0	$0
L4	2021	$0	$0	$0	0.28	1.01	$0	$0	$0	$0	$0
L5	2022	$0	$0	$0	0.28	1.01	$0	$0	$0	$0	$0
L6	2023	$0	$0	$0	0.28	1.01	$0	$0	$0	$0	$0
L7	2024	$0	$0	$0	0.28	1.01	$0	$0	$0	$0	$0
L8	2025	$0	$0	$0	0.28	1.01	$0	$0	$0	$0	$0
MVP1	2026	$0	$0	$0	0.28	1.01	$0	$0	$0	$0	$0
MVP2	2027	$0	$0	$0	0.28	1.01	$0	$0	$0	$0	$0
MVP3	2028	$0	$0	$0	0.28	1.01	$0	$0	$0	$0	$0

Jobs Promised: 10

Tax Year	Jobs Promised	Estimated Salary
2018		
2019		
2020	10	$65,000
2021		
2022		

Autocase
Economic Advisory

2023
2024
2025

Source: https://assets.comptroller.texas.gov/ch313/362/App-362-Corpus-Christi-ISD-Corpus-Christi-Liquefaction-LLC-Transmittal-Letter-and-Application.pdf

Corpus Christi Liquefaction - 312

Nueces County (Castleton)

Core Info:

Total Investment	$300,000,000
PILOT	-
Total Jobs Promised	20
Average wage	$65,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Improvement Value	Permanent Jobs	Salary
1	2016	100%	0.246159%	$100,000,000	$100,000,000	20	$65,000
2	2017	100%	0.259163%	$100,000,000	$200,000,000	20	$65,000
3	2018	100%	0.281885%	$100,000,000	$300,000,000	20	$65,000
4	2019	50%	0.280665%		$300,000,000	20	$65,000
5	2020	50%	0.288600%		$300,000,000	20	$65,000
6	2021	50%	0.283340%		$300,000,000	20	$65,000
7	2022	50%	0.283340%		$300,000,000	20	$65,000
8	2023	50%	0.283340%		$300,000,000	20	$65,000

Nueces County (Dock)

Core Info:

Total Investment	$100,000,000
PILOT	-
Total Jobs Promised	10
Average wage	$65,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Improvement Value	Permanent Jobs	Salary
0	2016						
1	2017	100%	0.259163%	$20,000,000	$20,000,000	10	$65,000
2	2018	100%	0.281885%	$20,000,000	$40,000,000	10	$65,000
3	2019	100%	0.280665%	$20,000,000	$60,000,000	10	$65,000
4	2020	100%	0.288600%	$20,000,000	$80,000,000	10	$65,000
5	2021	100%	0.283340%	$20,000,000	$100,000,000	10	$65,000
6	2022	50%	0.283340%		$100,000,000	10	$65,000
7	2023	50%	0.283340%		$100,000,000	10	$65,000
8	2024	50%	0.283340%		$100,000,000	10	$65,000
9	2025	50%	0.283340%		$100,000,000	10	$65,000
10	2026	50%	0.283340%		$100,000,000	10	$65,000

San Patricio County (Train 1)

Core Info:

Total Investment	$1,500,000,000
PILOT	$2,000,000 per yr

Total Jobs Promised (from 313)	90
Average wage (from 313)	$65,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Improvement Value	CAD	PILOT	Permanent Jobs	Salary
0	2018			$375,000,000		$0			
1	2019	100%	0.505600%	$375,000,000	$750,000,000	$3,942,522,200	$2,000,000		$65,000
2	2020	100%	0.495157%	$375,000,000	$1,125,000,000	$3,871,525,920	$2,000,000	90	$65,000
3	2021	100%	0.495157%	$375,000,000	$1,500,000,000	$3,153,710,860	$2,000,000	90	$65,000
4	2022	100%	0.495157%		$1,500,000,000	$3,153,710,860	$2,000,000	90	$65,000
5	2023	100%	0.495157%		$1,500,000,000	$3,153,710,860	$2,000,000	90	$65,000
6	2024	100%	0.495157%		$1,500,000,000	$3,153,710,860	$2,000,000	90	$65,000
7	2025	100%	0.495157%		$1,500,000,000	$3,153,710,860	$2,000,000	90	$65,000
8	2026	100%	0.495157%		$1,500,000,000	$3,153,710,860	$2,000,000	90	$65,000
9	2027	100%	0.495157%		$1,500,000,000	$3,153,710,860	$2,000,000	90	$65,000
10	2028	100%	0.495157%		$1,500,000,000	$3,153,710,860	$2,000,000	90	$65,000

San Patricio County (Train 2)

Core Info:

Total Investment	$750,000,000
PILOT	$1,000,000 per yr
Total Jobs Promised (313)	35
Average wage	$65,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Improvement Value	CAD	PILOT	Permanent Jobs	Salary
0	2019			$187,500,000		$1,306,506,000			
1	2020	100%	0.495157%	$187,500,000	$375,000,000	$1,959,651,900	$1,000,000		$65,000
2	2021	100%	0.495157%	$187,500,000	$562,500,000	$1,936,422,980	$1,000,000		$65,000
3	2022	100%	0.495157%	$187,500,000	$750,000,000	$1,936,422,980	$1,000,000		$65,000
4	2023	100%	0.495157%		$750,000,000	$1,936,422,980	$1,000,000	35	$65,000
5	2024	100%	0.495157%		$750,000,000	$1,936,422,980	$1,000,000	35	$65,000
6	2025	100%	0.495157%		$750,000,000	$1,936,422,980	$1,000,000	35	$65,000
7	2026	100%	0.495157%		$750,000,000	$1,936,422,980	$1,000,000	35	$65,000
8	2027	100%	0.495157%		$750,000,000	$1,936,422,980	$1,000,000	35	$65,000
9	2028	100%	0.495157%		$750,000,000	$1,936,422,980	$1,000,000	35	$65,000
10	2029	100%	0.495157%		$750,000,000	$1,936,422,980	$1,000,000	35	$65,000

San Patricio County (Train 3)

Core Info:

Total Investment	$750,000,000
PILOT	$1,000,000 per yr
Total Jobs Promised (from 313)	35
Average wage	$65,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Improvement Value	CAD	PILOT	Permanent Jobs	Salary
0	2020			$187,500,000		$615,000,000			
1	2021	100%	0.495157%	$187,500,000	$375,000,000	$1,843,986,480	$1,000,000		$65,000

Autocase Economic Advisory

2	2022	100%	0.495157%	$187,500,000	$562,500,000	$1,843,986,480	$1,000,000		$65,000
3	2023	100%	0.495157%	$187,500,000	$750,000,000	$1,843,986,480	$1,000,000		$65,000
4	2024	100%	0.495157%			$1,843,986,480	$1,000,000	35	$65,000
5	2025	100%	0.495157%			$1,843,986,480	$1,000,000	35	$65,000
6	2026	100%	0.495157%			$1,843,986,480	$1,000,000	35	$65,000
7	2027	100%	0.495157%			$1,843,986,480	$1,000,000	35	$65,000
8	2028	100%	0.495157%			$1,843,986,480	$1,000,000	35	$65,000
9	2029	100%	0.495157%			$1,843,986,480	$1,000,000	35	$65,000
10	2030	100%	0.495157%			$1,843,986,480	$1,000,000	35	$65,000

San Patricio County Drainage District (Train 1)

Core Info:

Total Investment	$1,500,000,000
PILOT (one time payment)	$4,000,000
Total Jobs Promised (from 313)	90
Average wage	$65,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Improvement Value	CAD	PILOT	Permanent Jobs	Salary
0	2018			$375,000,000		$0			
1	2019	100%	0.065450%	$375,000,000	$750,000,000	$3,942,522,200			$65,000
2	2020	100%	0.061252%	$375,000,000	$1,125,000,000	$3,871,525,920		90	$65,000
3	2021	100%	0.059893%	$375,000,000	$1,500,000,000	$3,153,710,860		90	$65,000
4	2022	100%	0.059893%			$3,153,710,860		90	$65,000
5	2023	100%	0.059893%			$3,153,710,860		90	$65,000
6	2024	100%	0.059893%			$3,153,710,860		90	$65,000

7	2025	100%	0.059893%			$3,153,710,860	90	$65,000
8	2026	100%	0.059893%			$3,153,710,860	90	$65,000
9	2027	100%	0.059893%			$3,153,710,860	90	$65,000
10	2028	100%	0.059893%			$3,153,710,860	90	$65,000

San Patricio County Drainage District (Train 2)

Core Info:

Total Investment	$750,000,000
PILOT	-
Total Jobs Promised (from 313)	35
Average wage	$65,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Improvement Value	CAD	Permanent Jobs	Salary
0	2019			$187,500,000		$1,306,506,000		
1	2020	100%	0.061252%	$187,500,000	$375,000,000	$1,959,651,900		$65,000
2	2021	100%	0.059893%	$187,500,000	$562,500,000	$1,936,422,980		$65,000
3	2022	100%	0.059893%	$187,500,000	$750,000,000	$1,936,422,980		$65,000
4	2023	100%	0.059893%			$1,936,422,980	35	$65,000
5	2024	100%	0.059893%			$1,936,422,980	35	$65,000
6	2025	100%	0.059893%			$1,936,422,980	35	$65,000
7	2026	100%	0.059893%			$1,936,422,980	35	$65,000
8	2027	100%	0.059893%			$1,936,422,980	35	$65,000
9	2028	100%	0.059893%			$1,936,422,980	35	$65,000
10	2029	100%	0.059893%			$1,936,422,980	35	$65,000

San Patricio County Drainage District (Train 3)

Core Info:

Total Investment	$750,000,000
PILOT (one time payment)	$1,000,000
Total Jobs Promised (from 313)	35
Average wage	$65,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Improvement Value	CAD	PILOT	Permanent Jobs	Salary
0	2020			$187,500,000		$615,000,000			
1	2021	100%	0.059893%	$187,500,000	$375,000,000	$1,843,986,480			$65,000
2	2022	100%	0.059893%	$187,500,000	$562,500,000	$1,843,986,480			$65,000
3	2023	100%	0.059893%	$187,500,000	$750,000,000	$1,843,986,480			$65,000
4	2024	100%	0.059893%			$1,843,986,480		35	$65,000
5	2025	100%	0.059893%			$1,843,986,480		35	$65,000
6	2026	100%	0.059893%			$1,843,986,480		35	$65,000
7	2027	100%	0.059893%			$1,843,986,480		35	$65,000
8	2028	100%	0.059893%			$1,843,986,480		35	$65,000
9	2029	100%	0.059893%			$1,843,986,480		35	$65,000
10	2030	100%	0.059893%			$1,843,986,480		35	$65,000

San Patricio County Drainage District (Train 4)

Core Info:

Total Investment	$1,500,000,000
PILOT (one time payment)	$1,500,000
Total Jobs Promised	45
Average wage (from 313)	$65,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Improvement Value	PILOT	Permanent Jobs	Salary
0	2018			$375,000,000	$375,000,000			
0	2019			$375,000,000	$750,000,000			
0	2020			$375,000,000	$1,125,000,000			
0	2021		0.059893%	$375,000,000	$1,500,000,000			
0	2022		0.059893%		$1,500,000,000			
0	2023		0.059893%		$1,500,000,000			
0	2024		0.059893%		$1,500,000,000			
1	2025	100%	0.059893%		$1,500,000,000		45	$65,000
2	2026	100%	0.059893%		$1,500,000,000		45	$65,000
3	2027	100%	0.059893%		$1,500,000,000		45	$65,000
4	2028	100%	0.059893%		$1,500,000,000		45	$65,000
5	2029	100%	0.059893%		$1,500,000,000		45	$65,000
6	2030	100%	0.059893%		$1,500,000,000		45	$65,000
7	2031	100%	0.059893%		$1,500,000,000		45	$65,000
8	2032	100%	0.059893%		$1,500,000,000		45	$65,000
9	2033	100%	0.059893%		$1,500,000,000		45	$65,000
10	2034	100%	0.059893%		$1,500,000,000		45	$65,000

San Patricio County Drainage District (Train 5)

Core Info:

Total Investment	$1,500,000,000
PILOT (one time payment)	$1,500,000
Total Jobs Promised	45
Average wage (from 313)	$65,000

Abatement Schedule:

Period	Year	Abatement	Tax Rate	Investment Spending	Estimated Improvement Value	PILOT	Permanent Jobs	Salary
0	2019			$375,000,000	$375,000,000			
0	2020			$375,000,000	$750,000,000			
0	2021		0.059893%	$375,000,000	$1,125,000,000			
0	2022		0.059893%	$375,000,000	$1,500,000,000			
0	2023		0.059893%		$1,500,000,000			
0	2024		0.059893%		$1,500,000,000			
0	2025		0.059893%		$1,500,000,000			
1	2026	100%	0.059893%		$1,500,000,000		45	$65,000
2	2027	100%	0.059893%		$1,500,000,000		45	$65,000
3	2028	100%	0.059893%		$1,500,000,000		45	$65,000
4	2029	100%	0.059893%		$1,500,000,000		45	$65,000
5	2030	100%	0.059893%		$1,500,000,000		45	$65,000
6	2031	100%	0.059893%		$1,500,000,000		45	$65,000
7	2032	100%	0.059893%		$1,500,000,000		45	$65,000
8	2033	100%	0.059893%		$1,500,000,000		45	$65,000
9	2034	100%	0.059893%		$1,500,000,000		45	$65,000
10	2035	100%	0.059893%		$1,500,000,000		45	$65,000

Corpus Christi Liquefaction - IDA

PILOT Schedule:

Period	Year	Tax Rate	Improvement Value
1	2019	0.646264%	$0
2	2020	0.646264%	$0
3	2021	0.646264%	$0
4	2022	0.646264%	$0
5	2023	0.646264%	$0
6	2024	0.646264%	$0

CAD Property Values

Source: https://esearch.sanpatcad.org/

Geo 2139-0139-0001-103 **Property ID** 1036218

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	$0	$1,050,000	$0	$1,050,000	$0	$1,050,000
2020	$0	$1,050,000	$0	$1,050,000	$0	$1,050,000
2019	$0	$1,050,000	$0	$1,050,000	$0	$1,050,000
2018	$0	$1,080,000	$0	$1,080,000	$0	$1,080,000
2017	$0	$1,080,000	$0	$1,080,000	$0	$1,080,000

Corpus Christi Polymers

Corpus Christi Polymers - 313

Limitation Schedule Source: https://assets.comptroller.texas.gov/ch313/277/00277-CDR-3D-2020-0815-MCA-178912-TULOSO-MIDWAY.xlsx

Year of Agreement	Tax Year	Market Value of Qualified Property (Before Any Exemptions)	Taxable Value of Qualified Property for I&S Purposes	Taxable Value of Qualified Property for M&O Purposes	I&S Tax Rate	M&O Tax Rate	Total Tax Levy (I&S and M&O) without Limitation	Total Tax Levy (I&S and M&O) with limitation and After Application of Any Tax Credit	Total Gross Tax Savings	Revenue Protection Payments	Supplemental Payments (Paid/Estimated to be Paid)
QTP1	2014	$14,795,095	$14,795,095	$14,795,095	0.30	1.09	$206,318	$206,318	$0	$0	$361,855
QTP2	2015	$10,916,193	$10,916,193	$10,916,193	0.27	1.11	$150,360	$150,360	$0	$0	$365,910
L1	2016	$139,634,163	$139,634,163	$30,000,000	0.24	1.17	$1,967,306	$684,586	$1,282,720	$1,288,998	$366,000
L2	2017	$482,998,600	$482,998,600	$30,000,000	0.20	1.17	$6,627,707	$1,327,623	$5,300,084	$3,690,410	$360,832
L3	2018	$518,554,400	$518,554,400	$30,000,000	0.20	1.17	$7,115,603	$1,399,517	$5,716,086	$626,698	$378,714
L4	2019	$518,554,400	$518,554,400	$30,000,000	0.15	1.07	$6,295,199	$1,075,728	$5,219,471	$0	$366,892
L5	2020	$518,554,400	$518,554,400	$30,000,000	0.15	1.05	$6,225,186	$1,071,677	$5,153,509	$0	$347,652
L6	2021	$518,554,400	$518,554,400	$30,000,000	0.15	1.05	$6,225,186	$1,071,677	$5,153,509	$0	$365,958
L7	2022	$518,554,400	$518,554,400	$30,000,000	0.15	1.05	$6,225,186	$1,071,677	$5,153,509	$0	$365,958
L8	2023	$807,421,760	$807,421,760	$30,000,000	0.15	1.05	$9,693,005	$1,492,384	$8,200,622	$0	$365,958
MVP1	2024	$1,200,000,000	$1,200,000,000	$1,200,000,000	0.15	1.05	$14,405,862	$14,405,862	$0	$0	$365,958
MVP2	2025	$1,104,000,000	$1,104,000,000	$1,104,000,000	0.15	1.05	$13,253,393	$13,253,393	$0	$0	$365,958
MVP3	2026	$1,015,680,000	$1,015,680,000	$1,015,680,000	0.15	1.05	$12,193,122	$12,193,122	$0	$0	$365,958

Jobs Promised: 220

Tax Year	Jobs Promised (from 313)	Estimated Salary (from 313)
2016	220	$53,166
2017	220	$53,166
2018	220	$53,166
2019	220	$53,166
2020	220	$53,166
2021	220	$53,166
2022	220	$53,166
2023	220	$53,166

Source: https://assets.comptroller.texas.gov/ch313/277/Tuloso-Midway-ISD-MG-Resins-2014-Application-3-21-13.pdf

Corpus Christi Polymers - 312

<u>Nueces County</u>

Core Info:

Total Investment	$751,000,000
PILOT	$14,737,487
Total Jobs Promised	220
Average wage	$53,166