



Christina M. Hyden
Advisor
Real Estate Services
Property Tax

PHILLIPS 66
1388-01 Phillips Bldg.
420 S. Keeler Ave.
Bartlesville, OK 74003
Phone 918.977.4847

October 10, 2014

Randy Miksch
Superintendent, Sweeny Independent School District
1310 North Elm Street
Sweeny, TX 77480

In re: Application and Request for Board Resolution of Intent to Approve Application for Appraised Value Limitation for School District Maintenance and Operations Taxes (Texas Tax Code, Chapter 313)

Dear Mr. Miksch:

Enclosed is an application for Chapter 313 school value limitation from maintenance and operations taxes and payment of the required \$75,000 fee for the following project.

Midstream Fractionator 2 – Project estimates are:

- \$1.1 billion capital investment
- 30 permanent jobs
- 500 construction jobs
- Construction start 1st Quarter 2016, begin operations 2nd Quarter 2017
- Sites considered are Sweeny (preferred), Jefferson County, Matagorda County, and Lake Charles, Louisiana

Property taxes are a significant factor in the decision of where to place this project. As Phillips 66 management need greater assurance in our economic models of property taxes before site selection and the value limitation application review with the Comptroller's office is 90 days, **we respectfully request the Sweeny ISD board of trustees to issue a resolution of intent to approve an Application for Appraised Value Limitation for School District Maintenance and Operations Taxes for the above referenced project.** We will be glad to attend a board meeting to further describe the proposed project and importance of this request.

Respectfully,


Christina M. Hyden

Enclosure

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project vicinity b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

Tab 1

Application for Chapter 313 Value Limitation



Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

Economic Development
and Analysis
Form 50-296-A

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

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

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

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

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

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

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

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

October 27, 2014

Date Application Received by District

Randy

First Name

Superintendent

Title

Sweeny Independent School District

School District Name

1310 North Elm Street

Street Address

1310 North Elm Street

Mailing Address

Sweeny

City

979-491-8000

Phone Number

Mobile Number (optional)

Miksch

Last Name

TX

State

979-491-8030

Fax Number

rmiksch@sweenyisd.org

Email Address

77480

ZIP

2. Does the district authorize the consultant to provide and obtain information related to this application? Yes No

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

<u>Dan</u> First Name	<u>Casey</u> Last Name
<u>Consultant</u> Title	
<u>Moak Casey & Associates</u> Firm Name	
<u>512-485-7878</u> Phone Number	<u>512-485-7888</u> Fax Number
	<u>dcasey@moakcasey.com</u> Email Address
<u>Mobile Number (optional)</u>	<u>11/14/14</u>

4. On what date did the district determine this application complete?

5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

<u>Christina</u> First Name	<u>Hyden</u> Last Name
<u>Advisor, Real Estate Services</u> Title	<u>Phillips 66 Company</u> Organization
<u>420 S. Keeler - Property Tax</u> Street Address	
<u>420 S. Keeler - Property Tax</u> Mailing Address	
<u>Bartlesville</u> City	<u>OK</u> State
<u>918-977-4847</u> Phone Number	<u>74004</u> ZIP
	<u>918-977-2202</u> Fax Number
<u>Mobile Number (optional)</u>	<u>Christina.M.Hyden@p66.com</u> Business Email Address

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? Yes No

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

not applicable
First Name

not applicable
Last Name

not applicable
Title

not applicable
Organization

not applicable
Street Address

not applicable
Mailing Address

not applicable
City

not applicable
State

not applicable
ZIP

not applicable
Phone Number

not applicable
Fax Number

not applicable
Mobile Number (optional)

not applicable
Business Email Address

3. Does the applicant authorize the consultant to provide and obtain information related to this application? Yes No

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

not applicable

First Name _____ Last Name _____

Title _____

Firm Name _____

Phone Number _____ Fax Number _____

Business Email Address _____

SECTION 3: Fees and Payments

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

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

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

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

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A

3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Phillips 66 Company

2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 13716527026

3. List the NAICS code 324110

4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No

4a. If yes, please list application number, name of school district and year of agreement

26 Plemons-Stinnett-Phillips (2006), 21 Sweeny (2004), 286 Sweeny (2015), pending Sweeny

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Corporation

2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No

2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

3. Is the applicant current on all tax payments due to the State of Texas? Yes No

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

5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:

<input checked="" type="checkbox"/> Land has no existing improvements	<input type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

- 1. Application approval by school board March 2015
- 2. Commencement of construction 1st Quarter 2016
- 3. Beginning of qualifying time period 2017
- 4. First year of limitation 2017
- 5. Begin hiring new employees 1st Quarter 2017
- 6. Commencement of commercial operations 2nd Quarter 2017
- 7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? Yes No
- Note:** Improvements made before that time may not be considered qualified property.
- 8. When do you anticipate the new buildings or improvements will be placed in service? 2nd Quarter 2017

SECTION 10: The Property

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

County: <u>Brazoria, .49202, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>none</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>Sweeny Hospital District, .47, 100%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>W. Brazoria Drainage District, .02, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Port Freeport, .045, 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>Sweeny ISD, 1.2117, 100%</u> <small>(Name, tax rate and percent of project)</small>
- 5. Is the project located entirely within the ISD listed in Section 1? Yes No
 - 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
- 6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 - 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at www.texasahead.org/tax_programs/chapter313/.

- 1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
- 2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00
- Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
- 3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No
- 4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
- 5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? Yes No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? Yes No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? 12/19/14

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

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

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

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 30

2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2014
 (year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 3,463

Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 15

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No

6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

a. Average weekly wage for all jobs (all industries) in the county is 1,016.75

b. 110% of the average weekly wage for manufacturing jobs in the county is 2,175.80

c. 110% of the average weekly wage for manufacturing jobs in the region is 1,150.00

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 59,785.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 59,785.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No

12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No

13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (not required)

3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

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

print here

Randy Miksch

Print Name (Authorized School District Representative)

Superintendent

Title

sign here

Randy Miksch

Signature (Authorized School District Representative)

10/21/14

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here

Christina M. Hyden

Print Name (Authorized Company Representative (Applicant))

Advisor, Real Estate Services

Title

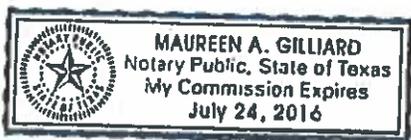
sign here

Christina M Hyden

Signature (Authorized Company Representative (Applicant))

10-10-14

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

10th day of October 2014

Maureen A. Gilliard
Notary Public in and for the State of Texas

My Commission expires: July 24, 2016

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

Tab 2

Proof of Payment of Application Fee

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

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

Tab 3

Documentation of Combined Group Membership under Texas Tax Code
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

Not applicable.

Tab 4

Description of Project
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

The proposed project (currently in the evaluation phase) would build a 110,000 barrels per day fractionator and related property to process raw make (y-grade) natural gas liquids (NGL) into marketable purity products, which are ethane, propane, iso-butane, normal butane and natural gasoline. The preferred site near the Sweeny Refinery would supply y-grade NGL from production in the Eagle Ford Shale and Permian Basin via existing pipelines and connectivity at Sweeny.

Project Highlights:

- \$1.1 billion capital investment
- 30 permanent jobs
- 500 construction jobs
- Construction start 1st Quarter 2016, begin operations 2nd Quarter 2017
- Sites considered are Sweeny (preferred), Jefferson County, Matagorda County, and Lake Charles, Louisiana

The project is classified as North American Industrial Classification System code 324110 liquefied petroleum gas (LPG) made in refineries.

Tab 5

Chapter 313 Determining Factor in Site Selection
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

Section 8, Item 8 in Application for Chapter 313 Value Limitation

Question: Has the applicant considered or is the applicant considering other locations not in Texas for the proposed project?

Answer: Yes. Locations considered for this project are Brazoria (this application), Jefferson and Matagorda counties and Lake Charles, Calcasieu Parish, Louisiana. Also, in addition to competition with other locations for this project, there is intense competition within Phillips 66 of where to place limited capital throughout our portfolio of properties in the U.S. and other countries. Approval of a Chapter 313 school value limitation is a very significant factor in the decision regarding the approval and location of this project.

As we respect the time of Sweeny ISD, Comptroller's office and non-school officials, at this time we are applying for abatement only with Brazoria County jurisdictions as the preferred site. Similarly, we do not apply for value limitations or abatements in Brazoria County when Brazoria County is considered but not the preferred site.

Tab 6

Description of How Project is in More Than One District
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

Not applicable. All proposed property would be in Sweeny ISD.

Tab 7

Description of Qualified Investment
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

All cost indicated on this application would be qualified investment as defined by §313.021(1) of the Texas Property Tax Code. The description is the same as Qualified Property in Tab 8.

Tab 8

Description and Qualified Property
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

The proposed qualified property in this application would be near the Sweeny Refinery in Old Ocean. Improvements and personal property listed below applies the definition to Section 1.04(3)(A) (mostly “fixtures” to real property) and personal property.

Air Compressor	Instrument Air Package
Air Cooling Exchangers	LPG Storage Spheres
Amine System	Nitrogen Skid
Control Systems & Infrastructure	Pipe and Pipe Racks
Control Valves	Pumps and Motors
Electrical Infrastructure and Instrumentation	Rail Car Loading Racks
Fire Protection/Deluge System	Refrigerant Compressors
Flare System	Regenerative Thermal Oxidizer
Fractionation Columns	Sulfur Removal
Gasoline Treatment	Truck Racks
Heat Exchangers	Waste Water Treatment
Heat Pump Compressors	Water Purification
Engineering	
Construction Labor	

The above description is similar to Schedule E (improvements) and Schedule I (personal property) in the Chapter 312 application to Brazoria County.

Tab 9

Description of Land
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

Address

Highway 35 & FM 524
Old Ocean, TX 77463

Legal Description (from Brazoria County Appraisal District)

Property ID: 245785
Geographic ID: 7435-0001-000
Legal Description: Sallee (A0119 Polly & Chance), Lot 1TO13-13A-16A-14TO22,
Acres 1537.881

The site for the proposed site is approximately **20 acres** of the above described land.

Tab 10

Description of All Property Not Eligible to Become Qualified Property
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

None

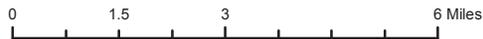
Sweeny Independent School District

Proposed
Reinvestment Zone
Phillips 66 Company
Midstream Fractionator 2

Brazoria County

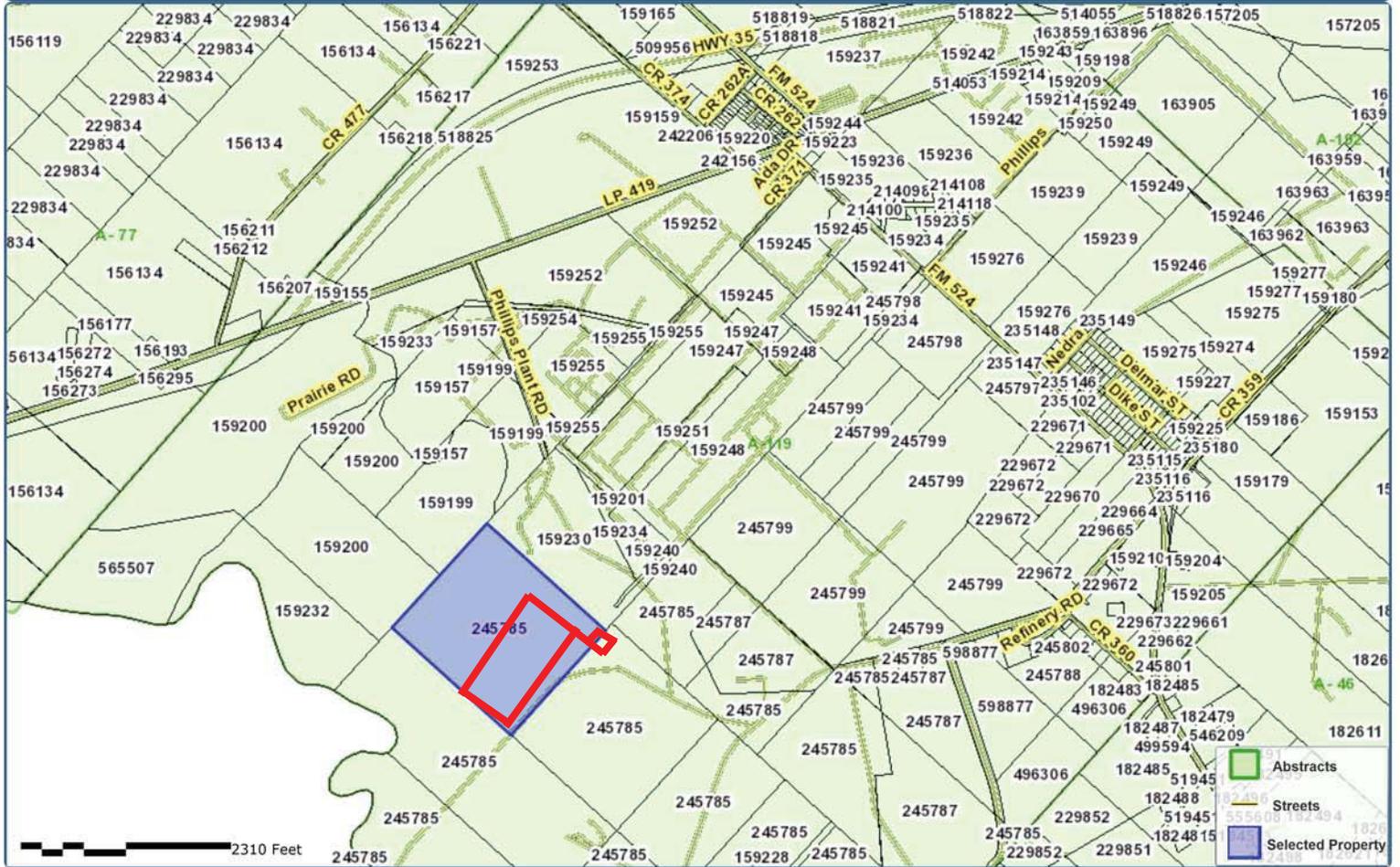
Matagorda County

Tab 11



This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Brazoria CAD - Map of Property ID 245785 for Year 2014



Property Details

Account

Property ID: 245785
 Geo ID: 7435-0001-000
 Type: Real

Legal Description: SALLEE (A0119 POLLY & CHANCE), LOT 1TO13-13A-16A-14TO22, ACRES 1537.881

Location

Situs Address: COUNTY ROAD 359 ,
 Neighborhood: A0192 AREA BY PLANT
 Mapsco:

Jurisdictions: CAD, EM2, GBC, HSW, NAV, RDB, SSW

Owner

Owner Name: PHILLIPS 66 COMPANY
 Mailing Address: , 420 S KEELER, BARTLESVILLE, OK 74004-0001

Property

Appraised Value: \$532,150.00

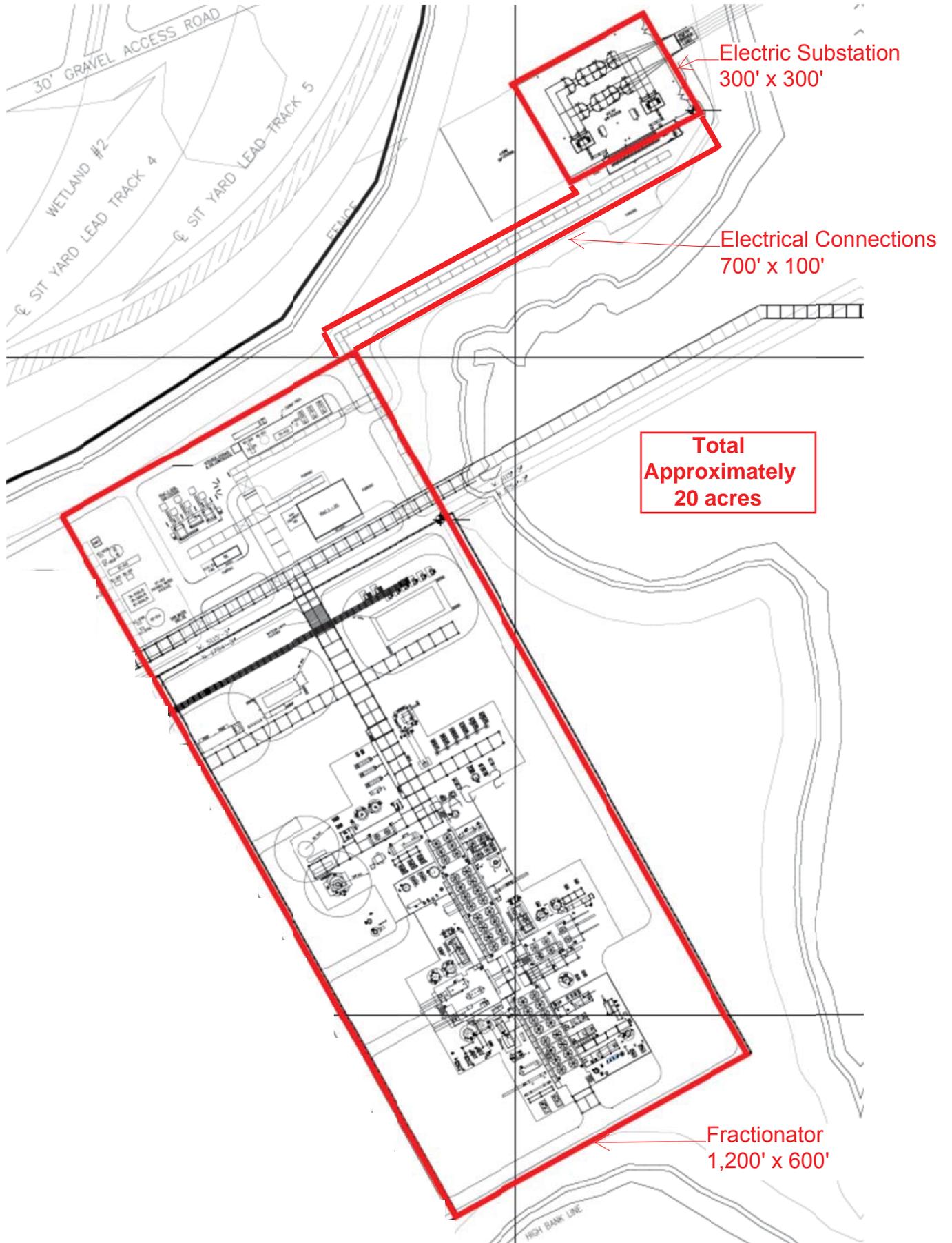
<https://propaccess.trueautomation.com/Map/View/Map/51/245785/2014>

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 www.trueautomation.com

Map Disclaimer: This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. The Brazoria County Appraisal District expressly disclaims any and all liability in connection herewith.

Tab 11

Midstream 2 Fractionator
Near Sweeny Refinery (Old Ocean), Brazoria County, TX



Tab 12

Request for Waiver of Job Creation Requirement
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

Not applicable.

Tab 13
Calculation of Wage Requirements
Phillips 66 Company
Midstream Fractionator 2

Year	Quarter	County	Industry	Avg Weekly Wages
2013	3	Brazoria	All Industries	\$946
2013	4	Brazoria	All Industries	\$1,015
2014	1	Brazoria	All Industries	\$1,102
2014	2	Brazoria	All Industries	\$1,004
Mean Average				\$1,016.75
Chapter 313 Factor				110%
Average Weekly x Factor				\$1,118.43

Year	Quarter	County	Industry	Avg Weekly Wages
2013	3	Brazoria	All Industries	\$1,755
2013	4	Brazoria	All Industries	\$1,863
2014	1	Brazoria	All Industries	\$2,403
2014	2	Brazoria	All Industries	\$1,891
Mean Average				\$1,978.00
Chapter 313 Factor				110%
Average Weekly x Factor				\$2,175.80

Year	Region	Avg Weekly Wages
2013	Houston Galveston Council of Government	\$54,350
	Chapter 313 Factor	110%
	Estimated Minimum Required Annual Wage	\$59,785
	Estimated Minimum Required Weekly Wage	\$1,150



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[Quarterly Employment and Wages \(QCEW\)](#)

[Wages by Profession](#)

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Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2013	1st Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$1,023
2013	2nd Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$959
2013	3rd Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$943
2013	4th Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$1,015
2014	1st Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$1,102
2014	2nd Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$1,007
2014	2nd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,891
2014	1st Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$2,403
2013	4th Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,863
2013	3rd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,755
2013	2nd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,795
2013	1st Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,982

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LOOKING FOR A JOB?



**2013 Manufacturing Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$23.73	\$49,363
<u>1. Panhandle Regional Planning Commission</u>	\$20.43	\$42,499
<u>2. South Plains Association of Governments</u>	\$16.53	\$34,380
<u>3. NORTEX Regional Planning Commission</u>	\$19.15	\$39,838
<u>4. North Central Texas Council of Governments</u>	\$25.00	\$51,997
<u>5. Ark-Tex Council of Governments</u>	\$17.45	\$36,298
<u>6. East Texas Council of Governments</u>	\$19.50	\$40,565
<u>7. West Central Texas Council of Governments</u>	\$18.64	\$38,779
<u>8. Rio Grande Council of Governments</u>	\$16.27	\$33,848
<u>9. Permian Basin Regional Planning Commission</u>	\$22.89	\$47,604
<u>10. Concho Valley Council of Governments</u>	\$17.20	\$35,777
<u>11. Heart of Texas Council of Governments</u>	\$19.44	\$40,444
<u>12. Capital Area Council of Governments</u>	\$27.31	\$56,805
<u>13. Brazos Valley Council of Governments</u>	\$17.20	\$35,770
<u>14. Deep East Texas Council of Governments</u>	\$16.48	\$34,287
<u>15. South East Texas Regional Planning Commission</u>	\$29.09	\$60,501
<u>16. Houston-Galveston Area Council</u>	\$26.13	\$54,350
<u>17. Golden Crescent Regional Planning Commission</u>	\$22.23	\$46,242
<u>18. Alamo Area Council of Governments</u>	\$18.91	\$39,329
<u>19. South Texas Development Council</u>	\$13.94	\$28,990
<u>20. Coastal Bend Council of Governments</u>	\$23.78	\$49,454
<u>21. Lower Rio Grande Valley Development Council</u>	\$15.82	\$32,907
<u>22. Texoma Council of Governments</u>	\$20.93	\$43,529
<u>23. Central Texas Council of Governments</u>	\$17.33	\$36,042
<u>24. Middle Rio Grande Development Council</u>	\$19.07	\$39,666

Source: Texas Occupational Employment and Wages

Data published: July 2014

Data published annually, next update will be July 31, 2015

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

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

October 10, 2014

Applicant Name **Phillips 66 Company**
 ISD Name **Sweeny**

Form 50-296A

Revised May 2014

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
				Column A	Column B	Column C	Column D	Column E	
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district		Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)		Not eligible to become Qualified Property				[The only other investment made before filing complete application with district that may become Qualified Property is land.]	0
Investment made after filing complete application with district, but before final board approval of application	--		2015	\$0	\$0	\$0	\$0	\$0	
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period			2016	\$0	\$0	\$0	\$0	\$0	
Complete tax years of qualifying time period	QTP1	2017-2018	2017	\$700,000,000	\$0	\$0	\$0	\$700,000,000	
	QTP2	2018-2019	2018	\$400,000,000	\$0	\$0	\$0	\$400,000,000	
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$1,100,000,000	\$0	\$0	\$0	\$1,100,000,000	
Enter amounts from TOTAL row above in Schedule A2									
Total Qualified Investment (sum of green cells)				\$1,100,000,000					

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

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

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

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

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

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

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

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property {SEE NOTE}	Column E Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		Enter amounts from TOTAL row in Schedule A1 in the row below				
				\$1,100,000,000	\$0	\$0	\$0	\$1,100,000,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2016-2017	2016	on Schedule A1				
Value limitation period***	1	2017-2018	2017	on Schedule A1	\$0	\$0	\$0	\$0
	2	2018-2019	2018	on Schedule A1	\$0	\$0	\$0	\$0
	3	2019-2020	2019		\$0	\$0	\$0	\$0
	4	2020-2021	2020		\$0	\$0	\$0	\$0
	5	2021-2022	2021		\$0	\$0	\$0	\$0
	6	2022-2023	2022		\$0	\$0	\$0	\$0
	7	2023-2024	2023		\$0	\$0	\$0	\$0
	8	2024-2025	2024		\$0	\$0	\$0	\$0
	9	2025-2026	2025		\$0	\$0	\$0	\$0
	10	2026-2027	2026		\$0	\$0	\$0	\$0
Total Investment made through limitation				\$1,100,000,000	\$0	\$0	\$0	\$1,100,000,000
Continue to maintain viable presence	11	2027-2028	2027			\$0		\$0
	12	2028-2029	2028			\$0		\$0
	13	2029-2030	2029			\$0		\$0
	14	2030-2031	2030			\$0		\$0
	15	2031-2032	2031			\$0		\$0
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2032-2033	2032			\$0		\$0
	17	2033-2034	2033			\$0		\$0
	18	2034-2035	2034			\$0		\$0
	19	2035-2036	2035			\$0		\$0
	20	2036-2037	2036			\$0		\$0
	21	2037-2038	2037			\$0		\$0
	22	2038-2039	2038			\$0		\$0
	23	2039-2040	2039			\$0		\$0
	24	2040-2041	2040			\$0		\$0
	25	2041-2042	2041			\$0		\$0

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

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

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

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

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

Only tangible personal property that is specifically described in the application can become qualified property.

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

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

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

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

October 10, 2014

Applicant Name **Phillips 66 Company** Form 50-296A

ISD Name **Sweeny** Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2016-2017	2016	0	0	0	0	0	0
Value Limitation Period	1	2017-2018	2017	0	0	330,000,000	330,000,000	330,000,000	30,000,000
	2	2018-2019	2018	0	0	1,056,000,000	1,056,000,000	1,056,000,000	30,000,000
	3	2019-2020	2019	0	0	1,012,000,000	1,012,000,000	1,012,000,000	30,000,000
	4	2020-2021	2020	0	0	968,000,000	968,000,000	968,000,000	30,000,000
	5	2021-2022	2021	0	0	924,000,000	924,000,000	924,000,000	30,000,000
	6	2022-2023	2022	0	0	880,000,000	880,000,000	880,000,000	30,000,000
	7	2023-2024	2023	0	0	836,000,000	836,000,000	836,000,000	30,000,000
	8	2024-2025	2024	0	0	792,000,000	792,000,000	792,000,000	30,000,000
	9	2025-2026	2025	0	0	748,000,000	748,000,000	748,000,000	30,000,000
	10	2026-2027	2026	0	0	704,000,000	704,000,000	704,000,000	30,000,000
Continue to maintain viable presence	11	2027-2028	2027	0	0	660,000,000	660,000,000	660,000,000	660,000,000
	12	2028-2029	2028	0	0	616,000,000	616,000,000	616,000,000	616,000,000
	13	2029-2030	2029	0	0	572,000,000	572,000,000	572,000,000	572,000,000
	14	2030-2031	2030	0	0	528,000,000	528,000,000	528,000,000	528,000,000
	15	2031-2032	2031	0	0	484,000,000	484,000,000	484,000,000	484,000,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2032-2033	2032	0	0	440,000,000	440,000,000	440,000,000	440,000,000
	17	2033-2034	2033	0	0	396,000,000	396,000,000	396,000,000	396,000,000
	18	2034-2035	2034	0	0	374,000,000	374,000,000	374,000,000	374,000,000
	19	2035-2036	2035	0	0	352,000,000	352,000,000	352,000,000	352,000,000
	20	2036-2037	2036	0	0	330,000,000	330,000,000	330,000,000	330,000,000
	21	2037-2038	2037	0	0	308,000,000	308,000,000	308,000,000	308,000,000
	22	2038-2039	2038	0	0	286,000,000	286,000,000	286,000,000	286,000,000
	23	2039-2040	2039	0	0	264,000,000	264,000,000	264,000,000	264,000,000
	24	2040-2041	2040	0	0	242,000,000	242,000,000	242,000,000	242,000,000
	25	2041-2042	2041	0	0	220,000,000	220,000,000	220,000,000	220,000,000

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

Schedule C: Employment Information

October 10, 2014

Applicant Name

Phillips 66 Company

Form 50-296A

ISD Name

Sweeny

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2016-2017	2016	300 FTE	\$82,700	0	0	\$0
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2017-2018	2017	500 FTE	\$82,700	0	15	\$59,785
	2	2018-2019	2018	0	0	0	15	\$59,785
	3	2019-2020	2019	0	0	0	15	\$59,785
	4	2020-2021	2020	0	0	0	15	\$59,785
	5	2021-2022	2021	0	0	0	15	\$59,785
	6	2022-2023	2022	0	0	0	15	\$59,785
	7	2023-2024	2023	0	0	0	15	\$59,785
	8	2024-2025	2024	0	0	0	15	\$59,785
	9	2025-2026	2025	0	0	0	15	\$59,785
	10	2026-2027	2026	0	0	0	15	\$59,785
Years Following Value Limitation Period	11 through 25	2028-2028 through 2041-2042	2027-2041	0	0	0	15	\$59,785

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

- C1.** Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 Yes No
- qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
- If yes, answer the following two questions:
- C1a.** Will the applicant request a job waiver, as provided under 313.025(f-1)? Yes No
- C1b.** Will the applicant avail itself of the provision in 313.021(3)(F)? Yes No

Schedule D: Other Incentives (Estimated)

October 10, 2014

Applicant Name

Phillips 66 Company

Form 50-296A

ISD Name

Sweeny

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County: none	n/a	n/a	0	0	0
	City: none	n/a	n/a	0	0	0
	Other: none	n/a	n/a	0	0	0
Tax Code Chapter 312	County: Brazoria	2017	10 years	3,130,000	3,130,000	0
	City: None	n/a	n/a	0	0	0
	Other: Port Freeport	2017	10 years	280,000	280,000	0
	Other: Sweeny Hospital	2017	10 years	2,990,000	2,990,000	0
	Other:	n/a	n/a	0	0	0
Local Government Code Chapters 380/381		n/a	n/a	0	0	0
		n/a	n/a	0	0	0
		n/a	n/a	0	0	0
Freeport Exemptions		n/a	n/a		0	
Non-Annexation Agreements		n/a	n/a		0	
Enterprise Zone/Project		n/a	n/a		0	
Economic Development Corporation		n/a	n/a		0	
Texas Enterprise Fund		n/a	n/a		0	
Employee Recruitment		n/a	n/a		0	
Skills Development Fund		n/a	n/a		0	
Training Facility Space and Equipment		n/a	n/a		0	
Infrastructure Incentives		n/a	n/a		0	
Permitting Assistance		n/a	n/a		0	
Other:					0	
Other:					0	
Other:					0	
Other:					0	
			TOTAL	6,400,000	6,400,000	0

Estimated annual taxes (current tax rate) to non-school jurisdictions for years 11-25 ranges from \$6.6 to \$2.3 million, average \$4.1 million.

Estimated annual taxes (current tax rate) to school district for years 11-25 ranges from \$8.2 to \$2.8 million, average \$5.1 million.

Tab 15

Economic Impact Analysis
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

No economic impact analysis has been performed as of the date of this filing. We anticipate obtaining an analysis within six weeks.

Tab 16

Description of Reinvestment Zone
Phillips 66 Company
Midstream Fractionator 2
Sweeny ISD, Brazoria County, TX

An application for Chapter 312 tax abatements is being filed at the same time as the Chapter 313 application. We anticipate having a resolution by mid-December 2014 from the Brazoria County Commissioners approving the requested reinvestment zone.

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

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

print here

Randy Miksch

Print Name (Authorized School District Representative)

Superintendent

Title

sign here

Randy Miksch

Signature (Authorized School District Representative)

10/21/14

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here

Christina M. Hyden

Print Name (Authorized Company Representative (Applicant))

Advisor, Real Estate Services

Title

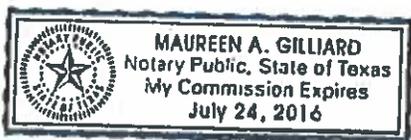
sign here

Christina M Hyden

Signature (Authorized Company Representative (Applicant))

10-10-14

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

10th day of October 2014

Maureen A. Gilliard
Notary Public in and for the State of Texas

My Commission expires: July 24, 2016

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