

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

P.O. Box 13528 • AUSTIN, TX 78711-3528



February 18, 2014

Dr. D. Scott Elliff
Superintendent
Corpus Christi Independent School District
801 Leopard Street
Corpus Christi, Texas 78403-0110

Dear Superintendent Elliff:

On Dec. 5, 2013, the Comptroller received the completed application (Application # 362) for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted in November 2013 to the Corpus Christi Independent School District (the school district) by Corpus Christi Liquefaction, LLC (the applicant). This letter presents the results of the Comptroller's review of the application:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to make a recommendation to the governing body of the school district as to whether the application should be approved or disapproved using the criteria set out by Section 313.026.

The school district is currently classified as a rural school district in Category 1 according to the provisions of Chapter 313. Therefore, the applicant properly applied under the provisions of Subchapter C, applicable to rural school districts. The amount of proposed qualified investment (\$71.5 million) is consistent with the proposed appraised value limitation sought (\$30 million). The property value limitation amount noted in this recommendation is based on property values available at the time of application and may change prior to the execution of any final agreement.

The applicant is an active franchise taxpayer in good standing, as required by Section 313.024(a), and is proposing the construction of a manufacturing facility in Nueces County, an eligible property use under Section 313.024(b). The Comptroller has determined that the property, as described in the application, meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

After reviewing the application using the criteria listed in Section 313.026, and the information provided by the applicant, the Comptroller's recommendation is that this application under Tax Code Chapter 313 be approved.

Our review of the application assumes the truth and accuracy of the statements in the application and that, if the application is approved, the applicant would perform according to the provisions of the agreement reached with the school district. Our recommendation does not address whether the applicant has complied with all Chapter 313 requirements; the school district is responsible for verifying that all requirements of the statute have been fulfilled. Additionally, Section 313.025 requires the school district to only approve an application if the school district finds that the information in the application is true and

¹ All statutory references are to the Texas Tax Code, unless otherwise noted.

correct, finds that the applicant is eligible for a limitation and determines that granting the application is in the best interest of the school district and this state. As stated above, the Comptroller's recommendation is prepared by generally reviewing the application and supporting documentation in light of the Section 313.026 criteria.

Note that any new building or other improvement existing as of the application review start date of Dec. 5, 2013, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2).

The Comptroller's recommendation is based on the application submitted by the school district and reviewed by the Comptroller. The recommendation may not be used by the school district to support its approval of the property value limitation agreement if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this recommendation is contingent on future compliance with the Chapter 313 and the Texas Administrative Code, with particular reference to the following requirements related to the execution of the agreement:

- 1) The applicant must provide the Comptroller a copy of the proposed limitation on appraised value agreement no later than ten (10) days prior to the meeting scheduled by the school district to consider approving the agreement, so that the Comptroller may review it for compliance with the statutes and the Comptroller's rules as well as consistency with the application;
- 2) The Comptroller must confirm that it received and reviewed the draft agreement and affirm the recommendation made in this letter;
- 3) The school district must approve and execute a limitation agreement that has been reviewed by the Comptroller within a year from the date of this letter; and
- 4) The school district must provide a copy of the signed limitation agreement to the Comptroller within seven (7) days after execution, as required by Section 313.025.

Should you have any questions, please contact Robert Wood, director of Economic Development & Analysis Division, by email at robert.wood@cpa.state.tx.us or by phone at 1-800-531-5441, ext. 3-3973, or direct in Austin at 512-463-3973.

Sincerely,



Martin A. Hubert
Deputy Comptroller

Enclosure

cc: Robert Wood

Economic Impact for Chapter 313 Project

Applicant	Corpus Christi Liquefaction, LLC
Tax Code, 313.024 Eligibility Category	Manufacturing
School District	Corpus Christi ISD
2011-2012 Enrollment in School District	39,142
County	Nueces
Total Investment in District	\$71,500,000
Qualified Investment	\$71,500,000
Limitation Amount	\$30,000,000
Number of total jobs committed to by applicant	10
Number of qualifying jobs committed to by applicant	8
Average Weekly Wage of Qualifying Jobs committed to by applicant	\$1,250
Minimum Weekly Wage Required Tax Code, 313.051(b)	\$1,011
Minimum Annual Wage committed to by applicant for qualified jobs	\$65,000
Investment per Qualifying Job	\$8,937,500
Estimated 15 year M&O levy without any limit or credit:	\$11,093,904
Estimated gross 15 year M&O tax benefit	\$4,361,033
Estimated 15 year M&O tax benefit (after deductions for estimated school district revenue protection--but not including any deduction for supplemental payments or extraordinary educational expenses):	\$3,637,436
Tax Credits (estimated - part of total tax benefit in the two lines above - appropriated through Foundation School Program)	\$0
Net M&O Tax (15 years) After Limitation, Credits and Revenue Protection:	\$7,456,468
Tax benefit as a percentage of what applicant would have paid without value limitation agreement (percentage exempted)	32.8%
Percentage of tax benefit due to the limitation	100.0%
Percentage of tax benefit due to the credit.	0.0%

This presents the Comptroller's economic impact evaluation of Corpus Christi Liquefaction, LLC (the project) applying to Corpus Christi Independent School District (the district), as required by Tax Code, 313.026. This evaluation is based on information provided by the applicant and examines the following criteria:

- (1) the recommendations of the comptroller;
- (2) the name of the school district;
- (3) the name of the applicant;
- (4) the general nature of the applicant's investment;
- (5) the relationship between the applicant's industry and the types of qualifying jobs to be created by the applicant to the long-term economic growth plans of this state as described in the strategic plan for economic development submitted by the Texas Strategic Economic Development Planning Commission under Section 481.033, Government Code, as that section existed before February 1, 1999;
- (6) the relative level of the applicant's investment per qualifying job to be created by the applicant;
- (7) the number of qualifying jobs to be created by the applicant;
- (8) the wages, salaries, and benefits to be offered by the applicant to qualifying job holders;
- (9) the ability of the applicant to locate or relocate in another state or another region of this state;
- (10) the impact the project will have on this state and individual local units of government, including:
 - (A) tax and other revenue gains, direct or indirect, that would be realized during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller; and
 - (B) economic effects of the project, including the impact on jobs and income, during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller;
- (11) the economic condition of the region of the state at the time the person's application is being considered;
- (12) the number of new facilities built or expanded in the region during the two years preceding the date of the application that were eligible to apply for a limitation on appraised value under this subchapter;
- (13) the effect of the applicant's proposal, if approved, on the number or size of the school district's instructional facilities, as defined by Section 46.001, Education Code;
- (14) the projected market value of the qualified property of the applicant as determined by the comptroller;
- (15) the proposed limitation on appraised value for the qualified property of the applicant;
- (16) the projected dollar amount of the taxes that would be imposed on the qualified property, for each year of the agreement, if the property does not receive a limitation on appraised value with assumptions of the projected appreciation or depreciation of the investment and projected tax rates clearly stated;
- (17) the projected dollar amount of the taxes that would be imposed on the qualified property, for each tax year of the agreement, if the property receives a limitation on appraised value with assumptions of the projected appreciation or depreciation of the investment clearly stated;
- (18) the projected effect on the Foundation School Program of payments to the district for each year of the agreement;
- (19) the projected future tax credits if the applicant also applies for school tax credits under Section 313.103; and
- (20) the total amount of taxes projected to be lost or gained by the district over the life of the agreement computed by subtracting the projected taxes stated in Subdivision (17) from the projected taxes stated in Subdivision (16).

Wages, salaries and benefits [313.026(6-8)]

After construction, the project will create ten new jobs when fully operational. Eight jobs will meet the criteria for qualifying jobs as specified in Tax Code Section 313.021(3). According to the Texas Workforce Commission (TWC), the regional manufacturing wage for the Coastal Bend Council of Governments Region, where Nueces County is located was \$47,786 in 2012. The annual average manufacturing wage for 2012-2013 for Nueces County is \$69,615. During that same period, the county annual average wage for all industries was \$43,277. In addition to an annual average salary of \$65,000 each qualifying position will receive benefits such as medical coverage, dental plan, group life insurance, paid holidays and vacation and 401(k) retirement savings plan. The project's total investment is \$71.5 million, resulting in a relative level of investment per qualifying job of \$8.9 million.

Ability of applicant to locate to another state and [313.026(9)]

According to Corpus Christi Liquefaction, LLC's application, "Corpus Christi Liquefaction, LLC Is a subsidiary of Cheniere Energy, Inc. ("Cheniere") which is a Houston-based energy company primarily engaged in LNG-related businesses. In addition to Houston, TX, Cheniere has offices in Cameron Parish, Louisiana; Portland, Texas; London, U.K.; and Santiago, Chile." The application also states "As a leading global LNG player, Cheniere has the ability to invest in new LNG liquefaction facilities elsewhere in the U.S. and around the world. Major LNG industry developments are ongoing currently in Australia, British Columbia and East Africa that provide significantly shorter shipping distances to major Asian markets."

Number of new facilities in region [313.026(12)]

During the past two years, 18 projects in the Coastal Bend Council of Governments Region applied for value limitation agreements under Tax Code, Chapter 313.

Relationship of applicant's industry and jobs and Texas's economic growth plans [313.026(5)]

The Texas Economic Development Plan focuses on attracting and developing industries using technology. It also identifies opportunities for existing Texas industries. The plan centers on promoting economic prosperity throughout Texas and the skilled workers that the Corpus Christi Liquefaction, LLC project requires appear to be in line with the focus and themes of the plan. Texas identified manufacturing as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the manufacturing industry.

Economic Impact [313.026(10)(A), (10)(B), (11), (13-20)]

Table 1 depicts Corpus Christi Liquefaction, LLC's estimated economic impact to Texas. It depicts the direct, indirect and induced effects to employment and personal income within the state. The Comptroller's office calculated the economic impact based on 16 years of annual investment and employment levels using software from Regional Economic Models, Inc. (REMI). The impact includes the construction period and the operating period of the project.

Table 1: Estimated Statewide Economic Impact of Investment and Employment in Corpus Christi Liquefaction, LLC

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2018	15	12	27	\$889,200	\$1,110,800	\$2,000,000
2019	40	40	80	\$2,371,200	\$3,628,800	\$6,000,000
2020	40	62	102	\$2,428,400	\$5,571,600	\$8,000,000
2021	30	58	88	\$1,835,600	\$5,164,400	\$7,000,000
2022	10	35	45	\$650,000	\$4,350,000	\$5,000,000
2023	10	37	47	\$650,000	\$4,350,000	\$5,000,000
2024	10	33	43	\$650,000	\$4,350,000	\$5,000,000
2025	10	41	51	\$650,000	\$4,350,000	\$5,000,000
2026	10	35	45	\$650,000	\$3,350,000	\$4,000,000
2027	10	37	47	\$650,000	\$4,350,000	\$5,000,000
2028	10	37	47	\$650,000	\$4,350,000	\$5,000,000
2029	10	35	45	\$650,000	\$4,350,000	\$5,000,000
2030	10	37	47	\$650,000	\$4,350,000	\$5,000,000
2031	10	35	45	\$650,000	\$4,350,000	\$5,000,000
2032	10	39	49	\$650,000	\$4,350,000	\$5,000,000
2033	10	35	45	\$650,000	\$5,350,000	\$6,000,000

Source: CPA, REMI, Corpus Christi Liquefaction, LLC

The statewide average ad valorem tax base for school districts in Texas was \$1.7 billion in 2012-2013. Corpus Christi ISD's ad valorem tax base in 2012-2013 was \$11.1 billion. The statewide average wealth per WADA was estimated at \$343,155 for fiscal 2012-2013. During that same year, Corpus Christi ISD's estimated wealth per WADA was \$237,704. The impact on the facilities and finances of the district are presented in Attachment 2.

Table 2 examines the estimated direct impact on ad valorem taxes to the school district, Corpus Christi, Nueces County, Del Mar Junior College district and the Nueces County Hospital district with all property tax incentives sought being granted using estimated market value from Corpus Christi Liquefaction, LLC's application. Corpus Christi Liquefaction, LLC has applied for both a value limitation under Chapter 313, Tax Code and a tax abatement with the city. Table 3 illustrates the estimated tax impact of the Corpus Christi Liquefaction, LLC project on the region if all taxes are assessed.

Table 2 Estimated Direct Ad Valorem Taxes with all property tax incentives sought

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Corpus Christi I&S Levy	Corpus Christi M&O Levy	Corpus Christi I&S Tax Levies (Before Credit Credited)	Corpus Christi I&S Tax Levies (After Credit Credited)	Corpus Christi City Tax Levy	Nueces County Tax Levy	Del Mar Junior College District Tax Levy	Nueces County Hospital District Tax Levy	Estimated Total Property Taxes
				0.1773	1.0601			0.5706	0.3553	0.2580	0.1624	
2018	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2019	\$1,005,225	\$1,005,225		\$1,782	\$10,656	\$12,438	\$12,438	\$0	\$3,571	\$2,594	\$1,633	\$20,236
2020	\$13,305,225	\$13,305,225		\$23,590	\$141,042	\$164,632	\$164,632	\$0	\$47,268	\$34,328	\$21,611	\$267,840
2021	\$34,030,225	\$30,000,000		\$60,336	\$318,015	\$378,351	\$378,351	\$0	\$120,895	\$87,799	\$55,275	\$642,320
2022	\$92,755,225	\$30,000,000		\$164,455	\$318,015	\$482,470	\$482,470	\$0	\$329,521	\$239,311	\$150,660	\$1,201,963
2023	\$92,999,225	\$30,000,000		\$164,888	\$318,015	\$482,903	\$482,903	\$0	\$330,388	\$239,941	\$151,057	\$1,204,288
2024	\$90,699,225	\$30,000,000		\$160,810	\$318,015	\$478,825	\$478,825	\$0	\$322,217	\$234,007	\$147,321	\$1,182,370
2025	\$88,455,225	\$30,000,000		\$156,831	\$318,015	\$474,846	\$474,846	\$0	\$314,245	\$228,217	\$143,676	\$1,160,984
2026	\$86,268,225	\$30,000,000		\$152,954	\$318,015	\$470,969	\$470,969	\$0	\$306,476	\$222,575	\$140,124	\$1,140,143
2027	\$84,136,225	\$30,000,000		\$149,174	\$318,015	\$467,189	\$467,189	\$0	\$298,902	\$217,074	\$136,661	\$1,119,825
2028	\$82,055,225	\$30,000,000		\$145,484	\$318,015	\$463,499	\$463,499	\$468,172	\$291,509	\$211,705	\$133,281	\$1,119,825
2029	\$80,027,225	\$80,027,225		\$141,888	\$848,329	\$990,217	\$990,217	\$456,601	\$284,304	\$206,473	\$129,987	\$2,067,581
2030	\$78,049,225	\$78,049,225		\$138,381	\$827,361	\$965,742	\$965,742	\$445,315	\$277,277	\$201,369	\$126,774	\$2,016,477
2031	\$76,119,225	\$76,119,225		\$134,959	\$806,902	\$941,861	\$941,861	\$434,304	\$270,420	\$196,390	\$123,639	\$1,966,614
2032	\$74,237,225	\$74,237,225		\$131,623	\$786,952	\$918,574	\$918,574	\$423,566	\$263,734	\$191,534	\$120,582	\$1,917,991
2033	\$72,403,225	\$72,403,225		\$128,371	\$767,510	\$895,881	\$895,881	\$413,102	\$257,219	\$186,802	\$117,603	\$1,870,608
						Total	\$8,588,396	\$2,641,059	\$3,717,947	\$2,700,118	\$1,699,883	\$19,347,403

Assumes School Value Limitation and Tax Abatements with the City, County, College District, and Hospital District.

Source: CPA, Corpus Christi Liquefaction, LLC

¹Tax Rate per \$100 Valuation

Table 3 Estimated Direct Ad Valorem Taxes without property tax incentives

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Corpus Christi I&S Levy	Corpus Christi M&O Levy	Corpus Christi I&S Tax Levies	Corpus Christi City Tax Levy	Nueces County Tax Levy	Del Mar Junior College District Tax Levy	Nueces County Hospital District Tax Levy	Estimated Total Property Taxes	
				0.1773	1.0601		0.5706	0.3553	0.2580	0.1624		
2018	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
2019	\$1,005,225	\$1,005,225		\$1,782	\$10,656	\$12,438	\$5,735	\$3,571	\$2,594	\$1,633	\$25,971	
2020	\$13,305,225	\$13,305,225		\$23,590	\$141,042	\$164,632	\$75,914	\$47,268	\$34,328	\$21,611	\$343,753	
2021	\$34,030,225	\$34,030,225		\$60,336	\$360,737	\$421,073	\$194,162	\$120,895	\$87,799	\$55,275	\$879,204	
2022	\$92,755,225	\$92,755,225		\$164,455	\$983,252	\$1,147,707	\$529,221	\$329,521	\$239,311	\$150,660	\$2,396,421	
2023	\$92,999,225	\$92,999,225		\$164,888	\$985,838	\$1,150,726	\$530,614	\$330,388	\$239,941	\$151,057	\$2,402,725	
2024	\$90,699,225	\$90,699,225		\$160,810	\$961,457	\$1,122,267	\$517,491	\$322,217	\$234,007	\$147,321	\$2,343,302	
2025	\$88,455,225	\$88,455,225		\$156,831	\$937,670	\$1,094,501	\$504,687	\$314,245	\$228,217	\$143,676	\$2,285,327	
2026	\$86,268,225	\$86,268,225		\$152,954	\$914,486	\$1,067,440	\$492,209	\$306,476	\$222,575	\$140,124	\$2,228,823	
2027	\$84,136,225	\$84,136,225		\$149,174	\$891,886	\$1,041,060	\$480,045	\$298,902	\$217,074	\$136,661	\$2,173,741	
2028	\$82,055,225	\$82,055,225		\$145,484	\$869,826	\$1,015,310	\$468,172	\$291,509	\$211,705	\$133,281	\$2,119,976	
2029	\$80,027,225	\$80,027,225		\$141,888	\$848,329	\$990,217	\$456,601	\$284,304	\$206,473	\$129,987	\$2,067,581	
2030	\$78,049,225	\$78,049,225		\$138,381	\$827,361	\$965,742	\$445,315	\$277,277	\$201,369	\$126,774	\$2,016,477	
2031	\$76,119,225	\$76,119,225		\$134,959	\$806,902	\$941,861	\$434,304	\$270,420	\$196,390	\$123,639	\$1,966,614	
2032	\$74,237,225	\$74,237,225		\$131,623	\$786,952	\$918,574	\$423,566	\$263,734	\$191,534	\$120,582	\$1,917,991	
2033	\$72,403,225	\$72,403,225		\$128,371	\$767,510	\$895,881	\$413,102	\$257,219	\$186,802	\$117,603	\$1,870,608	
						Total	\$12,949,429	\$5,971,138	\$3,717,947	\$2,700,118	\$1,699,883	\$27,038,515

Source: CPA, Corpus Christi Liquefaction, LLC

¹Tax Rate per \$100 Valuation

Attachment 1 includes schedules A, B, C, and D provided by the applicant in the application. Schedule A shows proposed investment. Schedule B is the projected market value of the qualified property. Schedule C contains employment information, and Schedule D contains tax expenditures and other tax abatement information.

Attachment 2, provided by the district and reviewed by the Texas Education Agency, contains information relating to the financial impact of the proposed project on the finances of the district as well as the tax benefit of the value limitation. "Table 5" in this attachment shows the estimated 15 year M&O tax levy without the value limitation agreement would be \$ \$11,093,904. The estimated gross 15 year M&O tax benefit, or levy loss, is \$ \$3,637,436.

Attachment 3 is an economic overview of Nueces County.

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachments

1. Schedules A, B, C, and D provided by applicant in application
2. School finance and tax benefit provided by district
3. County Economic Overview

Attachment 1

Schedule A (Rev. Jan. 2013): Investment

Form 53-298

Applicant Name: Corpus Christi Liquefaction, LLC (Dock Application)
 SSD Name: Corpus Christi ISD

		PROPERTY INVESTMENT AMOUNTS											
		(Estimated investment in each year. Do not put consecutive totals.)											
	Year	Schedule Year (YYYY-YYYY)	Tax Year (FBI in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Qualifying Investment (Using the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+C)					
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals) Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment) Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property) Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property) Complete tax years of qualifying time period Value Limitation Period Continue to Maintain Viable Presence Post-Settle-Up Period Post-Settle-Up Period	1	2013-2015	2013-2015	\$ 2,000,000	\$ 0	\$ 2,000,000	\$ 0	\$ 2,000,000				\$ 2,000,000	
	2	2016-2017	2016	\$ 26,000,000	\$ 0	\$ 26,000,000	\$ 0	\$ 26,000,000				\$ 26,000,000	
	3	2017-2018	2017	\$ 41,000,000	\$ 2,500,000	\$ 43,500,000	\$ 0	\$ 43,500,000				\$ 43,500,000	
	4	2018-2019	2018	\$ 26,000,000	\$ 2,500,000	\$ 28,500,000	\$ 0	\$ 28,500,000				\$ 28,500,000	
	5	2019-2020	2019	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
	6	2020-2021	2020	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
	7	2021-2022	2021	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
	8	2022-2023	2022	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
	9	2023-2024	2023	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
	10	2024-2025	2024	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
	11	2025-2026	2025	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
	12	2026-2027	2026	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
	13	2027-2028	2027	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
	14	2028-2029	2028	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
	15	2029-2030	2029	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0	
16	2030-2031	2030	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0		
17	2031-2032	2031	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0		
18	2032-2033	2032	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0		
19	2033-2034	2033	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				\$ 0		

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.

Column B: For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property. It includes estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.

Column C: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).

Column D: Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value-for planning, construction and operation of the facility. The most significant example for many projects would be land. Other examples may be items such as professional services, etc.

Column E: Total investment. Note: Land can be listed as part of investment during the "one-year" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

11/8/13

DATE

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

Schedule B (Rev. January 2013): Estimat Market And Taxable Value

Corpus Christi Liquefaction, LLC (Dock Application)

Form 50-296

Applicant Name
SSD Name

Corpus Christi ISO

Applicant Name SSD Name	Year	School Year (YYYY-YYYY)	Tax Year (FBI in actual less year) YYYY	Qualified Property			Reductions from Market Value		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 building or "in or on the new improvement"	Exempted Value	Fixed taxable value for s.t.s. after all reductions	Fixed taxable value for M&O—after all reductions	
	pre-year 1	2017-2018	2017	\$ 5,225	\$ -	\$ -	\$ -	\$ -	\$ 5,225	\$ 5,225
	pre-year 2	2018-2019	2018	\$ 5,225	\$ -	\$ -	\$ -	\$ -	\$ 5,225	\$ 5,225
Complete tax years of qualifying time period	1	2019-2020	2019	\$ 5,225	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,005,225	\$ 1,005,225
	2	2020-2021	2020	\$ 5,225	\$ -	\$ 14,000,000	\$ 700,000	\$ -	\$ 13,305,225	\$ 13,305,225
	3	2021-2022	2021	\$ 5,225	\$ 1,250,000	\$ 34,500,000	\$ 1,725,000	\$ -	\$ 34,030,225	\$ 34,030,225
	4	2022-2023	2022	\$ 5,225	\$ 2,500,000	\$ 95,000,000	\$ 4,750,000	\$ -	\$ 92,755,225	\$ 92,755,225
	5	2023-2024	2023	\$ 5,225	\$ 5,000,000	\$ 92,625,000	\$ 4,631,000	\$ -	\$ 90,699,225	\$ 90,699,225
Tax Credit Period (with 50% cap on credit)	6	2024-2025	2024	\$ 5,225	\$ 4,900,000	\$ 90,309,000	\$ 4,515,000	\$ -	\$ 88,455,225	\$ 88,455,225
	7	2025-2026	2025	\$ 5,225	\$ 4,802,000	\$ 88,051,000	\$ 4,403,000	\$ -	\$ 86,288,225	\$ 86,288,225
	8	2026-2027	2026	\$ 5,225	\$ 4,706,000	\$ 85,850,000	\$ 4,293,000	\$ -	\$ 84,136,225	\$ 84,136,225
	9	2027-2028	2027	\$ 5,225	\$ 4,612,000	\$ 83,704,000	\$ 4,185,000	\$ -	\$ 82,055,225	\$ 82,055,225
	10	2028-2029	2028	\$ 5,225	\$ 4,520,000	\$ 81,611,000	\$ 4,081,000	\$ -	\$ 80,027,225	\$ 80,027,225
Credit Settle-Up Period	11	2029-2030	2029	\$ 5,225	\$ 4,430,000	\$ 79,571,000	\$ 3,979,000	\$ -	\$ 78,049,225	\$ 78,049,225
	12	2030-2031	2030	\$ 5,225	\$ 4,341,000	\$ 77,582,000	\$ 3,879,000	\$ -	\$ 76,119,225	\$ 76,119,225
	13	2031-2032	2031	\$ 5,225	\$ 4,254,000	\$ 75,642,000	\$ 3,782,000	\$ -	\$ 74,237,225	\$ 74,237,225
Post-Settle-Up Period	14	2032-2033	2032	\$ 5,225	\$ 4,169,000	\$ 73,751,000	\$ 3,688,000	\$ -	\$ 72,403,225	\$ 72,403,225
	15	2033-2034	2033	\$ 5,225	\$ 4,086,000	\$ 71,907,000	\$ 3,595,000	\$ -	\$ 70,000,000	\$ 70,000,000

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

[Signature]
DATE 11/8/13

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

Schedule C- Application: Employment Information

Corpus Christi Liquidation, LLC (Dock Application)
Corpus Christi ISD

Applicant Name
ISD Name

Form 50-256

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New 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 new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
	pre-year 1	2017-2018	2017	0	\$ -	0	\$ -	0	\$ -
	pre-year 2	2018-2019	2018	15 FTEs	\$ 59,280	0	\$ -	0	\$ -
Complete tax years of qualifying time period	1	2019-2020	2019	40 FTEs	\$ 59,280	0	\$ -	0	\$ -
	2	2020-2021	2020	30 FTEs	\$ 59,280	10	\$ 65,000	8	\$ 65,000
Value Limitation Period	3	2021-2022	2021	20 FTEs	\$ 59,280	10	\$ 65,000	8	\$ 65,000
	4	2022-2023	2022			10	\$ 65,000	8	\$ 65,000
	5	2023-2024	2023			10	\$ 65,000	8	\$ 65,000
	6	2024-2025	2024			10	\$ 65,000	8	\$ 65,000
	7	2025-2026	2025			10	\$ 65,000	8	\$ 65,000
Tax Credit Period (with 50% cap on credit)	8	2026-2027	2026			10	\$ 65,000	8	\$ 65,000
	9	2027-2028	2027			10	\$ 65,000	8	\$ 65,000
	10	2028-2029	2028			10	\$ 65,000	8	\$ 65,000
Credit Settle-Up Period	11	2029-2030	2029			10	\$ 65,000	8	\$ 65,000
	12	2030-2031	2030			10	\$ 65,000	8	\$ 65,000
	13	2031-2032	2031			10	\$ 65,000	8	\$ 65,000
Post-Settle-Up Period	14	2032-2033	2032			10	\$ 65,000	8	\$ 65,000
	15	2033-2034	2033			10	\$ 65,000	8	\$ 65,000

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

[Signature]
SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

11/8/13
DATE

Attachment 2

**SUMMARY OF FINANCIAL IMPACT OF THE PROPOSED CORPUS
CHRISTI LIQUEFACTION LLC PROJECT ON THE FINANCES OF
THE CORPUS CHRISTI INDEPENDENT SCHOOL DISTRICT
INDEPENDENT SCHOOL DISTRICT UNDER A REQUESTED
CHAPTER 313 PROPERTY VALUE LIMITATION**

December 9, 2013

Final Report

PREPARED BY



Estimated Impact of the Proposed Corpus Christi Liquefaction LLC Project on the Finances of the Corpus Christi Independent School District Independent School District under a Requested Chapter 313 Property Value Limitation

Introduction

Corpus Christi Liquefaction LLC (CC Liquefaction) has requested that the Corpus Christi Independent School District (CCISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to CCISD on November 11, 2013, CC Liquefaction proposes to invest \$71.5 million to construct a new manufacturing project in CCISD.

The CC Liquefaction project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others.

Under the provisions of Chapter 313, CCISD may offer a minimum value limitation of \$30 million. The provisions of Chapter 313 call for the project to be fully taxable in the 2019-20 and 2020-21 school years, assuming the District and the Company agree to an extension of the start of the two-year qualifying time period. For the purpose of this analysis, it is assumed that the qualifying time period will be the 2019-20 and 2020-21 school years. Beginning with the 2021-22 school year, the project would go on the local tax roll at \$30 million and remain at that level of taxable value for eight years for maintenance and operations (M&O) taxes.

The full taxable value of the project could be assessed for debt service taxes on voter-approved bond issues throughout the limitation period, with CCISD currently levying a \$0.1773 per \$100 I&S tax rate. The full value of the investment is expected to reach \$93 million in 2021-23, with depreciation expected to reduce the taxable value of the project over the course of the value limitation agreement. An examination of the underlying data suggests that the most significant I&S benefit will occur in the peak value year for the project.

In the case of the CC Liquefaction project, the agreement calls for a calculation of the revenue impact of the value limitation in years 3-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. CCISD would experience a revenue loss as a result of the implementation of the value limitation in the 2021-22 school year (-\$42,725), with the most significant loss occurring in the 2022-23 school year (-\$678,034).

Under the assumptions outlined below, the potential tax benefits under a Chapter 313 agreement could reach an estimated \$3.6 million over the course of the agreement. This amount is net of any anticipated revenue losses for the District.

School Finance Mechanics

Under the current school finance system, the property values established by the Comptroller's Office that are used to calculate state aid and recapture lag by one year, a practical consequence of the fact that the Comptroller's Office needs this time to conduct its property value study and the audits of appraisal district operations in alternating years. A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 3-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation periods (and thereafter). The school funding formulas use the Comptroller's property values that reflect a reduction due to the property value limitation in years 4-11 as a result of the one-year lag in property values.

The third year is often problematical financially for a school district that approves a Chapter 313 value limitation. The implementation of the value limitation often results in a revenue loss to the school district in the third year of the agreement that would not be reimbursed by the state, but require some type of compensation from the applicant under the revenue protection provisions of the agreement. In years 4-10, smaller revenue losses would be anticipated when the state M&O property values are aligned at the minimum value established by the Board on both the local tax roll and the corresponding state property value study.

Under the HB 1 system adopted in 2006, most school districts received Additional State Aid for Tax Reduction (ASATR) that was used to maintain their target revenue amounts established at the revenue levels under old law for the 2005-06 or 2006-07 school years, whichever was highest. In terms of new Chapter 313 property value limitation agreements, adjustments to ASATR funding often moderated the impact of the reduced M&O collections as a result of the limitation, in contrast with the earlier formula-driven finance system.

House Bill 3646 as enacted in 2009 created more "formula" school districts that were less dependent on ASATR state aid than had been the case previously. The formula reductions enacted during the First Called Session in 2011 made \$4 billion in reductions to the existing school funding formulas for the 2011-12 and 2012-13 school years. For the 2011-12 school year, across-the-board reductions were made that reduced each district's WADA count and resulted in an estimated 781 school districts still receiving ASATR to maintain their target revenue funding levels, while an estimated 243 districts operated directly on the state formulas. For the 2012-13 school year, the changes called for smaller across-the-board reductions and funding ASATR-receiving target revenue districts at 92.35 percent of the level provided for under the existing funding formula, with 689 districts operating on formula and 335 districts still receiving ASATR funding.

Senate Bill 1 and House Bill 1025 as passed by the 83rd Legislature made significant increases to the basic allotment and other formula changes by appropriation. The ASATR reduction percentage is increased slightly to 92.63 percent, while the basic allotment is increased by \$325 and \$365, respectively, for the 2013-14 and 2014-15 school years. A slight increase in the guaranteed yield for the 6 cents above compressed—known as the Austin yield—is also included. With the basic allotment increase, it is estimated that approximately 300 school districts will still receive ASATR in the 2013-14 school year and 273 districts would do so in the 2014-15 school year. Current state policy calls for ASATR funding to be eliminated by the 2017-18 school year. CCISD is classified as a formula district under the estimates presented below. This indicates that the District is not expected to receive ASATR funding and that its finances are more susceptible

to changes in taxable values and the accompanying reduction in M&O tax collections associated with the \$30 million limitation.

One concern in projecting into the future is that the underlying state statutes in the Education Code were not changed in order to provide these funding increases. All of the major formula changes were made by appropriation, which gives them only a two-year lifespan unless renewed in the 2015 legislative session. Despite this uncertainty, it is assumed that these changes will remain in effect for the forecast period for the purpose of these estimates, assuming a continued legislative commitment to these funding levels in future years.

A key element in any analysis of the school finance implications is the provision for revenue protection in the agreement between the school district and the applicant. In the case of the CC Liquefaction project, the agreement calls for a calculation of the revenue impact of the value limitation in years 3-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. This meets the statutory requirement under Section 313.027(f)(1) of the Tax Code to provide school district revenue protection language in the agreement.

Underlying Assumptions

There are several approaches that can be used to analyze the future revenue stream of a school district under a value limitation. Whatever method is used, a reasonable analysis requires the use of a multi-year forecasting model that covers the years in which the agreement is in effect. The Chapter 313 application now requires 15 years of data and analysis on the project being considered for a property value limitation.

The general approach used here is to maintain static enrollment and property values in order to isolate the effects of the value limitation under the school finance system. The SB 1 basic allotment increases are reflected in the underlying models. The projected taxable values of the Corpus Christi Liquefaction LLC project are factored into the base model used here in order to simulate the financial impact of the construction of the project in the absence of the value limitation agreement. The impact of the limitation value for the proposed CC Liquefaction project is isolated separately and the focus of this analysis.

Student enrollment counts are held constant at 36,257 students in average daily attendance (ADA) in analyzing the effects of the CC Liquefaction project on the finances of CCISD. The District's local tax base reached \$11.6 billion for the 2012 tax year and is maintained at that level for the forecast period in order to isolate the effects of the property value limitation. An M&O tax rate of \$1.06005 is used throughout this analysis. CCISD has estimated state property wealth per weighted ADA or WADA of approximately \$235,384 for the 2012-13 school year. The enrollment and property value assumptions for the 15 years that are the subject of this analysis are summarized in Table 1.

School Finance Impact

School finance models were prepared for CCISD under the assumptions outlined above through the 2033-34 school year. Beyond the 2014-15 school year, no attempt was made to forecast the 88th percentile or Austin yield that influence future state funding beyond the projected level for that school year. In the analyses for other districts and applicants on earlier projects, these changes appeared to have little impact on the revenue associated with the implementation of the

property value limitation, since the baseline and other models incorporate the same underlying assumptions.

Under the proposed agreement, a model is established to make a calculation of the “Baseline Revenue” by adding the value of the proposed CC Liquefaction facility to the model, but without assuming that a value limitation is approved. The results of the model are shown in Table 2.

A second model is developed which adds the CC Liquefaction value but imposes the proposed property value limitation effective in the third year, which in this case is the 2021-22 school year. The results of this model are identified as “Value Limitation Revenue Model” under the revenue protection provisions of the proposed agreement (see Table 3). A summary of the differences between these models is shown in Table 4.

Under these assumptions, CCISD would experience a revenue loss as a result of the implementation of the value limitation in the 2021-22 school year (-\$42,725), with a larger revenue loss expected for the 2022-23 school year (-\$678,034), when the project reaches its expected peak taxable value. The revenue reduction results from the mechanics of the state property value study that lags by one year. Also, as a formula district, CCISD is more susceptible to changes in local property values and M&O tax collections.

The formula loss of \$678,034 cited above between the base and the limitation models for the 2022-23 school year is based on an assumption that CC Liquefaction would receive \$665,237 in M&O tax savings under the \$30 million limitation. Under the estimates presented here and as highlighted in Table 4, an increase in state aid of \$40,302 would be expected, with no additional offsets. In the 2023-24 school year, however, state aid increases largely offset the financial effects of the limitation agreement.

The Comptroller’s state property value study influences these calculations, as noted previously. At the school-district level, a taxpayer benefiting from a property value limitation has two property values assigned by the local appraisal district for their property covered by the limitation: (1) a reduced value for M&O taxes, and (2) the full taxable value for I&S taxes. This situation exists for the eight years that the value limitation is in effect. Two state property value determinations are also made for school districts granting Chapter 313 agreements, consistent with local practice. A consolidated single state property value had been provided previously.

Impact on the Taxpayer

Table 5 summarizes the impact of the proposed property value limitation in terms of the potential tax savings under the property value limitation agreement. The focus of this table is on the M&O tax rate only. As noted previously, the property is fully taxable in the first two years under the agreement. A \$1.06005 per \$100 of taxable value M&O rate is assumed in 2013-14 and thereafter.

Under the assumptions used here, the potential tax savings from the value limitation total \$4.4 million over the life of the agreement. In addition, CC Liquefaction could be eligible for a tax credit for M&O taxes paid on value in excess of the value limitation in each of the first two qualifying years, although the application suggests the Company would be ineligible for any tax credits in the first two years due to lack of investment exceeding the \$30 million value limitation.

The key CCISD revenue losses are expected to total approximately -\$723,597 over the course of the agreement, chiefly in the 2022-23 school year. The total potential net tax benefits (inclusive

of tax credits but after hold-harmless payments are made) are estimated to reach \$3.6 million over the life of the agreement.

Facilities Funding Impact

The CC Liquefaction project remains fully taxable for debt services taxes, with CCISD currently levying a \$0.1773 per \$100 I&S rate. The value of the CC Liquefaction project is expected to depreciate over the life of the agreement and beyond, but full access to the additional value is expected generate some additional I&S tax revenue in the 2022-23 peak value year.

The CC Liquefaction project is not expected to affect CCISD in terms of enrollment. Continued expansion of the project and related development could result in additional employment in the area and an increase in the school-age population, but this project is unlikely to have much impact on a stand-alone basis.

Conclusion

The proposed CC Liquefaction manufacturing project enhances the tax base of CCISD. It reflects continued capital investment in keeping with the goals of Chapter 313 of the Tax Code.

Under the assumptions outlined above, the potential tax savings for the applicant under a Chapter 313 agreement could reach an estimated \$3.6 million. (This amount is net of any anticipated revenue losses for the District.) The additional taxable value also enhances the I&S tax base of CCISD, particularly when the project reaches its peak taxable value.

Table 1 – Base District Information with Corpus Christi Liquefaction LLC Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	CAD Value with Project	CAD Value with Limitation	CPTD with Project	CPTD With Limitation	CPTD Value with Project per WADA	CPTD Value with Limitation per WADA
Pre-Year 1	2018-19	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,583,479,053	\$11,583,479,053	\$11,356,830,170	\$11,356,830,170	\$237,802	\$237,802
1	2019-20	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,584,484,278	\$11,584,484,278	\$11,356,830,170	\$11,356,830,170	\$237,802	\$237,802
2	2020-21	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,596,784,278	\$11,596,784,278	\$11,357,835,395	\$11,357,835,395	\$237,824	\$237,824
3	2021-22	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,617,509,278	\$11,613,479,053	\$11,370,135,395	\$11,370,135,395	\$238,081	\$238,081
4	2022-23	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,676,234,278	\$11,613,479,053	\$11,390,860,395	\$11,386,830,170	\$238,515	\$238,431
5	2023-24	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,676,478,278	\$11,613,479,053	\$11,449,585,395	\$11,386,830,170	\$239,745	\$238,431
6	2024-25	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,674,178,278	\$11,613,479,053	\$11,449,829,395	\$11,386,830,170	\$239,750	\$238,431
7	2025-26	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,671,934,278	\$11,613,479,053	\$11,447,529,395	\$11,386,830,170	\$239,702	\$238,431
8	2026-27	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,669,747,278	\$11,613,479,053	\$11,445,285,395	\$11,386,830,170	\$239,655	\$238,431
9	2027-28	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,667,615,278	\$11,613,479,053	\$11,443,098,395	\$11,386,830,170	\$239,609	\$238,431
10	2028-29	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,665,534,278	\$11,613,479,053	\$11,440,966,395	\$11,386,830,170	\$239,564	\$238,431
11	2029-30	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,663,506,278	\$11,663,506,278	\$11,438,885,395	\$11,386,830,170	\$239,521	\$238,431
12	2030-31	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,661,528,278	\$11,661,528,278	\$11,436,857,395	\$11,436,857,395	\$239,478	\$239,478
13	2031-32	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,659,598,278	\$11,659,598,278	\$11,434,879,395	\$11,434,879,395	\$239,437	\$239,437
14	2032-33	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,657,716,278	\$11,657,716,278	\$11,432,949,395	\$11,432,949,395	\$239,396	\$239,396
15	2033-34	36,257.21	47,757.41	\$1.0601	\$0.1773	\$11,655,882,278	\$11,655,882,278	\$11,431,067,395	\$11,431,067,395	\$239,357	\$239,357

Table 2 – “Baseline Revenue Model”--Project Value Added with No Value Limitation*

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Total General Fund
Pre-Year 1	2018-19	\$112,775,737	\$140,444,840	\$0	\$0	\$6,777,822	\$11,044,790	\$0	\$271,043,189
1	2019-20	\$112,785,589	\$140,444,840	\$0	\$0	\$6,778,414	\$11,044,790	\$0	\$271,053,633
2	2020-21	\$112,906,129	\$140,434,788	\$0	\$0	\$6,785,659	\$11,044,190	\$0	\$271,170,766
3	2021-22	\$113,110,040	\$140,311,788	\$0	\$0	\$6,797,913	\$11,055,358	\$0	\$271,275,099
4	2022-23	\$113,697,290	\$140,104,538	\$0	\$0	\$6,833,207	\$11,079,947	\$0	\$271,714,982
5	2023-24	\$113,699,729	\$139,517,288	\$0	\$0	\$6,833,354	\$10,989,415	\$0	\$271,039,786
6	2024-25	\$113,678,730	\$139,514,848	\$0	\$0	\$6,831,972	\$10,989,270	\$0	\$271,012,820
7	2025-26	\$113,654,290	\$139,537,848	\$0	\$0	\$6,830,622	\$10,990,642	\$0	\$271,013,402
8	2026-27	\$113,632,419	\$139,560,288	\$0	\$0	\$6,829,308	\$10,991,983	\$0	\$271,013,998
9	2027-28	\$113,611,099	\$139,582,158	\$0	\$0	\$6,828,027	\$10,993,288	\$0	\$271,014,572
10	2028-29	\$113,590,290	\$139,603,478	\$0	\$0	\$6,826,776	\$10,994,581	\$0	\$271,015,105
11	2029-30	\$113,560,004	\$139,624,288	\$0	\$0	\$6,824,956	\$10,995,803	\$0	\$271,005,051
12	2030-31	\$113,540,620	\$139,644,568	\$0	\$0	\$6,823,791	\$10,997,014	\$0	\$271,005,993
13	2031-32	\$113,521,706	\$139,664,348	\$0	\$0	\$6,822,654	\$10,998,195	\$0	\$271,006,903
14	2032-33	\$113,503,262	\$139,683,648	\$0	\$0	\$6,821,546	\$10,999,347	\$0	\$271,007,803
15	2033-34	\$113,485,289	\$139,702,468	\$0	\$0	\$6,820,466	\$11,000,471	\$0	\$271,008,694

*Basic Allotment: \$5,040; AISD Yield: \$61.86; Equalized Wealth: \$504,000 per WADA

Table 3-- "Value Limitation Revenue Model"--Project Value Added with Value Limit*

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Total General Fund
Pre-Year 1	2018-19	\$112,775,737	\$140,444,840	\$0	\$0	\$6,777,822	\$11,044,790	\$0	\$271,043,189
1	2019-20	\$112,785,589	\$140,444,840	\$0	\$0	\$6,778,414	\$11,044,790	\$0	\$271,053,633
2	2020-21	\$112,906,129	\$140,434,788	\$0	\$0	\$6,785,659	\$11,044,190	\$0	\$271,170,786
3	2021-22	\$113,069,737	\$140,311,788	\$0	\$0	\$6,795,491	\$11,055,358	\$0	\$271,232,374
4	2022-23	\$113,069,737	\$140,144,840	\$0	\$0	\$6,795,491	\$11,026,880	\$0	\$271,036,948
5	2023-24	\$113,069,737	\$140,144,840	\$0	\$0	\$6,795,491	\$11,026,880	\$0	\$271,036,948
6	2024-25	\$113,069,737	\$140,144,840	\$0	\$0	\$6,795,491	\$11,026,880	\$0	\$271,036,948
7	2025-26	\$113,069,737	\$140,144,840	\$0	\$0	\$6,795,491	\$11,026,880	\$0	\$271,036,948
8	2026-27	\$113,069,737	\$140,144,840	\$0	\$0	\$6,795,491	\$11,026,880	\$0	\$271,036,948
9	2027-28	\$113,069,737	\$140,144,840	\$0	\$0	\$6,795,491	\$11,026,880	\$0	\$271,036,948
10	2028-29	\$113,069,737	\$140,144,840	\$0	\$0	\$6,795,491	\$11,026,880	\$0	\$271,036,948
11	2029-30	\$113,560,004	\$140,144,840	\$0	\$0	\$6,824,956	\$11,063,870	\$0	\$271,593,670
12	2030-31	\$113,540,620	\$139,644,568	\$0	\$0	\$6,823,791	\$10,997,014	\$0	\$271,005,993
13	2031-32	\$113,521,706	\$139,664,348	\$0	\$0	\$6,822,654	\$10,998,195	\$0	\$271,006,903
14	2032-33	\$113,503,262	\$139,683,648	\$0	\$0	\$6,821,546	\$10,999,347	\$0	\$271,007,803
15	2033-34	\$113,485,289	\$139,702,468	\$0	\$0	\$6,820,466	\$11,000,471	\$0	\$271,008,694

*Basic Allotment: \$5,040; AISD Yield: \$61.86; Equalized Wealth: \$504,000 per WADA

Table 4 – Value Limit less Project Value with No Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Total General Fund
Pre-Year 1	2018-19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	2019-20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	2020-21	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	2021-22	-\$40,303	\$0	\$0	\$0	-\$2,422	\$0	\$0	-\$42,725
4	2022-23	-\$627,553	\$40,302	\$0	\$0	-\$37,716	-\$53,067	\$0	-\$678,034
5	2023-24	-\$629,992	\$627,552	\$0	\$0	-\$37,863	\$37,465	\$0	-\$2,838
6	2024-25	-\$606,993	\$629,992	\$0	\$0	-\$36,481	\$37,610	\$0	\$24,128
7	2025-26	-\$584,553	\$606,992	\$0	\$0	-\$35,131	\$36,238	\$0	\$23,546
8	2026-27	-\$562,682	\$584,552	\$0	\$0	-\$33,817	\$34,897	\$0	\$22,950
9	2027-28	-\$541,362	\$562,682	\$0	\$0	-\$32,536	\$33,592	\$0	\$22,376
10	2028-29	-\$520,553	\$541,362	\$0	\$0	-\$31,285	\$32,319	\$0	\$21,843
11	2029-30	\$0	\$520,552	\$0	\$0	\$0	\$68,067	\$0	\$588,619
12	2030-31	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	2031-32	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	2032-33	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	2033-34	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Table 5 - Estimated Financial Impact of the Corpus Christi Liquefaction LLC Project Property Value Limitation Request Submitted to CCISD at \$1.0601 M&O Tax Rate

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Value Savings	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	Tax Credits for First Two Years Above Limit	Tax Benefit to Company Before Revenue Protection	School District Revenue Losses	Estimated Net Tax Benefits
Pre-Year 1	2018-19	\$0	\$0	\$0	\$1.060	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	2019-20	\$1,005,225	\$1,005,225	\$0	\$1.060	\$10,656	\$10,656	\$0	\$0	\$0	\$0	\$0
2	2020-21	\$13,305,225	\$13,305,225	\$0	\$1.060	\$141,042	\$141,042	\$0	\$0	\$0	\$0	\$0
3	2021-22	\$34,030,225	\$30,000,000	\$4,030,225	\$1.060	\$360,737	\$318,015	\$42,722	\$0	\$42,722	-\$42,725	-\$3
4	2022-23	\$92,755,225	\$30,000,000	\$62,755,225	\$1.060	\$983,252	\$318,015	\$665,237	\$0	\$665,237	-\$678,034	-\$12,797
5	2023-24	\$92,999,225	\$30,000,000	\$62,999,225	\$1.060	\$985,838	\$318,015	\$667,823	\$0	\$667,823	-\$2,838	\$664,985
6	2024-25	\$90,699,225	\$30,000,000	\$60,699,225	\$1.060	\$961,457	\$318,015	\$643,442	\$0	\$643,442	\$0	\$643,442
7	2025-26	\$88,455,225	\$30,000,000	\$58,455,225	\$1.060	\$937,670	\$318,015	\$619,655	\$0	\$619,655	\$0	\$619,655
8	2026-27	\$86,268,225	\$30,000,000	\$56,268,225	\$1.060	\$914,486	\$318,015	\$596,471	\$0	\$596,471	\$0	\$596,471
9	2027-28	\$84,136,225	\$30,000,000	\$54,136,225	\$1.060	\$891,886	\$318,015	\$573,871	\$0	\$573,871	\$0	\$573,871
10	2028-29	\$82,055,225	\$30,000,000	\$52,055,225	\$1.060	\$869,826	\$318,015	\$551,811	\$0	\$551,811	\$0	\$551,811
11	2029-30	\$80,027,225	\$80,027,225	\$0	\$1.060	\$848,329	\$848,329	\$0	\$0	\$0	\$0	\$0
12	2030-31	\$78,049,225	\$78,049,225	\$0	\$1.060	\$827,361	\$827,361	\$0	\$0	\$0	\$0	\$0
13	2031-32	\$76,119,225	\$76,119,225	\$0	\$1.060	\$806,902	\$806,902	\$0	\$0	\$0	\$0	\$0
14	2032-33	\$74,237,225	\$74,237,225	\$0	\$1.060	\$786,952	\$786,952	\$0	\$0	\$0	\$0	\$0
15	2033-34	\$72,403,225	\$72,403,225	\$0	\$1.060	\$767,510	\$767,510	\$0	\$0	\$0	\$0	\$0
						\$11,093,904	\$6,732,871	\$4,361,033	\$0	\$4,361,033	-\$723,597	\$3,637,436

Tax Credit for Value Over Limit in First 2 Years

	Year 1	Year 2	Max Credits
	\$0	\$0	\$0
Credits Earned			\$0
Credits Paid			\$0
Excess Credits Unpaid			\$0

***Note:** School District Revenue-Loss estimates are subject to change based on numerous factors, including legislative and Texas Education Agency administrative changes to school finance formulas, year-to-year appraisals of project values, and changes in school district tax rates. Additional information on the assumptions used in preparing these estimates is provided in the narrative of this Report.



1701 North Congress Ave. • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • www.tea.state.tx.us

Michael Williams
Commissioner

February 3, 2014

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Corpus Christi Liquefaction LLC on the number and size of school facilities in Corpus Christi Independent School District (CCISD). Based on the analysis prepared by Moak, Casey and Associates for the school district and a conversation with the CCISD superintendent, Scott Elliff, the TEA has found that the operations of Corpus Christi Liquefaction LLC would not have a significant impact on the number or size of school facilities in CCISD.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information about this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Al McKenzie".

Al McKenzie, Manager
Foundation School Program Support

AM/rk



1701 North Congress Ave. • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • www.tea.state.tx.us

Michael Williams
Commissioner

February 3, 2014

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

The Texas Education Agency (TEA) has analyzed the revenue gains that would be realized by the proposed Corpus Christi Liquefaction LLC for the Corpus Christi Independent School District (CCISD). Projections prepared by the TEA State Funding Division confirm the analysis that was prepared by Moak, Casey and Associates and provided to us by your division. We believe their assumptions regarding the potential revenue gain are valid, and their estimates of the impact of the Corpus Christi Liquefaction LLC on CCISD are correct.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information about this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Al McKenzie", with a long, sweeping underline.

Al McKenzie, Manager
Foundation School Program Support

AM/rk

Attachment 3

Nueces County

Population

- Total county population in 2010 for Nueces County: 323,196 , up 0.3 percent from 2009. State population increased 1.8 percent in the same time period.
- Nueces County was the state's 14th largest county in population in 2010 and the 174th fastest growing county from 2009 to 2010.
- Nueces County's population in 2009 was 33.8 percent Anglo (below the state average of 46.7 percent), 3.7 percent African-American (below the state average of 11.3 percent) and 60.0 percent Hispanic (above the state average of 36.9 percent).
- 2009 population of the largest cities and places in Nueces County:

Corpus Christi:	287,439	Robstown:	12,169
Port Aransas:	3,905	Bishop:	3,127
Driscoll:	805	Agua Dulce:	715
Petronila:	79		

Economy and Income

Employment

- September 2011 total employment in Nueces County: 159,610 , up 2.7 percent from September 2010. State total employment increased 0.9 percent during the same period. *(October 2011 employment data will be available November 18, 2011).*
- September 2011 Nueces County unemployment rate: 7.8 percent, up from 7.6 percent in September 2010. The statewide unemployment rate for September 2011 was 8.5 percent, up from 8.2 percent in September 2010.
- September 2011 unemployment rate in the city of:

Corpus Christi: 7.6 percent, up from 7.3 percent in September 2010.

(Note: County and state unemployment rates are adjusted for seasonal fluctuations, but the Texas Workforce Commission city unemployment rates are not. Seasonally-adjusted unemployment rates are not comparable with unadjusted rates).

Income

- Nueces County's ranking in per capita personal income in 2009: 58th with an average per capita income of \$37,162, down 2.4 percent from 2008. Statewide average per capita personal income was \$38,609 in 2009, down 3.1 percent from 2008.

Industry

- Agricultural cash values in Nueces County averaged \$80.34 million annually from 2007 to 2010. County total agricultural values in 2010 were up 755.7 percent from 2009. Major agriculture related commodities in Nueces County during 2010 included:
 - Cotton
 - Sesame
 - Nursery
 - Other Beef
 - Sorghum
- 2011 oil and gas production in Nueces County: 320,277.0 barrels of oil and 19.1 million Mcf of gas. In September 2011, there were 189 producing oil wells and 718 producing gas wells.

Taxes

Sales Tax - Taxable Sales

(County and city taxable sales data for 1st quarter 2011 is currently targeted for release in mid-September 2011).

Quarterly (September 2010 through December 2010)

- Taxable sales in Nueces County during the fourth quarter 2010: \$1.04 billion, up 15.0 percent from the same quarter in 2009.
- Taxable sales during the fourth quarter 2010 in the city of:

Corpus Christi:	\$938.09 million, up 10.8 percent from the same quarter in 2009.
Robstown:	\$57.65 million, up 113.2 percent from the same quarter in 2009.
Port Aransas:	\$11.99 million, up 11.1 percent from the same quarter in 2009.
Bishop:	\$1.44 million, down 2.2 percent from the same quarter in 2009.
Driscoll:	\$420,248.00, up 11.6 percent from the same quarter in 2009.
Agua Dulce:	\$296,518.00, down 2.7 percent from the same quarter in 2009.
Petronila:	\$72,807.00, up 184.8 percent from the same quarter in 2009.

Taxable Sales through the end of 4th quarter 2010 (January 2010 through December 30, 2010)

- Taxable sales in Nueces County through the fourth quarter of 2010: \$3.83 billion, up 9.8 percent from the same period in 2009.
- Taxable sales through the fourth quarter of 2010 in the city of:

Corpus Christi:	\$3.46 billion, up 7.2 percent from the same period in 2009.
Robstown:	\$200.33 million, up 69.6 percent from the same period in 2009.
Port Aransas:	\$70.69 million, down 1.1 percent from the same period in 2009.
Bishop:	\$5.79 million, up 1.1 percent from the same period in 2009.

Driscoll:	\$1.56 million, down 0.2 percent from the same period in 2009.
Agua Dulce:	\$1.13 million, up 5.6 percent from the same period in 2009.
Petronila:	\$211,186.00, up 54.0 percent from the same period in 2009.

Annual (2010)

- Taxable sales in Nueces County during 2010: \$3.83 billion, up 9.8 percent from 2009.
- Nueces County sent an estimated \$239.49 million (or 1.40 percent of Texas' taxable sales) in state sales taxes to the state treasury in 2010.
- Taxable sales during 2010 in the city of:

Corpus Christi:	\$3.46 billion, up 7.2 percent from 2009.
Robstown:	\$200.33 million, up 69.6 percent from 2009.
Port Aransas:	\$70.69 million, down 1.1 percent from 2009.
Bishop:	\$5.79 million, up 1.1 percent from 2009.
Driscoll:	\$1.56 million, down 0.2 percent from 2009.
Agua Dulce:	\$1.13 million, up 5.6 percent from 2009.
Petronila:	\$211,186.00, up 54.0 percent from 2009.

Sales Tax – Local Sales Tax Allocations

(The release date for sales tax allocations to cities for the sales activity month of November 2011 is currently scheduled for December 7, 2011.)

Monthly

- Statewide payments based on the sales activity month of September 2011: \$580.11 million, up 7.1 percent from September 2010.
- Payments to all cities in Nueces County based on the sales activity month of September 2011: \$6.66 million, up 13.9 percent from September 2010.
- Payment based on the sales activity month of September 2011 to the city of:

Corpus Christi:	\$6.20 million, up 13.9 percent from September 2010.
Robstown:	\$316,435.19, up 16.2 percent from September 2010.
Port Aransas:	\$130,589.32, up 12.2 percent from September 2010.
Bishop:	\$12,555.91, down 31.2 percent from September 2010.
Driscoll:	\$4,645.55, up 35.6 percent from September 2010.
Agua Dulce:	\$2,670.40, up 2.6 percent from September 2010.
Petronila:	\$328.23, down 58.0 percent from September 2010.

Fiscal Year

- Statewide payments based on sales activity months from September 2011 through September 2011: \$580.11 million, up 7.1 percent from the same period in 2011.
- Payments to all cities in Nueces County based on sales activity months from September 2011 through September 2011: \$6.66 million, up 13.9 percent from fiscal 2011.
- Payments based on sales activity months from September 2011 through September 2011 to the city of:

Corpus Christi:	\$6.20 million, up 13.9 percent from fiscal 2011.
Robstown:	\$316,435.19, up 16.2 percent from fiscal 2011.
Port Aransas:	\$130,589.32, up 12.2 percent from fiscal 2011.
Bishop:	\$12,555.91, down 31.2 percent from fiscal 2011.
Driscoll:	\$4,645.55, up 35.6 percent from fiscal 2011.
Agua Dulce:	\$2,670.40, up 2.6 percent from fiscal 2011.
Petronila:	\$328.23, down 58.0 percent from fiscal 2011.

January 2011 through September 2011 (Sales Activity Year-To-Date)

- Statewide payments based on sales activity months through September 2011: \$4.57 billion, up 8.1 percent from the same period in 2010.
- Payments to all cities in Nueces County based on sales activity months through September 2011: \$51.54 million, up 13.9 percent from the same period in 2010.
- Payments based on sales activity months through September 2011 to the city of:

Corpus Christi:	\$47.58 million, up 13.8 percent from the same period in 2010.
Robstown:	\$2.52 million, up 13.8 percent from the same period in 2010.
Port Aransas:	\$1.25 million, up 19.5 percent from the same period in 2010.
Bishop:	\$131,329.46, down 3.3 percent from the same period in 2010.
Driscoll:	\$37,056.34, up 25.5 percent from the same period in 2010.
Agua Dulce:	\$20,493.23, up 4.5 percent from the same period in 2010.
Petronila:	\$2,393.00, down 42.9 percent from the same period in 2010.

12 months ending in September 2011

- Statewide payments based on sales activity in the 12 months ending in September 2011: \$6.11 billion, up 7.9 percent from the previous 12-month period.
- Payments to all cities in Nueces County based on sales activity in the 12 months ending in September 2011: \$68.18 million, up 13.4 percent from the previous 12-month period.
- Payments based on sales activity in the 12 months ending in September 2011 to the city of:

Corpus Christi:	\$62.98 million, up 12.6 percent from the previous 12-month period.
Robstown:	\$3.45 million, up 28.8 percent from the previous 12-month period.
Port Aransas:	\$1.49 million, up 18.3 percent from the previous 12-month period.
Bishop:	\$175,706.25, up 0.4 percent from the previous 12-month period.
Driscoll:	\$47,793.87, up 23.2 percent from the previous 12-month period.
Agua Dulce:	\$27,631.78, up 10.1 percent from the previous 12-month period.
Petronila:	\$4,034.64, down 24.0 percent from the previous 12-month period.

■ **City Calendar Year-To-Date (RJ 2011)**

- Payment to the cities from January 2011 through November 2011:

Corpus Christi:	\$58.70 million, up 13.5 percent from the same period in 2010.
Robstown:	\$3.14 million, up 23.0 percent from the same period in 2010.
Port Aransas:	\$1.40 million, up 16.8 percent from the same period in 2010.
Bishop:	\$164,196.17, up 1.1 percent from the same period in 2010.
Driscoll:	\$44,217.98, up 22.7 percent from the same period in 2010.
Agua Dulce:	\$25,308.06, up 8.4 percent from the same period in 2010.
Petronila:	\$3,346.07, down 30.0 percent from the same period in 2010.

Annual (2010)

- Statewide payments based on sales activity months in 2010: \$5.77 billion, up 3.3 percent from 2009.
- Payments to all cities in Nueces County based on sales activity months in 2010: \$61.89 million, up 4.6 percent from 2009.
- Payment based on sales activity months in 2010 to the city of:

Corpus Christi:	\$57.20 million, up 2.9 percent from 2009.
Robstown:	\$3.15 million, up 60.8 percent from 2009.
Port Aransas:	\$1.28 million, down 3.6 percent from 2009.
Bishop:	\$180,187.04, up 2.9 percent from 2009.
Driscoll:	\$40,265.82, up 1.3 percent from 2009.
Agua Dulce:	\$26,741.96, up 10.2 percent from 2009.
Petronila:	\$5,834.13, up 11.9 percent from 2009.

Property Tax

- As of January 2009, property values in Nueces County: \$23.73 billion, up 3.6 percent from January 2008 values. The property tax base per person in Nueces County is \$73,450, below the statewide average of \$85,809. About 2.3 percent of the property tax base is derived from oil, gas and minerals.

State Expenditures

- Nueces County's ranking in state expenditures by county in fiscal year 2010: 11th. State expenditures in the county for FY2010: \$1.67 billion, up 0.2 percent from FY2009.
- In Nueces County, 36 state agencies provide a total of 5,862 jobs and \$44.13 million in annualized wages (as of 1st quarter 2011).
- Major state agencies in the county (as of first quarter 2011):

- Texas A & M University
- Department of Aging and Disability Services (Corpus Christi State School)
- Department of Family and Protective Services
- Department of Transportation

Higher Education

- Community colleges in Nueces County preliminary fall 2011 enrollment:
 - Del Mar College, a Public Community College, had 11,994 students.

- Nueces County is in the service area of the following:

- Del Mar College with a preliminary fall 2011 enrollment of 11,994 . Counties in the service area include:

- Aransas County
- Kenedy County
- Kleberg County
- Nueces County
- San Patricio County

- Institutions of higher education in Nueces County preliminary fall 2011 enrollment:

- Texas A&M University-Corpus Christi, a Public University (part of Texas A&M University System), had 10,192 students.

School Districts

- Nueces County had 12 school districts with 108 schools and 59,713 students in the 2009-10 school year.

(Statewide, the average teacher salary in school year 2009-10 was \$48,263. The percentage of students, statewide, meeting the 2010 TAKS passing standard for all 2009-10 TAKS tests was 77 percent.)

- Agua Dulce ISD had 341 students in the 2009-10 school year. The average teacher salary was \$41,075. The percentage of students meeting the 2010 TAKS passing standard for all tests was 61 percent.
- Banquete ISD had 831 students in the 2009-10 school year. The average teacher salary was \$45,570. The percentage of students meeting the 2010 TAKS passing standard for all tests was 77 percent.
- Bishop CISD had 1,224 students in the 2009-10 school year. The average teacher salary was \$44,028. The percentage of students meeting the 2010 TAKS passing standard for all tests was 81 percent.
- Calallen ISD had 3,797 students in the 2009-10 school year. The average teacher salary was \$47,321. The percentage of students meeting the 2010 TAKS passing standard for all tests was 86 percent.
- Corpus Christi ISD had 38,041 students in the 2009-10 school year. The average teacher salary was \$50,380. The percentage of students meeting the 2010 TAKS passing standard for all tests was 71 percent.
- Driscoll ISD had 263 students in the 2009-10 school year. The average teacher salary was \$41,729. The percentage of students meeting the 2010 TAKS passing standard for all tests was 89 percent.
- Flour Bluff ISD had 5,440 students in the 2009-10 school year. The average teacher salary was \$46,636. The percentage of students meeting the 2010 TAKS passing standard for all tests was 80 percent.
- London ISD had 352 students in the 2009-10 school year. The average teacher salary was \$46,308. The percentage of students meeting the 2010 TAKS passing standard for all tests was 93 percent.
- Port Aransas ISD had 548 students in the 2009-10 school year. The average teacher salary was \$47,343. The percentage of students meeting the 2010 TAKS passing standard for all tests was 84 percent.
- Robstown ISD had 3,385 students in the 2009-10 school year. The average teacher salary was \$43,354. The percentage of students meeting the 2010 TAKS passing standard for all tests was 55 percent.
- Tulo-Midway ISD had 3,408 students in the 2009-10 school year. The average teacher salary was \$45,404. The percentage of students meeting the 2010 TAKS passing standard for all tests was 80 percent.
- West Oso ISD had 2,083 students in the 2009-10 school year. The average teacher salary was \$45,631. The percentage of students meeting the 2010 TAKS passing standard for all tests was 63 percent.