

A Report of the Economic Impact on the State of Texas from Chevron U.S.A. Inc. in Houston, Texas

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Executive Summary

The Project

Chevron U.S.A. Inc. plans a new 1.5 million square foot office facility in Houston to house technical, administrative, and executive staff.

The firm will invest \$662 million in the facility over the first five years: \$576 million for buildings and other real property improvements and \$86 million for furniture, fixtures and equipment.

The facility will create 1,752 permanent jobs over eight years, with average annual salaries of \$110,000.

Total Capital Investment and Employment that Will be Maintained

Over the first ten years, the facility will have the following total capital investment and number of permanent jobs that will be maintained at this facility:

Total Capital Investment and Permanent Employment That Will Be Maintained		
Year	Level of Capital Investment	Level of Permanent Employment
2013	\$0	144
2014	\$96,000,000	298
2015	\$288,000,000	455
2016	\$523,000,000	612
2017	\$662,000,000	1,227
2018	\$662,000,000	1,402
2019	\$662,000,000	1,577
2020	\$662,000,000	1,752
2021	\$662,000,000	1,752
2022	\$662,000,000	1,752

Economic Output During Construction

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

Economic Impact of Construction at the Firm's Facility			
	Direct	Indirect and Induced	Total
Economic output/increase in gross state product	\$576,000,000	\$877,190,400	\$1,453,190,400
Peak construction employment	1,786	2,107	3,893
Payroll/increase in state personal income	\$248,170,092	\$336,692,364	\$584,862,456

Economic Impacts During the Facility's Operations

Total Economic Output/Increase in State Gross Product

The total annual economic output/increase in gross state product during the facility's operations is shown below.

Total Economic Output/Increase in Gross State Product During the Facility's Operations			
Year	Direct	Indirect and Induced	Total Economic Output
2013	\$32,781,457	\$39,744,238	\$72,525,695
2014	\$62,887,127	\$76,244,353	\$139,131,481
2015	\$98,899,504	\$119,905,759	\$218,805,263
2016	\$137,016,025	\$166,118,229	\$303,134,255
2017	\$282,944,809	\$343,042,286	\$625,987,095
2018	\$332,998,599	\$403,727,501	\$736,726,100
2019	\$385,800,966	\$467,745,091	\$853,546,057
2020	\$441,471,776	\$535,240,381	\$976,712,157
2021	\$454,715,929	\$551,297,593	\$1,006,013,522
2022	\$468,357,407	\$567,836,521	\$1,036,193,928
Total	\$2,697,873,601	\$3,270,901,953	\$5,968,775,554

Total Employment During the Facility's Operations

Total employment to be maintained during the facility's operations is shown below.

Total Employment During the Facility's Operations			
Year	Direct	Indirect and Induced	Total Jobs
2013	144	110	254
2014	298	228	526
2015	455	348	803
2016	612	467	1,079
2017	1,227	937	2,164
2018	1,402	1,071	2,473
2019	1,577	1,205	2,782
2020	1,752	1,338	3,090
2021	1,752	1,338	3,090
2022	1,752	1,338	3,090

Total Payroll/State Personal Income During the Facility's Operations

Total payroll/state personal income during the facility's operations is shown below.

Total Payroll/State Personal Income During the Facility's Operations			
Year	Direct	Indirect and Induced	Total Payroll
2013	\$15,840,000	\$16,018,992	\$31,858,992
2014	\$33,763,400	\$34,144,926	\$67,908,326
2015	\$53,098,045	\$53,698,053	\$106,796,098
2016	\$73,562,382	\$74,393,637	\$147,956,018
2017	\$151,909,924	\$153,626,506	\$305,536,430
2018	\$178,783,248	\$180,803,498	\$359,586,746
2019	\$207,132,252	\$209,472,846	\$416,605,098
2020	\$237,021,291	\$239,699,632	\$476,720,923
2021	\$244,131,930	\$246,890,621	\$491,022,551
2022	\$251,455,888	\$254,297,340	\$505,753,228

Retail Sales During Construction and Operations

Retail sales in the state during construction projects at the facility are shown below:

Retail Sales During Construction	
Retail sales during construction	\$186,624,238

Retail sales in the state during the facility's operations are shown below.

Retail Sales During the Facility's Operations	
2013	\$17,718,119
2014	\$35,602,466
2015	\$55,893,119
2016	\$77,371,513
2017	\$159,511,628
2018	\$187,715,608
2019	\$217,471,676
2020	\$248,848,027
2021	\$256,361,605
2022	\$264,106,992
Total	\$1,520,600,754

State Revenues

During construction, the State of Texas will receive the following revenues:

State Revenues During Construction	
State revenues during construction	\$20,363,921

During the facility's operations, the state will receive revenues as shown below.

State Revenues During the Facility's Operations	
2013	\$1,324,630
2014	\$2,647,569
2015	\$4,141,410
2016	\$5,722,813
2017	\$11,762,662
2018	\$13,840,565
2019	\$16,033,268
2020	\$18,345,884
2021	\$18,906,317
2022	\$19,484,901
Total	\$112,210,020

Details of information summarized above in this executive summary are on the following pages.

A Report of the Economic Impact of Chevron U.S.A. Inc.

Introduction

This report presents the results of an economic impact analysis performed by Impact DataSource, Austin, Texas. The analysis was to determine the economic impact of Chevron U.S.A. Inc. proposed facility in Houston, Texas on the state during the first ten years of the construction and operations of the facility and the fiscal impact on the State of Texas during this same period.

A Description of the Facility and Its Operations

Chevron U.S.A. Inc. plans a new 1.5 million square foot office facility in Houston to house technical, administrative, and executive staff.

The firm will invest \$662 million in the facility over the first five years: \$576 million for buildings and other real property improvements and \$86 million for furniture, fixtures and equipment.

The facility will create 1,752 permanent jobs over eight years, with average annual salaries of \$110,000.

Timeline for Permanent Employment and Investment

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

Timeline for Permanent Employment and Investment					
Year	Number of New Workers to be Hired Each Year	Land	Buildings and Other Real Property Improvements	Machinery and Equipment	Total Capital Investment
2013	144	\$0	\$0	\$0	\$0
2014	154	\$0	\$96,000,000	\$0	\$96,000,000
2015	157	\$0	\$192,000,000	\$0	\$192,000,000
2016	157	\$0	\$192,000,000	\$43,000,000	\$235,000,000
2017	615	\$0	\$96,000,000	\$43,000,000	\$139,000,000
2018	175	\$0	\$0	\$0	\$0
2019	175	\$0	\$0	\$0	\$0
2020	175	\$0	\$0	\$0	\$0
2021		\$0	\$0	\$0	\$0
2022		\$0	\$0	\$0	\$0
Total	1,752	\$0	\$576,000,000	\$86,000,000	\$662,000,000

Total Capital Investment and Total Employment

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

Total Capital Investment and Employment Over the First Ten Years	
Total capital investment	\$662,000,000
Total employment	1,752

Economic Impacts During Construction

The facility plans to spend the following estimated amounts constructing the facility:

Construction Costs	
2013	\$0
2014	\$96,000,000
2015	\$192,000,000
2016	\$192,000,000
2017	\$96,000,000
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0
Total	\$576,000,000

Construction Economic Output/Increase in Gross State Product

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

Economic Output/Increase in Gross State Product During Construction			
Year	Direct Construction Output	Indirect and Induced Output	Total Output
2013	\$0	\$0	\$0
2014	\$96,000,000	\$146,198,400	\$242,198,400
2015	\$192,000,000	\$292,396,800	\$484,396,800
2016	\$192,000,000	\$292,396,800	\$484,396,800
2017	\$96,000,000	\$146,198,400	\$242,198,400
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$576,000,000	\$877,190,400	\$1,453,190,400

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

Construction Employment

The estimated number of construction workers to be supported by the facility's construction is shown below.

Number of Construction Workers for a \$1 Million Construction Project	
Total estimated construction	\$1,000,000
On-site labor costs as a percentage of construction costs	40%
Estimated annual construction worker's salary	\$43,000
Estimated number of construction workers for \$1 million one year construction project	9.30

The number of construction workers employed during the facility's construction is shown below.

Construction Workers Employed During Construction		
Year	Construction Costs	Number of Construction Workers
2013	\$0	0
2014	\$96,000,000	893
2015	\$192,000,000	1,786
2016	\$192,000,000	1,786
2017	\$96,000,000	893
2018	\$0	0
2019	\$0	0
2020	\$0	0
2021	\$0	0
2022	\$0	0
Total	\$576,000,000	

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

Direct, Indirect and Induced Employment During Construction			
Year	Direct Construction Employment	Indirect and Induced Employment	Total Employment
2013	0	0	0
2014	893	1,054	1,947
2015	1,786	2,107	3,893
2016	1,786	2,107	3,893
2017	893	1,054	1,947
2018	0	0	0
2019	0	0	0
2020	0	0	0
2021	0	0	0
2022	0	0	0

Construction Payroll

Construction workers will have the following payrolls:

Direct Construction Payroll			
Year	Construction Costs	Mean Annual Construction Salaries	Total Construction Payroll
2013	\$0	\$43,000	\$0
2014	\$96,000,000	\$44,290	\$39,552,000
2015	\$192,000,000	\$45,619	\$81,477,120
2016	\$192,000,000	\$46,987	\$83,921,434
2017	\$96,000,000	\$48,397	\$43,219,538
2018	\$0	\$49,849	\$0
2019	\$0	\$51,344	\$0
2020	\$0	\$52,885	\$0
2021	\$0	\$54,471	\$0
2022	\$0	\$56,105	\$0
Total	\$576,000,000		\$248,170,092

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

Direct, Indirect and Induced Payroll During Construction			
Year	Direct Construction Payroll	Indirect and Induced Payroll	Total Payroll
2013	\$0	\$0	\$0
2014	\$39,552,000	\$53,660,198	\$93,212,198
2015	\$81,477,120	\$110,540,009	\$192,017,129
2016	\$83,921,434	\$113,856,209	\$197,777,643
2017	\$43,219,538	\$58,635,948	\$101,855,486
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$248,170,092	\$336,692,364	\$584,862,456

Fiscal Impacts During Construction

Taxable Sales

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

Percent of Construction Costs and Worker Salaries Subject to Sales Tax	
Percent of construction costs for materials	60%
Percent of construction materials that will be subject to sales tax	10%
Percent of worker salaries spent on taxable goods and services	26%

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

Estimated Taxable Sales				
Year	Estimated Taxable Construction Materials	Estimated Taxable Worker Spending	Total Taxable Sales	
2013	\$0	\$0	\$0	
2014	\$5,760,000	\$24,235,172	\$29,995,172	
2015	\$11,520,000	\$49,924,453	\$61,444,453	
2016	\$11,520,000	\$51,422,187	\$62,942,187	
2017	\$5,760,000	\$26,482,426	\$32,242,426	
2018	\$0	\$0	\$0	
2019	\$0	\$0	\$0	
2020	\$0	\$0	\$0	
2021	\$0	\$0	\$0	
2022	\$0	\$0	\$0	
Total	\$34,560,000	\$152,064,238	\$186,624,238	

Sales Tax Collections

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

Estimated Sales Tax Collections During Construction			
Year	On Construction Materials	On Taxable Worker Spending	Total Sales Tax Collections
2013	\$0	\$0	\$0
2014	\$360,000	\$1,514,698	\$1,874,698
2015	\$720,000	\$3,120,278	\$3,840,278
2016	\$720,000	\$3,213,887	\$3,933,887
2017	\$360,000	\$1,655,152	\$2,015,152
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$2,160,000	\$9,504,015	\$11,664,015

Taxable Margins Subject to Texas Franchise Tax

If direct, indirect and induced revenues during construction are revenues for organizations subject to Texas' franchise tax, their taxable margins will be subject to the tax. If this is the case, and the estimated taxable margins of the construction companies and indirect and induced companies are 10% of revenues, then construction on this project will result in the following taxable margins:

Estimated Taxable Margins During Construction Subject to Texas' Franchise Tax			
Year	On Direct Revenues During Construction	On Indirect and Induced Revenues	Total Taxable Margins
2013	\$0	\$0	\$0
2014	\$9,600,000	\$14,619,840	\$24,219,840
2015	\$19,200,000	\$29,239,680	\$48,439,680
2016	\$19,200,000	\$29,239,680	\$48,439,680
2017	\$9,600,000	\$14,619,840	\$24,219,840
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$57,600,000	\$87,719,040	\$145,319,040

Franchise Tax Collections

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A half percent rate is used for taxable entities primarily engaged in retail or wholesale trade, and a 1% rate is used for all other entities.

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

Estimated Franchise Tax Collections During Construction		
Year	Total Taxable Margins	Franchise Tax Collections
2013	\$0	\$0
2014	\$24,219,840	\$242,198
2015	\$48,439,680	\$484,397
2016	\$48,439,680	\$484,397
2017	\$24,219,840	\$242,198
2018	\$0	\$0
2019	\$0	\$0
2020	\$0	\$0
2021	\$0	\$0
2022	\$0	\$0
Total	\$145,319,040	\$1,453,190

Other Taxes and Revenues from Workers

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

Other Revenues for the State from Each Worker During Construction	
Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$250
Cigarette and tobacco taxes	\$16
Alcohol beverage taxes	\$90
Net lottery proceeds	\$183
Total	\$576

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

Other Revenues for the State from Workers During Construction						
Year	Gasoline Taxes	Motor Vehicle Sales and Use Taxes	Cigarette and Tobacco Taxes	Alcoholic Beverage Taxes	Net Lottery Proceeds	Total Other Taxes and Revenues
2013	\$0	\$0	\$0	\$0	\$0	\$0
2014	\$75,188	\$501,253	\$31,091	\$181,316	\$366,094	\$1,154,942
2015	\$154,887	\$1,032,580	\$64,048	\$373,511	\$754,155	\$2,379,181
2016	\$159,534	\$1,063,558	\$65,970	\$384,716	\$776,779	\$2,450,556
2017	\$82,160	\$547,732	\$33,974	\$198,129	\$400,041	\$1,262,037
2018	\$0	\$0	\$0	\$0	\$0	\$0
2019	\$0	\$0	\$0	\$0	\$0	\$0
2020	\$0	\$0	\$0	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$0	\$0	\$0
2022	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$471,768	\$3,145,123	\$195,084	\$1,137,671	\$2,297,069	\$7,246,716

Summary of General Fund Revenues for the State During Construction

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

General Fund Revenues for the State During Construction				
Year	Sales Tax Collections	Franchise Tax Collections	Other Taxes and Revenues	Total Revenues
2013	\$0	\$0	\$0	\$0
2014	\$1,874,698	\$242,198	\$1,154,942	\$3,271,839
2015	\$3,840,278	\$484,397	\$2,379,181	\$6,703,856
2016	\$3,933,887	\$484,397	\$2,450,556	\$6,868,840
2017	\$2,015,152	\$242,198	\$1,262,037	\$3,519,387
2018	\$0	\$0	\$0	\$0
2019	\$0	\$0	\$0	\$0
2020	\$0	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$0
2022	\$0	\$0	\$0	\$0
Total	\$11,664,015	\$1,453,190	\$7,246,716	\$20,363,921

Economic Impacts During the Facility's Operations

The facility will have the following estimated annual revenues during the first ten years of operations:

The Facility's Estimated Annual Operating Revenues During the First Ten Years of Operations		
2013	Year 1	\$32,781,457
2014	Year 2	\$62,887,127
2015	Year 3	\$98,899,504
2016	Year 4	\$137,016,025
2017	Year 5	\$282,944,809
2018	Year 6	\$332,998,599
2019	Year 7	\$385,800,966
2020	Year 8	\$441,471,776
2021	Year 9	\$454,715,929
2022	Year 10	\$468,357,407

Economic Output During Operations

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

Output During Operations			
Year	Direct Operations Output	Indirect and Induced Output	Total Output
2013	\$32,781,457	\$39,744,238	\$72,525,695
2014	\$62,887,127	\$76,244,353	\$139,131,481
2015	\$98,899,504	\$119,905,759	\$218,805,263
2016	\$137,016,025	\$166,118,229	\$303,134,255
2017	\$282,944,809	\$343,042,286	\$625,987,095
2018	\$332,998,599	\$403,727,501	\$736,726,100
2019	\$385,800,966	\$467,745,091	\$853,546,057
2020	\$441,471,776	\$535,240,381	\$976,712,157
2021	\$454,715,929	\$551,297,593	\$1,006,013,522
2022	\$468,357,407	\$567,836,521	\$1,036,193,928
Total	\$2,697,873,601	\$3,270,901,953	\$5,968,775,554

Employment during Operations

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

Number of Jobs to be Created		
Year	Number of New Jobs to be Created	Cumulative Number of New Jobs
2013	144	144
2014	154	298
2015	157	455
2016	157	612
2017	615	1,227
2018	175	1,402
2019	175	1,577
2020	175	1,752
2021	0	1,752
2022	0	1,752
Total	1,752	

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

Direct, Indirect and Induced Employment During Operations			
Year	Direct Operations Employment	Indirect and Induced Employment	Total Employment
2013	144	110	254
2014	298	228	526
2015	455	348	803
2016	612	467	1,079
2017	1,227	937	2,164
2018	1,402	1,071	2,473
2019	1,577	1,205	2,782
2020	1,752	1,338	3,090
2021	1,752	1,338	3,090
2022	1,752	1,338	3,090

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

Estimated Annual Payroll	
Percent of annual increase	3.0%
Average annual salaries:	
Year 1	\$110,000
Year 2	\$113,300
Year 3	\$116,699
Year 4	\$120,200
Year 5	\$123,806
Year 6	\$127,520
Year 7	\$131,346
Year 8	\$135,286
Year 9	\$139,345
Year 10	\$143,525
Annual payroll:	
2013	\$15,840,000
2014	\$33,763,400
2015	\$53,098,045
2016	\$73,562,382
2017	\$151,909,924
2018	\$178,783,248
2019	\$207,132,252
2020	\$237,021,291
2021	\$244,131,930
2022	\$251,455,888

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

Direct, Indirect and Induced Payroll During Operations			
Year	Direct Operations Payroll	Indirect and Induced Payroll	Total Payroll
2013	\$15,840,000	\$16,018,992	\$31,858,992
2014	\$33,763,400	\$34,144,926	\$67,908,326
2015	\$53,098,045	\$53,698,053	\$106,796,098
2016	\$73,562,382	\$74,393,637	\$147,956,018
2017	\$151,909,924	\$153,626,506	\$305,536,430
2018	\$178,783,248	\$180,803,498	\$359,586,746
2019	\$207,132,252	\$209,472,846	\$416,605,098
2020	\$237,021,291	\$239,699,632	\$476,720,923
2021	\$244,131,930	\$246,890,621	\$491,022,551
2022	\$251,455,888	\$254,297,340	\$505,753,228
Total	\$1,446,698,360	\$1,463,046,051	\$2,909,744,411

Fiscal Impacts During the Facility's Operations

Taxable Sales on Direct and Indirect Worker Spending

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

Taxable Spending by Direct and Indirect Workers		
Year	Worker Salaries	Workers' Taxable Spending
2013	\$31,858,992	\$8,283,338
2014	\$67,908,326	\$17,656,165
2015	\$106,796,098	\$27,766,985
2016	\$147,956,018	\$38,468,565
2017	\$305,536,430	\$79,439,472
2018	\$359,586,746	\$93,492,554
2019	\$416,605,098	\$108,317,326
2020	\$476,720,923	\$123,947,440
2021	\$491,022,551	\$127,665,863
2022	\$505,753,228	\$131,495,839
Total	\$2,909,744,411	\$756,533,547

The Facility's Taxable Sales

The facility's expects to have the following sales subject to Texas sales tax:

The Facility's Taxable Sales	
Year	Taxable Sales
Annual increase	0%
2013	\$0
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0
Total	\$0

Taxable Spending by the Facility and Indirect and Induced Companies

An estimated 10% of the facility's expenditures and 15% of revenues of indirect and induced companies may be spent on taxable goods and services. If this is the case, the following taxable spending can be expected from the companies:

Taxable Spending by the Facility and Indirect Companies			
Year	The Facility's Estimated Taxable Spending	Estimated Taxable Spending by Indirect and Induced Companies	Total Facility and Companies' Taxable Spending
2013	\$3,278,146	\$5,961,636	\$9,239,781
2014	\$6,288,713	\$11,436,653	\$17,725,366
2015	\$9,889,950	\$17,985,864	\$27,875,814
2016	\$13,701,603	\$24,917,734	\$38,619,337
2017	\$28,294,481	\$51,456,343	\$79,750,824
2018	\$33,299,860	\$60,559,125	\$93,858,985
2019	\$38,580,097	\$70,161,764	\$108,741,860
2020	\$44,147,178	\$80,286,057	\$124,433,235
2021	\$45,471,593	\$82,694,639	\$128,166,232
2022	\$46,835,741	\$85,175,478	\$132,011,219
Total	\$269,787,360	\$490,635,293	\$760,422,653

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

The facility expects the following number of out-of-town visitors:

Number of Visitors	
Annual increase in the number of visitors	10%
2013	1,300
2014	1,430
2015	1,573
2016	1,730
2017	1,903
2018	2,094
2019	2,303
2020	2,533
2021	2,787
2022	3,065

These visitors will spend the following number of days visiting the facility and spend the following amounts:

Spending by a Typical Out-of-State Visitors	
Average number of days spent visiting the facility	2
Average number of nights spent in a local hotel	2
Average daily spending in the community subject to sales tax	\$75
Average nightly room rate at a local motel	\$200
Average annual increase in nightly room rate	3.0%
Average annual increase in daily taxable spending in the community	3.0%

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

Spending by Out-of-Town Visitors		
Year	Taxable Spending in the Community	Spending on Lodging in the Community
2013	\$195,000	\$520,000
2014	\$220,935	\$572,000
2015	\$250,319	\$629,200
2016	\$283,612	\$692,120
2017	\$321,332	\$784,172
2018	\$364,069	\$888,467
2019	\$412,491	\$1,006,633
2020	\$467,352	\$1,140,515
2021	\$529,510	\$1,292,204
2022	\$599,934	\$1,464,067
Total	\$3,644,554	\$8,989,377

Total Taxable Sales

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

Estimated Total Taxable Sales					
Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Facility and Companies' Taxable Spending	Taxable Spending by Visitors in the Community	Total Taxable Sales
2013	\$8,283,338	\$0	\$9,239,781	\$195,000	\$17,718,119
2014	\$17,656,165	\$0	\$17,725,366	\$220,935	\$35,602,466
2015	\$27,766,985	\$0	\$27,875,814	\$250,319	\$55,893,119
2016	\$38,468,565	\$0	\$38,619,337	\$283,612	\$77,371,513
2017	\$79,439,472	\$0	\$79,750,824	\$321,332	\$159,511,628
2018	\$93,492,554	\$0	\$93,858,985	\$364,069	\$187,715,608
2019	\$108,317,326	\$0	\$108,741,860	\$412,491	\$217,471,676
2020	\$123,947,440	\$0	\$124,433,235	\$467,352	\$248,848,027
2021	\$127,665,863	\$0	\$128,166,232	\$529,510	\$256,361,605
2022	\$131,495,839	\$0	\$132,011,219	\$599,934	\$264,106,992
Total	\$756,533,547	\$0	\$760,422,653	\$3,644,554	\$1,520,600,754

Sales Tax Collections

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

Estimated Sales Tax Collections During Operations					
Year	On Workers' Spending	On The Facility's Taxable Sales	On Taxable Companies' Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2013	\$517,709	\$0	\$577,486	\$12,188	\$1,107,382
2014	\$1,103,510	\$0	\$1,107,835	\$13,808	\$2,225,154
2015	\$1,735,437	\$0	\$1,742,238	\$15,645	\$3,493,320
2016	\$2,404,285	\$0	\$2,413,709	\$17,726	\$4,835,720
2017	\$4,964,967	\$0	\$4,984,426	\$20,083	\$9,969,477
2018	\$5,843,285	\$0	\$5,866,187	\$22,754	\$11,732,226
2019	\$6,769,833	\$0	\$6,796,366	\$25,781	\$13,591,980
2020	\$7,746,715	\$0	\$7,777,077	\$29,209	\$15,553,002
2021	\$7,979,116	\$0	\$8,010,389	\$33,094	\$16,022,600
2022	\$8,218,490	\$0	\$8,250,701	\$37,496	\$16,506,687
Total	\$47,283,347	\$0	\$47,526,416	\$227,785	\$95,037,547

Hotel Occupancy Tax Collections

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

Estimated Hotel Occupancy Tax Collections from Visitors		
Year	Spending on Lodging	Total Hotel Occupancy Tax Collections
2013	\$520,000	\$31,200
2014	\$572,000	\$34,320
2015	\$629,200	\$37,752
2016	\$692,120	\$41,527
2017	\$784,172	\$47,050
2018	\$888,467	\$53,308
2019	\$1,006,633	\$60,398
2020	\$1,140,515	\$68,431
2021	\$1,292,204	\$77,532
2022	\$1,464,067	\$87,844
Total	\$8,989,377	\$539,363

Franchise Tax Collections from the Company and Indirect and Induced Businesses

Texas franchise tax is a tax on “taxable margin,” which is a concept similar to taxable income. Generally, an entity’s taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity’s revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A half percent rate is used for taxable entities primarily engaged in retail or wholesale trade, and a 1% rate is used for all other entities.

Estimated Taxable Margins of the Company and Indirect and Induced Companies

The facility's estimated taxable margins subject to Texas franchise tax may be 0% of operating expenses and the estimated taxable margins of indirect companies may be 10% of revenues. If this is the case, the estimated taxable margins of the company and indirect and induced companies that will be subject to corporate franchise taxes in the state of Texas are shown below.

Revenues of the Company Subject to Franchise Taxes and Taxable Margins of Indirect and Induced Companies During Operations					
Year	Taxable Margins of the Company Subject to Texas Franchise Taxes	Revenues of Indirect and Induced Businesses Subject to Franchise Taxes	Total Revenues Subject to Franchise Taxes		
2013	\$0	\$3,974,424	\$3,974,424		
2014	\$0	\$7,624,435	\$7,624,435		
2015	\$0	\$11,990,576	\$11,990,576		
2016	\$0	\$16,611,823	\$16,611,823		
2017	\$0	\$34,304,229	\$34,304,229		
2018	\$0	\$40,372,750	\$40,372,750		
2019	\$0	\$46,774,509	\$46,774,509		
2020	\$0	\$53,524,038	\$53,524,038		
2021	\$0	\$55,129,759	\$55,129,759		
2022	\$0	\$56,783,652	\$56,783,652		
Total	\$0	\$327,090,195	\$327,090,195		

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

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

Estimated Franchise Tax Collections from the Facility and Indirect and Induced Businesses During Operations			
	The Facility	Indirect Businesses	Total
2013	\$0	\$39,744	\$39,744
2014	\$0	\$76,244	\$76,244
2015	\$0	\$119,906	\$119,906
2016	\$0	\$166,118	\$166,118
2017	\$0	\$343,042	\$343,042
2018	\$0	\$403,728	\$403,728
2019	\$0	\$467,745	\$467,745
2020	\$0	\$535,240	\$535,240
2021	\$0	\$551,298	\$551,298
2022	\$0	\$567,837	\$567,837
Total	\$0	\$3,270,902	\$3,270,902

Other Taxes and Revenues from Workers

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

Other Revenues for the State from Each Worker During Operations	
Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$250
Cigarette and tobacco taxes	\$16
Alcoholic beverage taxes	\$90
Net lottery proceeds	\$183
Total	\$576

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

Other Revenues for the State from Workers During Operations						
Year	Gasoline Taxes	Motor Vehicle Sales and Use Taxes	Cigarette and Tobacco Taxes	Alcoholic Beverage Taxes	Net Lottery Proceeds	Total Other Taxes and Revenues
2013	\$9,525	\$63,497	\$3,939	\$22,968	\$46,375	\$146,304
2014	\$20,302	\$135,345	\$8,395	\$48,958	\$98,851	\$311,850
2015	\$31,928	\$212,851	\$13,203	\$76,994	\$155,457	\$490,432
2016	\$44,233	\$294,885	\$18,291	\$106,667	\$215,372	\$679,448
2017	\$91,343	\$608,952	\$37,772	\$220,273	\$444,753	\$1,403,093
2018	\$107,502	\$716,677	\$44,454	\$259,240	\$523,432	\$1,651,304
2019	\$124,548	\$830,318	\$51,503	\$300,347	\$606,430	\$1,913,145
2020	\$142,520	\$950,132	\$58,934	\$343,687	\$693,938	\$2,189,211
2021	\$146,795	\$978,636	\$60,702	\$353,998	\$714,756	\$2,254,887
2022	\$151,199	\$1,007,995	\$62,523	\$364,617	\$736,199	\$2,322,534
Total	\$869,893	\$5,799,288	\$359,716	\$2,097,749	\$4,235,563	\$13,362,209

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

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

General Fund Revenues for the State During Operations					
Year	Sales Tax Collections	Hotel Occupancy Taxes	Franchise Tax Collections	Other Taxes and Revenues	Total State Revenues
2013	\$1,107,382	\$31,200	\$39,744	\$146,304	\$1,324,630
2014	\$2,225,154	\$34,320	\$76,244	\$311,850	\$2,647,569
2015	\$3,493,320	\$37,752	\$119,906	\$490,432	\$4,141,410
2016	\$4,835,720	\$41,527	\$166,118	\$679,448	\$5,722,813
2017	\$9,969,477	\$47,050	\$343,042	\$1,403,093	\$11,762,662
2018	\$11,732,226	\$53,308	\$403,728	\$1,651,304	\$13,840,565
2019	\$13,591,980	\$60,398	\$467,745	\$1,913,145	\$16,033,268
2020	\$15,553,002	\$68,431	\$535,240	\$2,189,211	\$18,345,884
2021	\$16,022,600	\$77,532	\$551,298	\$2,254,887	\$18,906,317
2022	\$16,506,687	\$87,844	\$567,837	\$2,322,534	\$19,484,901
Total	\$95,037,547	\$539,363	\$3,270,902	\$13,362,209	\$112,210,020

Discussion of Indirect and Induced Impacts

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

Indirect revenues, jobs and salaries are created in new or existing firms in the state, such as parts suppliers, that may supply goods and services to the facility. In addition, induced revenues, jobs and salaries are created and supported in new or existing businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to workers and their families.

To estimate the indirect and induced economic impact of the facility on the state, regional economic multipliers were used. Regional economic multipliers for Texas are included in the US Department of Commerce's Regional Input-Output Modeling System (RIMS II).

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

An output multiplier was used to estimate the indirect and induced output or revenues created and supported in the state. An employment multiplier was used to estimate the number of indirect and

induced jobs created and supported in the state. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs.

The multipliers show the estimated indirect and induced revenues of other companies in the state for every dollar of revenues at the facility. An employment multiplier shows the number of indirect and induced jobs created for every direct job at the facility and the amount of salaries paid to these workers for every dollar paid to a direct worker at the facility. The indirect and induced multipliers shown below were used in this analysis:

Indirect and Induced Multipliers Used in this Analysis		
	During Construction	During Operations
Output multiplier	1.5229	1.2124
Employment multiplier	1.1798	0.7638
Earnings multiplier	1.1134	1.0113

About Impact DataSource

Impact DataSource is a nineteen-year-old Austin economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in Texas and 25 other states. In addition, the firm has developed economic impact analysis computer programs for several clients including the New Mexico Economic Development Department.

The firm’s principal, Jerry Walker, performed this economic impact analysis. He is an economist and has Bachelor of Science and Master of Business Administration degrees in accounting and economics from Nicholls State University, Thibodaux, Louisiana.

Some Rates and Assumptions Used in this Analysis

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

Texas business franchise tax:

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A half percent rate is used for taxable entities primarily engaged in retail or wholesale trade, and a 1% rate is used for all other entities.

Sales and use tax rate	6.25%
Hotel occupancy tax rate	6%
Gasoline tax, per gallon	\$0.20
Percent of gasoline taxes going into state general revenues	25%
Motor vehicle sales and use tax	6.25%
Percent of total salaries that a typical worker spends on taxable goods and services	33%

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

	Total Collections in 2010	Number of Households in the State (Estimated 2010)	Amount of Annual Collections Per Worker Household
Cigarette and tobacco taxes	\$138,764,873	8,948,598	\$16
Alcoholic beverage taxes	\$809,233,737	8,948,598	\$90
Net lottery proceeds	\$1,633,922,591	8,948,598	\$183
Total			\$289

Some assumptions used in this analysis:

Annual state gasoline tax collections per worker:

Miles driven per year by a typical worker	15,000
Miles per gallon	20
Number of gallons of gasoline purchased each year by a typical worker	750

Gasoline tax, per gallon	\$0.20
Gasoline taxes paid each year by a typical worker	\$150
Percent of gasoline taxes going into the general fund	25%
Gasoline taxes paid each year by a typical worker going to the general fund	\$38

Annual motor vehicle sales and use tax collections per worker:

Number of new or used automobiles purchased per 10 workers each year	2
Average value of new or used automobiles purchased by a typical worker who purchases an automobile	\$20,000
Motor vehicle sales and use tax	6.25%
Annual motor vehicle sales and use taxes paid by a typical worker	\$250.00

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

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

Gasoline taxes	\$37.50
Motor vehicle sales and use taxes	\$250.00
Cigarette and tobacco taxes	\$15.51
Alcoholic beverage taxes	\$90.43
Net lottery proceeds	\$182.59
Total	\$576.03

Estimated annual increase in the above taxes per worker over each of the next ten years 3%

For Office of the Governor Use Only
Project: Summit - HPP
Community: Houston
Date: 2-13-13
 Application Fee Enclosed



Texas Enterprise Fund Application

Office of the Governor

SUMIT CREDITS, LLC

P.O. BOX 910
WATSON, LA 70786
(225) 664-2160

CAPITAL ONE, NA
DENHAM SPRINGS, LA 70706
14-9/650

1194

2/13/2013

PAY TO THE ORDER OF Office of the Governor

\$ **1,000.00

One Thousand and 00/100***** DOLLARS

Office of the Governor
Attention Financial Services
1100 San Jacinto
Austin, TX 78701

J. L. ... MP

MEMO Chevron U.S.A. Inc. TEF Application

⑈00 1 194⑈

SUMIT CREDITS, LLC

1194

Office of the Governor

2/13/2013

Chevron USA Inc.

1,000.00

1001 Capital One Che Chevron U.S.A. Inc. TEF Application

1,000.00

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OFFICE OF THE GOVERNOR

RICK PERRY
GOVERNOR

Texas Enterprise Fund

"The Texas Enterprise Fund continues to be the most successful deal-closing fund in the nation, creating new jobs for Texans, benefits to the local economy and is yet another sign that Texas remains one of the world's premiere places to do business."--Governor Rick Perry

Governor Rick Perry has made job creation and economic development a cornerstone of his administration, creating one of the best business climates in the nation. Month after month, the Lone Star State tops business rankings for business climate, job growth, and growing communities. Texas is a leading state for Fortune 500 and 1000 corporate headquarters and grew its exports by 21 percent in 2011 to remain the No. 1 exporting state in the country for the 10th year in a row. It's no wonder Texas was named by *Forbes* as the "Best State for Jobs" and is also ranked as the No. 1 state on *Forbes'* list for growth prospects and economic climate.

At the Governor's request, and with the support of the Lieutenant Governor and Speaker of the House, the Texas Legislature established the Texas Enterprise Fund in 2003. Since that time the state has been able to respond quickly and aggressively to opportunities to bring well over 60,000 jobs to Texas.

The Texas Enterprise Fund provides the state's leaders with a "deal closing fund" that has the flexibility and financial resources to help strengthen the state's economy. The fund can be used for a variety of economic development projects including infrastructure development, community development, job training programs and business incentives. Before funds can be awarded, the Governor, Lieutenant Governor and Speaker must unanimously agree to support the use of the Texas Enterprise Fund for each specific project.

The Texas Enterprise Fund is used primarily to attract new business to the state or assist with the substantial expansion of an existing business as part of a competitive recruitment situation. State leadership also will be able to use Enterprise funds to leverage other resources for an economic development project.

To be eligible for Texas Enterprise Fund support, a project must demonstrate a significant return on the state's investment and strong local support. The review process will consider a variety of factors associated with each project, including job creation and wages, capital investment, the financial strength of the applicant, the applicant's business history, analysis of the relevant business sector, and public and private sector financial support.

If you have a project that can benefit from the Texas Enterprise Fund, an application must be submitted to the Office of the Governor, Economic Development and Tourism division that provides information on how funds are to be utilized and how the proposed project meets the criteria of the program. If a project receives Texas Enterprise Funds, a performance document will be adopted which will include default provisions.

For more information on the Texas Enterprise Fund, contact Texas Business Development at (512) 936-0100 or visit http://governor.state.tx.us/ecodev/financial_resources/texas_enterprise_fund.

INSTRUCTIONS

Submit a completed application to the Office of the Governor. If application is submitted through regular mail, mail the application to Office of the Governor, Attention Financial Services, Post Office Box 12878, Austin, Texas 78711-2878. If through overnight delivery, send to Office of the Governor, Attention Financial Services, 1100 San Jacinto, Austin, Texas 78701. Include all requested information for all sections since any performance documents or State Agreements developed will use details represented in this application. Be accurate and thorough to avoid delays in processing. Where no response is possible, it should be marked N/A. Attachments and additional pages are not required unless specifically requested in the application. Any necessary supplemental information will be requested as a follow-up document. Original signatures must accompany the completed application. Always use the most current application found at <http://governor.state.tx.us/files/ecodev/tefapp.doc>.

CERTIFICATION OF APPLICATION – BUSINESS

Authorized Business Representative (This is the Applicant)

First Name Charles Last Name Johnson

Title Assistant Secretary

Organization Chevron U.S.A. Inc.

Street Address 1400 Smith Street, Ste. 06016

Mailing Address Same

City Houston State TX Zip 77002

Phone Number (713) 372-1686 Fax Number 713-372-1291

Mobile Number N/A Website www.chevron.com

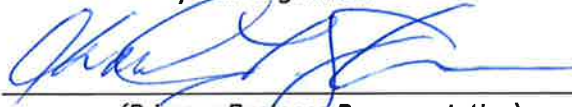
Email Address Charles.johnson@chevron.com

The following consultant is authorized to provide and obtain information related to this application. However, the State of Texas reserves the right to contact the applicant business directly at any time.

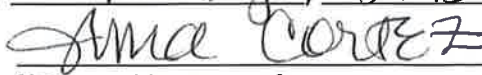
Consultant Name Jesse D. Broderick Phone Number (225) 664-2160

Consultant Email jbroderick@sumitcredits.com

To the best of my knowledge and belief, the information contained in this Texas Enterprise Fund Application is true and correct, as evidenced by my signature below. I further certify that the business entity is in good standing under the laws of the state in which the entity was organized and that no delinquent taxes are owed to any taxing entity within the State of Texas.

Signature  Date Feb. 12, 2013
(Primary Business Representative)

GIVEN under my hand and seal of office this 12th day of FEBRUARY, 2013


Notary Public, State of

(Notary Seal)



My commission expires 07/30/2014

INSTRUCTIONS

Submit a completed application to the Office of the Governor. If application is submitted through regular mail, mail the application to Office of the Governor, Attention Financial Services, Post Office Box 12878, Austin, Texas 78711-2878. If through overnight delivery, send to Office of the Governor, Attention Financial Services, 1100 San Jacinto, Austin, Texas 78701. Include all requested information for all sections since any performance documents or State Agreements developed will use details represented in this application. Be accurate and thorough to avoid delays in processing. Where no response is possible, it should be marked N/A. Attachments and additional pages are not required unless specifically requested in the application. Any necessary supplemental information will be requested as a follow-up document. Original signatures must accompany the completed application. Always use the most current application found at <http://governor.state.tx.us/files/ecodev/tefapp.doc>.

CERTIFICATION OF APPLICATION – COMMUNITY

Authorized Community Representative

First Name **Fred** Last Name **Welch**

Title **Vice President, Regional Economic Development**

Organization **Greater Houston Partnership**

Street Address **1200 Smith, Suite 700**

Mailing Address **1200 Smith, Suite 700**

City **Houston** State **TX** Zip **77002**

Phone Number **(713) 844 - 3650** Fax Number **(713) 844 - 0250**

Mobile Number **(832) 523 - 3013** Website **www.houston.org**

Email Address **fwelch@houston.org**

To the best of my knowledge and belief, the information contained in this Texas Enterprise Fund Application is true and correct, as evidenced by my signature below.

Signature


(Community Representative)

Date **2/14/2013**

APPLICATON FEE

Enclosed non-refundable application fee in the amount of \$1,000 payable to Office of the Governor

BUSINESS APPLICANT INFORMATION

1A. Exact legal name of the entity applying to the Texas Enterprise Fund

Chevron U.S.A. Inc.

1B. In addition to the Applicant, list all corporate subsidiaries under which jobs will be reported for this project.

N/A

Federal Tax ID number 25-0527925 Comptroller of Public Accounts number 12505279252

Corporate credit rating and source Aa2 – Moody's Service / product produced Oil & Gas Production

Will the Business be required to pay state sales and use tax on equipment? Yes No Undetermined

SIC Code 1311 NAICS Code 211111

Exact location of proposed Texas site (address or intersection) 1600 Louisiana Street, Houston, TX 77002

APPLICANT BUSINESS STRUCTURE

Is the Applicant registered to do business in Texas with the Texas Secretary of State? Yes No

If "Yes," identify the exact name used by company to register in Texas Chevron U.S.A. Inc.

Structure of Applicant (private, public, LLP, LLC, etc.) Subsidiary of a Publicly Traded Company (CVX)

Evidence of good standing under the laws of the state in which the business was formed or organized is required. Attach a certificate issued by the secretary of state or the state official having custody of the records pertaining to entities or other organizations formed under the laws of that state.

Articles of Incorporation attached Yes No

State of Incorporation: Pennsylvania

Number of years Applicant company (listed on line 1A above) in business 133

Number of employees worldwide at Applicant company (listed on line 1A above) 24,040

List any person or entity that has at least 5% ownership in the Applicant company (listed on line 1A above):

Name	Percent
Chevron U.S.A. Holdings Inc.	100%
_____	_____
_____	_____
_____	_____

Corporate Family Tree

Please provide the family tree by listing the Applicant’s immediate and ultimate parent companies (if applicable), as well as all principal subsidiaries of the applicant with operations in Texas. Use outline structure below as an example.

Ultimate Parent: See Attached Corporate Schedule

 > Immediate Parent: _____

 > APPLICANT: _____

 > Subsidiary A: _____

 > Subsidiary B: _____

 > Subsidiary C: _____

Is the Applicant company in "good standing" with the Texas Comptroller (current on tax obligations)? Yes No

Are all parent and subsidiary entities of the Applicant in "good standing" with the Texas Comptroller? Yes No

If the answer to either question is no, please explain and/or disclose any history of default or tax-related forfeitures.

EXISTING JOBS AT ALL TEXAS LOCATIONS

Please identify all existing locations in Texas, including those of parent, subsidiary, and affiliated companies, as well as the TEF Application project site (if this location has existing jobs). Note that any potential Texas Enterprise Fund agreement will include this baseline employment information.

<u>Company Unit</u>	<u>City in Texas</u>	<u>Number of Jobs</u>
<u>See Attached Headcount Schedule</u>	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Will the new project result in job losses at any existing Texas location? Yes No

If yes, has the affected community been notified? Yes No

BRIEF PROJECT SUMMARY

Provide a brief overview of the project including the physical location of the site and the scope of planned operations (do not attach additional documentation).

See Attached Project Summary

PROJECT CHARACTERISTICS (check all that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> Construct New Facility | <input type="checkbox"/> Expansion from Out of State |
| <input type="checkbox"/> Lease Facility | <input checked="" type="checkbox"/> Relocation from Out of State |
| <input type="checkbox"/> Expand Existing Facility | <input checked="" type="checkbox"/> Expansion within Texas |
| <input type="checkbox"/> Renovate Existing Facility | <input type="checkbox"/> Relocation within Texas |
| <input type="checkbox"/> New Business/Start-up | <input type="checkbox"/> Consolidation |

Square footage of manufacturing building (if applicable) _____ N/A

Investment for pollution control equipment (if applicable) _____ N/A

Investment for clean rooms (if applicable) _____ N/A

Inventory at project location (if applicable) _____ N/A

PROJECTED CAPITAL INVESTMENT Total must match Investment Schedule pg. 8

Land	<u>\$0</u>	Working Capital	<u>N/A</u>
Building(s)	<u>\$576,000,000</u>	Do not include working capital in calculation to the left.	
Machinery & Equipment	<u>\$86,000,000</u>		
Total	<u>\$662,000,000</u>		

COMMITTED SOURCES OF FUNDING

Business Participation	<u>100%</u>
Financial Institution(s)	<u>0%</u>
Local Participation	<u>TBD</u> (excluding abatements)
Federal Participation	<u>0%</u>
Other _____	<u>0%</u>
Total	<u>100%</u>

Provide a brief summary of committed funding in the space below (do not attach additional pages).

The project is anticipated to be 100% financed and paid for by Chevron U.S.A Inc. from its capital expenditures budget.

PROJECTED DATES & MILESTONES

Begin Construction	<u>Q2 2104</u>	Begin Hiring New Employees	<u>Q2 2013</u>
Construction Complete	<u>Q1 2017</u>	Fully Operational	<u>Q2 2018</u>
Purchase Machinery & Equipment	<u>Q1 2017</u>		
Is construction on leased property?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
If yes, is it a capitalized lease?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	

PERMITS

Pending

Current

No Permits Required

Estimated state and local fee related revenue generated by this project \$754,000

List any local, state or federal permits that will be, or have been acquired, including the corresponding fees paid, issuing agency and the expected date of receipt, if applicable.

This project would require the normal office building permits – Base Building and Tenant Improvements.

JOB CREATION & INVESTMENT SCHEDULE (Must match Projected Capital Investment on pg.7)

<u>Year</u>	<u>Existing Jobs on Site</u>	<u>New Jobs</u>	<u>Total Jobs</u>	<u>Land</u>	<u>Building(s)</u>	<u>Machinery & Equipment</u>	<u>Total Investment</u>
2013	0	144	144				
2014	144	154	298		96,000,000		96,000,000
2015	298	157	455		192,000,000		192,000,000
2016	455	157	612		192,000,000	43,000,000	235,000,000
2017	612	615	1,227		96,000,000	43,000,000	139,000,000
2018	1,227	175	1,402				
2019	1,402	175	1,577				
2020	1,577	175	1,752				
2021							
2022							
TOTALS		1,752		0	576,000,000	86,000,000	662,000,000

Note: A breakdown of the types of new full-time jobs to be created by classification, title, and the salary may be requested.

Number of new full-time jobs to be included in State Agreement 1,752

Estimated annual *median* wage of new jobs to be created \$110,000/yr

Note: The median wage is determined by listing all salaries in ascending order and selecting the value with equal number of salaries above and below its value, or with an average of the two middle values if there is no middle number.

PRIMARY COMPETITION FOR PROJECT (Out of State)

<u>City</u>	<u>State or Country</u>	<u>Incentive</u>
See Attached Project Summary		

INDUSTRY CLUSTER

If applicable, identify the targeted industry cluster within which this project falls.

- Advanced Technologies and Manufacturing, including four sub-clusters: Nanotechnology and Materials; Micro-electromechanical Systems; Semiconductor Manufacturing; Automotive Manufacturing
- Aerospace, Aviation and Defense
- Biotechnology and Life Sciences, not including medical services
- Information and Computer Technology, including three sub-clusters: Communications Equipment; Computing Equipment and Semiconductors; Information Technology
- Petroleum Refining and Chemical Products
- Energy, including three sub-clusters: Oil and Gas Production; Power Generation and Transmission; Manufactured Energy Systems
- None apply

TEF REQUEST & OTHER STATE ASSISTANCE

Identify state programs that the project will apply for:

<u>State Source</u>	<u>Amount</u>
Texas Enterprise Zone Program	<u>\$3,750,000</u>
Texas Enterprise Fund request	<u>\$17,000,000</u>
Total	<u>\$20,750,000</u>

COMMUNITY TAX RATES & LOCAL INCENTIVE INFORMATION

(Represent tax rates to the 4th decimal per \$100 evaluation)

	Entity	Tax Rate
Tax Rate City	<u>City of Houston</u>	<u>.63875</u>
Tax Rate County	<u>Harris County</u>	<u>.39117</u>
Tax Rate School District	<u>Houston ISD</u>	<u>1.1567</u>
M&O Rate	<u></u>	<u></u>
Special Tax Districts	<u>Harris Hospital Dist, Flood Dist, & Dept of Education</u>	<u>.226831</u>
Other Taxing Entities	<u>Port of Houston & Houston Community College</u>	<u>.115782</u>
Total Combined Local Tax Rate (Include all applicable taxing entities)		<u>2.529233</u>

County depreciation schedule for personal property (attachment included) Yes No

Will local abatements be offered? Yes No

Abatement Agreement Details				
	Real Property %	Business Personal Property %	Term Length in Years	Maximum Amount (if Applicable)
City	Pending	Pending	10	Pending
County	No	No	N/A	N/A
Other Taxing Entity	N/A	N/A	N/A	N/A

Please use the following text box for additional details regarding the local abatements listed in the table above. Also describe any additional local incentives relating to the project.

Chevron is also negotiating with the City of Houston for assistance with mitigating some of the public infrastructure costs estimated to be approximately \$4 million.

AVERAGE WEEKLY WAGE (AWW)

County where Qualified Business is Located Harris

Attached County Average Weekly Wage backup (use the most recent four quarters available) Attached Yes No

Four most recent quarters (May or may not all be in same calendar year):

Quarter A	<u>\$1,240</u>	Year <u>2011</u> Quarter <u>4</u>
Quarter B	<u>\$1,338</u>	Year <u>2012</u> Quarter <u>1</u>
Quarter C	<u>\$1,165</u>	Year <u>2012</u> Quarter <u>2</u>
Quarter D	<u>\$1,155</u>	Year <u>2012</u> Quarter <u>3</u>
TOTAL	<u>\$4,898</u>	$\div 4 = \underline{\underline{\$1,224.50}}$ <i>(County AWW)</i>

Calculate the average weekly wage **excluding benefits** in the formula below including only the new jobs represented in this application for state benefit. Please use an Average Annualized Wage achievable in each year of job creation.

$$\frac{\$110,000}{\text{Avg. Annualized Wage Without Benefits}} \div 52 = \frac{\$2,115.39}{\text{AWW}}$$

To determine the annual weekly wage of the county, go to the following web site and fill out the data link request.

<http://www.tracer2.com/cgi/dataanalysis/AreaSelection.asp?tableName=Industry>

Section 1: Select **COUNTY**

Section 2: Select the County you are researching e.g. "**ANDERSON**"

Click **CONTINUE**

Section 3: Select year – e.g. **2008** (use the most recent four quarters available)

Section 4: Select Time Period – select **ALL**

Click **CONTINUE**

Section 5: Select Industry Code – **NAICS**

Section 6: Select Ownerships – select **ALL**

Section 7: Select Division – select **ALL**

Click **CONTINUE**

Section 8: Select Industries – select **TOTAL, ALL INDUSTRIES**

Section 9: Select Data Series – select **AVG WEEKLY WAGES**

Order by: select **AREA**

VIEW DATA

Does the company offer employee benefits including healthcare?

Yes No

If so, what percentage of benefits is paid by the Company?

80%

BENEFIT TO THE STATE

Independent Economic Impact Analysis attached (required) Yes No

Independent Economic Impact Analysis prepared by: Impart Data Source

The analysis must be conducted by a third-party entity not related to the applicant, and must include the following:

- A. Total capital investment and employment, with timeline for each
- B. Outline of Economic and Fiscal Impacts of:
 1. Project construction phase
 2. Annual operations for each of the first 10 years of operationImpacts during construction phase should include:
 - Total Expenditure
 - Gross State Product impact
 - Retail Sales
 - Total State Tax Revenue
 - Direct, indirect, induced and total peak employment
 - Direct, indirect , induced and total payrollImpacts during *each year* of annual operations should include:
 - Total Expenditure
 - Gross State Product impact
 - Retail Sales
 - Total State Tax Revenue
 - Direct, indirect, induced and total permanent employment
 - Direct, indirect , induced and total payroll
- C. Executive Summary of the analysis highlighting the following data items:
 1. Gross State product impact during *first year of full employment*
 2. Total payroll (including direct, indirect, and induced) during *first year of full employment*
 3. Total jobs (including direct, indirect, and induced) during *first year of full employment*

COMPANY FINANCIAL DATA

The Applicant company is asked to provide three consecutive years of financial data in the form of independent, audited financial statements containing, at a minimum, the following categories:

- Current Assets
- Inventories
- Total Assets
- Current Liabilities
- Total Liabilities
- Total Equity
- Net Income
- Revenue
- Cost of Goods Sold
- Current Accounts Receivable

Note: Audited financial statements are required from the Applicant company, as listed on page 4, line 1A of this application. If financial statements are provided from a parent entity, the parent will be required to guarantee any economic development agreement with the State of Texas, should one result from this application.

CONFIDENTIALITY NOTICE

The Office of the Governor, Economic Development and Tourism division, as a state agency, must comply with the Texas Public Information Act (the "Act"). Under the Act the agency may have authority to maintain the confidentiality of the name of and other information related to a company seeking to locate in the state until after the location negotiations are completed. In the event that a public information request related to the company is submitted to the agency, the agency will (i) promptly notify the company of the request, (ii) if appropriate, take all possible and appropriate actions with the Attorney General of Texas to prevent release of the information, including asserting exemptions under the Act (including the Economic Development Negotiations exception of section 552.131 and the Trade Secrets/Commercial Information exception of section 552.110) and (iii) provide the company with full information and opportunity to participate in such process.

The applicants acknowledge that negotiations and information related to this application shall be treated as confidential, and that a full faith effort will be made to prevent the disclosure of any such negotiations. The applicants further agree that they will not disseminate information regarding any subsequent agreement except as directed by the Office of the Governor. Breach of confidentiality regarding this application may be grounds for termination of negotiations.

Checklist and requested attachments:

	TEF Application Pre-Submission Checklist	Check Completed
A	Original Certification Pages signed by Community	<i>Yes</i>
B	Original Certification Pages signed by Company	<i>Yes</i>
C	Articles of Incorporation (Attachment Included)	<i>Yes</i>
D	Certificate of Good Standing for Applicant from the Texas Comptroller of Public Accounts(Attachment Included)	<i>Yes</i>
E	Applicant company and all parent or subsidiary entities verified in Good Standing with the Texas Comptroller of Public Accounts*	<i>Main Ones</i>
F	State and Local Fee Estimate	<i>Yes</i>
G	State Assistance & TEF Request Amount	<i>Yes</i>
H	County Depreciation Schedule (Attachment Included)	<i>N/A</i>
I	Average Weekly Wage (Attachment Included)	<i>Yes</i>
J	Economic Impact Analysis (Attachment Included)	<i>Yes</i>
K	Audited Financial Documentation for Applicant Company (Attachment Included)	<i>Yes**</i>

* To resolve any issues regarding a company's status with the Texas Comptroller of Public Accounts (CPA), please contact the CPA's Franchise Tax Division as (512) 463-4402.

** Note 5 of the Annual Statement will show a high-level income statement and balance sheet for Chevron U.S.A. Inc. as it is a major subsidiary of Chevron Corporation.

Project Sumit

Project Summary and Economic Analysis

Company Name: Chevron U.S.A. Inc.
6001 Bollinger Canyon Rd.
San Ramon, CA 94583

Project Location: 1600 Louisiana St.
Houston, TX 77002 (Key Map 493Q)
Council District I, James G. Rodriguez
83,863 sqft, HCAD 006-003-000-0031
2012 HCAD Base Value \$20,127,120

PROJECT SUMMARY

Business Profile: Chevron U.S.A. Inc. is a wholly owned subsidiary of Chevron Corporation which has its headquarters in San Ramon, California and is one of the world's largest and most competitive global energy companies. In 2011, Chevron Corporation and its subsidiaries had sales of \$244 billion. Chevron has a long historical presence in Houston and Texas. Chevron explores for, produces and transports crude oil and natural gas; refines, markets and distributes transportation fuel and lubricants; manufactures and sells petrochemical products; generates power and produces geothermal energy; provides energy efficiency solutions; and develops the energy resources of the future, including research for advanced biofuels. Chevron U.S.A Inc. presently employs approximately 7,300 persons in Harris County and 6,700 in the City of Houston.

Development Plan: Chevron U.S.A. Inc. proposes to construct a new multi-story office building of 1.5 million plus square feet, located at 1600 Louisiana St. The company plans to invest roughly \$576 million in the construction of the new building and tenant improvements. Chevron is planning for this building to achieve Platinum LEED Certification. Additionally, it will invest roughly \$86 million in tangible personal property improvements consisting of furniture, fixtures, and equipment (e.g. computers and office equipment).

The building, when completed, will provide Class A office space for technical, administrative and executive personnel. This new facility will enable the company to expand its personnel in Houston and bring certain business functions closer to their internal customers, estimated to house 2,000-2,500 additional jobs. Proposed project timeline:

- Mobilization – Q4 2013
- Final Investment Decision / Begin Construction – Q2 2014
- Complete Construction – Q1 2017
- Tenant Improvements and Move-in – Q1 2017 through Q1 2018
- New Employees – Begins in 2013 (these jobs will occupy 3rd party leased space during construction)

Jobs: The new jobs to be created will consist of mostly skilled and degreed individuals. The company anticipates creating approximately 2,500 net new jobs to Texas over the next 8 years. These jobs will consist of some jobs moving in from out of state as well as the creation of new jobs to Chevron. The average salary is anticipated to be \$110,000 and these jobs will be offered Chevron benefits. Benefits available to Chevron employees include health insurance coverage, 401(k), vision, dental, etc. All new hires receive some training as part of their on-boarding process. Further development is generally done on the job by, and at the direction of, each employee's supervisor, and differs based on the job discipline. Each job discipline maintains its own guidelines for mandatory and non-

mandatory compliance training. Additionally, Chevron provides opportunities for career advancements based on each employee's desired goals. Lastly, the company is fully committed to the principles of equal employment opportunity and affirmative action as set forth in the company policies (HR Policy 400) and affirmative action programs.

Environment & Safety: As a company and as individuals, Chevron takes great pride in contributing to the communities where we live and work. Chevron cares about the environment and is proud of the many ways in which its employees work to safeguard it. The company's persistent efforts to improve on its safe work environment continue to pay off. In 2011, Chevron achieved significant levels of safety as measured in days-away-from-work ratings in both Upstream and Downstream operations. Chevron's history of environmental compliance in Houston is good. The proposed project takes into account the environmental impact of all of the following and will be working closely with the City of Houston to comply with all permitting requirements:

- Storm water and runoff;
- solid waste disposal;
- noise levels; and
- air quality.

Competition with Local Businesses: Chevron does not anticipate this project to negatively impact other local businesses. These jobs will be providing office and support services to Chevron's operations throughout North America. Further, applicants to fill these jobs can be recruited locally as well as nationally, which should not negatively affect other similar businesses in the area. Rather, a project of this nature will help Houston by bringing a more diversified and higher skilled workforce to the metro area.

Competitive Siting: The U.S. will become the world's top producer of oil within five years according to a recent report from the International Energy Agency. Chevron will be a big part of this and anticipates significant new jobs over the next 8 years. Chevron is analyzing its options to address its needs and remain competitive in the marketplace. In doing so, Chevron is contemplating the construction of a new facility in Houston, and many factors come into play in maturing this investment decision. Completion of this project would allow Chevron to proactively manage and house the 2,000 – 2,500 estimated new jobs to be created, or relocated, to its Houston urban campus. A final investment decision for construction of this proposed new building is anticipated to occur in the 2nd Quarter of 2014.

A few business segments in San Ramon have already decided to relocate to Houston. Chevron continues to evaluate the most competitive organizational structure, including the evaluation of the status quo against the possibility of job relocations. Many factors come into play in this evaluation including, available & quality of space, economics, costs ramifications and job relocation costs. The costs associated with the relocation of employees include the following, which can be significant:

1. Payment of all normal & customary home selling costs (e.g. 6% Real Estate Commission, Loan costs, etc...)
2. Misc expense allowance equal to 1.5 times one month's salary (capped at \$15,000)
3. Week off for house hunting
4. Interim Living up to 30 days
5. Cost of two trips to and from location
6. Company will provide a guaranteed offer
7. Bonus of up to 2% if home sells before guaranteed offer

Any incentives provided for jobs would help mitigate these costs and assist with other costs factored in as each business unit reviews its employee location needs.

Proposed Tax Abatement & Other Incentives: Chevron is seeking a ten year 75% abatement, beginning January 1, 2017 and ending on December 31, 2026 with the City of Houston. This request is in addition to any abatement percentage as a result of its LEED certification. It would also like assistance with mitigating some of the public infrastructure costs, estimated to be roughly \$4 million. The Company is also pursuing Texas Enterprise Funds from the state of Texas (~\$20 million) as well as pursuing a rebate of state sales taxes for the project under the Texas Enterprise Zone Program (~ \$3.75 million). These incentives are very valuable to Chevron and would help cover project costs as well as employee relocation costs.

Annex I

Amended and Restated Articles of Incorporation of Chevron U.S.A. Inc.

FIRST: The name of the corporation is Chevron U.S.A. Inc.

SECOND: The current registered office of the corporation is at 1635 Market Street, Philadelphia, Pennsylvania 19103.

THIRD: The corporation was incorporated under the Act of April 29, 1874, as amended, and exists under the Business Corporation Law of 1988, as amended.

FOURTH: The aggregate number of shares which the corporation shall have authority to issue is 2,000 shares, of which 1,000 shares will initially be common shares without par value. Holders of common shares (other than shares owned directly or indirectly by the corporation) shall be entitled to receive such dividends or distributions as are lawfully declared on the shares; to have notice of any authorized meeting of shareholders; and to one vote for each share on all matters which are properly submitted to a vote of the shareholders. The board of directors of the corporation shall have the full authority permitted by law to classify the authorized shares into one or more classes and into series within any class and to determine the designation and number of shares of each class or series (within the total number of shares authorized by these articles), and to fix by resolution full, limited, multiple or fractional, or no voting rights, and such preferences, limitations and special rights, if any, of shares of any class or series.

FIFTH: The business of the corporation shall be conducted through one or more divisions, each of which may conduct its separate business under its own fictitious name. Each division shall have a board of directors elected by the shareholders of the corporation. Except as expressly set forth herein or in the by-laws of the corporation, the board of directors of each division shall be solely responsible for directing the management of the affairs of the division. The board of directors of each division shall elect the president of the division and the board of directors or the president of each division may appoint other designated officers for the division. All officers shall have such authority and duties as may be set forth in the by-laws of the corporation or a resolution adopted by the board of directors of the division. Each division may also establish one or more subordinate divisions, each with its own name and with its own complement of officers appointed by the president or board of directors of the division that has established the subordinate division. The names of the divisions, the businesses in which they may engage, and the assets of the corporation which they will manage, will be set

forth in the by-laws of the corporation, as amended from time to time.

SIXTH: The shareholders of the corporation shall also elect a board of directors of the corporation. The board of directors of the corporation shall have no duty to monitor the actions of the boards of director or officers, employees or agents of the divisions in their management of the affairs of the divisions within the scope of any authority conferred pursuant to the provisions of Article Fifth hereof. Notwithstanding the foregoing, however, the following actions shall require the approval of the board of directors or the shareholders of the corporation: (i) the issuance or repurchase of any securities of the corporation, other than promissory notes or other instruments of indebtedness entered into in the ordinary course of business of a division and which do not involve a mortgage, pledge, grant of a security interest or dedication of property to the repayment of indebtedness other than property under the management of the division; (ii) the declaration of any dividend or other distribution to the shareholders of the corporation; (iii) the adoption of any amendment to the articles of incorporation of the corporation or any plan of merger, consolidation, division, conversion or voluntary dissolution of the corporation; or (iv) any matter required by law or the by-laws of the corporation to be submitted by the board of directors to the shareholders for approval. The board of directors of the corporation shall elect the president of the corporation and the board of directors or the president of the corporation may appoint other designated officers for the corporation. All officers shall have such authority and duties as may be set forth in the by-laws of the corporation or a resolution adopted by the board of directors of the corporation.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE

JANUARY 30, 2013

TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

I DO HEREBY CERTIFY THAT,

Chevron U.S.A. Inc.

is duly incorporated as a Pennsylvania Corporation under the laws of the Commonwealth of Pennsylvania and remains a subsisting corporation so far as the records of this office show, as of the date herein.

I DO FURTHER CERTIFY THAT, This Subsistence Certificate shall not imply that all fees, taxes, and penalties owed to the Commonwealth of Pennsylvania are paid.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the Secretary's Office to be affixed, the day and year above written.

A handwritten signature in cursive script, appearing to read "Carol Aichele".

Secretary of the Commonwealth

Parents	Current	Subsidiaries
Chevron Corporation (100.0000%)	Chevron Investments Inc. (View Details)	◀ Texaco Inc. (100.0000%)

Parents	Current	Subsidiaries
Texaco Inc. (100.0000%)	Chevron U.S.A. Holdings Inc. (View Details)	◀ Chevron U.S.A. Inc. (100.0000%)

Legal Structure

Parents	Current	Subsidiaries
Chevron U.S.A. Holdings Inc. (100.0000%)	Chevron U.S.A. Inc. (View Details)	<ul style="list-style-type: none"> 116 John Street Master Lease LLC (99.9900%) 1201 Chestnut Master Tenant LP (99.9900%) 13th Street Associates L. P. (85.0000%) 1501 Pitkin Rehab Credit MT, LLC (99.9900%) 1610 Associates Limited Partnership (99.0000%) 179 Lincoln TC Tenant Co. LLC (99.9900%) 1975 Creston Avenue Associates L.P. (99.0000%) 20 - 30 North Front Street Tenant PA, LLC (99.9900%) 206-210 Farmington Building Tenant, LLC (99.9900%) 208 S. LaSalle Master Tenant, LLC (99.9900%) 2220 Tenth Avenue Associates A California Ltd Partnership (99.0000%) 306 West Mulberry Limited Partnership (99.0000%) 511 Marigny Tenant, L.L.C. (99.9900%) 611 Webward Avenue Master Tenant LLC (99.9900%) 636 Classon Associates L.P. (99.0000%) 800 Canal Street Limited Partnership (99.0000%) 800 Iberville Street L.P. (99.0000%) 801-Gallery Office MT, L.P. (99.9900%) 810 Broad URE Master Tenant LLC (99.9900%) 9th and Grand Limited Partners L.P. (99.0000%) ABS Mayer Bricker Master Tenant, LLC (99.9900%) Adams Square L.P. (99.0000%) Advanced Refining Technologies LLC (50.0000%) ALCO Cityside Federal LLC (99.9900%) Aleda Urban Renewal Associates Limited Partnership (99.0000%) Alligator Place Apartments (99.0000%) Ambassador Hotel Master Tenant, LLC (99.9900%) Apple Walk Associates (98.0000%) Arctic Club Master Tenant LLC (99.9000%) AT State Investor, LLC (0.0100%) Aviation Equipment Company, LLC (50.0000%) B&C Master Tenant LLC (99.9900%) B.R. Affordable Housing L.P. (99.0000%) Badgerow Jackson MT, LLC (99.9900%) Ballinger Oaks 1991 (99.0000%) Barry-Foss Historic Fund 2007 L.P. (99.9000%) Barry-Foss Historic Fund 2010 Limited Partnership (99.9000%) Barry-Foss Historic Fund 2011 Limited Partnership (99.9900%) Bayou Casotte Energy LLC (100.0000%) Baywood Associates (99.0000%) BBG Properties - Booneville Apts. L.P. (99.0000%) Belmont Apartments (99.0000%) Black Bear Apartments (99.9000%) Brady Sullivan Pawtucket Tenant, LLC (99.9900%) Brady Sullivan Rhode Island Properties, LLC (99.9900%) Brookwood 1990 Limited Partnership (99.0000%) Brownfield Revitalization I, LLC (99.9900%) Brownfield Revitalization Investment Fund I, LLC (100.0000%) California Equities Fund 1988 Limited Partnership

NOTE: Those highlighted in yellow have employees in Texas

(99.0000%)

◀ CAMDEN Townhouses Associates II L.P. (99.0000%)

◀ Canaan Hope Associates (99.0000%)

◀
Carlisle 2010 Historic Tax Credit Fund II Limited Partnership (99.9000%)

◀
Carlisle 2010 Historic Tax Credit Fund Limited Partnership (99.9000%)

◀
Carlisle 2011 Historic Tax Credit Fund I limited Partnership (99.9900%)

◀ Carlisle 2012 Historic Tax Credit Fund I LP (99.9000%)

◀ Carlisle Historic Tax Credit Fund I LP (99.9000%)

◀ Carnegie Hotel MT, LLC (99.9900%)

◀ Casa Gloria Limited Partnership (99.0000%)

◀ CCG Historic Partners Fund XIII, LP (99.9900%)

◀ CCG Historic Partners Mid-Cap 2010 Fund, L.P. (99.9000%)

◀ CCG Historic Partners Mid-Cap 2011 Fund, L.P. (99.9900%)

◀ CCG Historic Partners Mid-Cap Fund, L.P. (99.9000%)

◀ Cecilia Associates L.P. (99.0000%)

◀ Charleston Apartments (99.0000%)

◀ Cherry Blossom Associates (99.0000%)

◀ Chestnut Fund 2010, L.P. (99.9000%)

◀ Chestnut Fund 2011, LP (99.9000%)

◀ Chestnut Fund, LP (99.9000%)

◀ Chevron Aviation Services LLC (100.0000%)

◀ Chevron Capital U.S.A. Holdings, Inc. (100.0000%)

◀ Chevron Global Downstream LLC (100.0000%)

◀ Chevron Gulf of Mexico Response Company, LLC (100.0000%)

◀ Chevron Harvest LLC (100.0000%)

◀ Chevron Industrial Development LLC (100.0000%)

◀ Chevron IP Inc. (4.0700%)

◀ Chevron Kern River Company (100.0000%)

◀ Chevron Lummus Global LLC (50.0000%)

◀ Chevron Midway-Sunset Cogeneration Company (100.0000%)

◀ Chevron Northeast Upstream LLC (100.0000%)

◀ Chevron Oil Congo S.A.R.L. (0.1000%)

◀ Chevron Oil Finance Company (100.0000%)

◀ Chevron Oronite Brasil Ltda. (0.2070%)

◀ Chevron Oronite Company LLC (100.0000%)

◀ Chevron Oronite Technology B.V. (100.0000%)

◀ Chevron Overseas Capital Corporation (100.0000%)

◀ Chevron Phillips Chemical Company LLC (50.0000%)

◀ Chevron Renewable Investments, LLC (100.0000%)

◀ Chevron Shipping Company LLC (100.0000%)

◀ Chevron Stations Inc. (100.0000%)

◀ Chevron Sycamore Cogeneration Company (100.0000%)

◀ Chevron Technology Ventures LLC (100.0000%)

◀ Chrysalis of Louisiana, L.L.C. (100.0000%)

◀ CLE Holdings LLC (100.0000%)

◀ Clinton Millworks Tenant, LLC (99.9900%)

◀ Congdon Mill Master Tenant, LLC (99.9900%)

◀
Congress Street Historic Revitalization Associates Limited (99.0000%)

◀ Cooke Building Associates L.P. (99.0000%)

◀ Courtney Square TN/AHPC, L.P. (99.0000%)

◀ Cranford Lincoln Associates LP (99.0000%)
◀ Crestview Terrace - TN/AHPC, L.P. (99.0000%)
◀ Cruz Development & Associates Ltd. (99.0000%)
◀ Davidson Affordable Housing LLC (99.0000%)
◀ Dominion L.P. (99.0000%)
◀ Dumont Associates L.P. / H.E.L.P. (99.0000%)
◀ Duncan Apartment Homes (99.0000%)
◀ Dynamo Federal LLC (99.9900%)
◀ Dynamo House, LLC (99.9900%)
◀ Eight-115 Associates (99.0000%)
◀ Falls Center Master Tenant, LLC (99.9900%)
◀ Felix Oil Company (30.7796%)
◀ FMH LP (99.0000%)
◀ Forest Park Limited Dividend Housing Association L.P. (99.0000%)
◀ Fort Shelby Holding Company, LLC (99.0000%)
◀ Foss 2012 Gold Fund LP (99.9900%)
◀ Four Star Oil & Gas Company (30.9365%)
◀ Frank G. Soler as Trustee (100.0000%)
◀ G&M Oil Co., LLC (7.7000%)
◀ Gaviota Terminal Company (25.0000%)
◀ GEBF, LLC (33.3300%)
◀ Getty Oil Company (100.0000%)
◀ GLC, L.P. (99.0000%)
◀ Glendale Buena Vista / NHT LDHA L.P. (99.0000%)
◀ Glendora I Apartments, L.P. (99.0000%)
◀ Glendora II Apartments, L.P. (99.0000%)
◀ Global X Historic Tax Credit Fund 2012A, Ltd (99.9900%)
◀ GMS Federal LLC (99.9900%)
◀ Gourlay Place Apartments of Beulah L.P. (99.0000%)
◀ Gourlay Place Apartments of Mound Bayou L.P. (99.0000%)
◀ Gourlay Place Apartments of PACE L.P. (99.0000%)
◀ Gourlay Place Apts of Rosedale L.P. (99.0000%)
◀ Granby Building MC, LLC (0.0100%)
◀ Granby Building Tenant, LLC (99.9900%)
◀ Greystone Mills Master Tenant, LLC (99.9900%)
◀ GSP Investments I, LLC (99.9900%)
◀ GW Leasing, LLC (99.9900%)
◀ GX Chicago Master Tenant, LLC (99.9900%)
◀ Harbor Point Apartments Company L.P. (73.6800%)
◀ HD Lee Master Tenant 2, LLC (99.9900%)
◀ HELP Bronx L.P. (99.0000%)
◀ Hickory Hill Ltd. (97.5000%)
◀ Hill Street Associates L.P. (99.9900%)
◀ Historic Ames Building Credit LLC (99.9900%)
◀ Hope Artiste Village Master Tenant, LLC (99.9900%)
◀ Hope Senior Ltd. Dividend Housing Assn. Limited Partnership (99.0000%)
◀ Hotel Blackhawk Operator, LLC (99.9900%)
◀ Hudson River Partners (98.0000%)
◀ Huntington Beach Company (100.0000%)
◀ Huntwood Commons Associates (99.0000%)
◀ Iwilei District Participating Parties, LLC (15.5000%)
◀ JI Case Tenant, LLC (99.9900%)
◀ Kewance Industries, Inc. (100.0000%)
◀ KF Patterson Tenant, LLC (99.9900%)

◀ Kimball Court Apts Ltd Partnership (75.0000%)
◀ La Tierra Villa 1991 Limited Partnership (99.0000%)
◀ LENOX 138 LP (99.0000%)
◀ Liberty Building Master Tenant, LLC (99.9900%)
◀ Magnolia Plaza Ltd Partnership (99.0000%)
◀ Mansfield Meadows Assoc Ltd Partnership (99.0000%)
◀ Maria Alicia Associates (99.0000%)
◀ Marland Place Associates (99.0000%)
◀ Marley Station L.P. (95.0000%)
◀ Massachusetts Mills I Limited Partnership (99.0000%)
◀ Massachusetts Mills II Limited Partnership (99.0000%)
◀ Mayo Hotel & Lofts MT, LLC (99.9900%)
◀ McFarland Energy, Inc. (100.0000%)
◀ Mead Avenue Housing Limited Partnership (99.0000%)
◀ Miami Traymore Sub, LLLP (99.9900%)
◀ Mirabile Housing L. P. (99.0000%)
◀ Morningside Partners II L. P. (99.0000%)
◀ MX Production, L.P. (Tax Partnership) (95.0000%)
◀ NC State Mill Credit Investor, LLC (94.9900%)
◀ NCF Development, LLC (99.9900%)
◀ NESCO Tenant, LLC (99.9900%)
◀ New Markets Investment XXVII, LLC (99.9900%)
◀ Newman Partners, LLC (99.9900%)
◀ North Loop Partners Tenant LLC (99.9900%)
◀ NTC II Tenant, LLC (99.9900%)
◀ NTCIC 2012 Historic Echo Fund L.P. (99.9900%)
◀ Oakland Apartments (99.0000%)
◀ Oakland Mill Master Tenant, LLC (99.9800%)
◀ OBRFC / Columbus Associates (99.0000%)
◀ Old Bull and Noell Federal, LLC (99.9000%)
◀ Old Hickory - TN/AHPC (99.0000%)
◀ Olympia Building Tenant, LLC (99.9900%)
◀ Omni Point Limited Partnership (99.0000%)
◀ One Kearny Master Tenant, LP (99.9900%)
◀ Osborne Manor Partners LP (99.0000%)
◀ Pacific Oaks Ltd. Partnership (99.0000%)
◀ Paloma Del Mar Associates (99.0000%)
◀ Parker Hotel (99.0000%)
◀ Parkview 1991 Limited Partnership (99.0000%)
◀ Pere Marquette Historic, LLC (99.9900%)
◀ Petrocosm Corporation (67.0000%)
◀ PT Production, L.P. (Tax Partnership) (85.0000%)
◀ Resource Environmental, L.L.C. (20.0000%)
◀ Revolution Tenant, LLC (99.9800%)
◀ Richland 1990 Limited Partnership (99.0000%)
◀ Ridge View Commons Associates L.P. (99.0000%)
◀ Rita Partners (99.0000%)
◀ River City Renaissance Tenant III, LC (99.9900%)
◀ River City Renaissance Tenant, LC (99.9900%)
◀ Riverview Plaza Associates, A Calif. Ltd. Partnership (99.0000%)
◀ RL Tenant, LLC (99.9900%)
◀ Royal Kinau Partnership (99.9900%)
◀ Saenger Theatre Master Tenant, L.L.C. (99.9900%)
◀ Sandpiper Cove Apartments Limited (99.0000%)
◀ Santa Fe Master Tenant LP (99.9900%)
◀ Sea Greens L.P. (99.0000%)
◀ Shady Oaks 1990 Limited Partnership (99.0000%)

◀ Shelby Housing Partners L.P. (99.0000%)
◀ Shoreland Master Tenant, LLC (99.0000%)
◀ Slim Jenkins Court Associates (99.0000%)
◀ Small Deal Fund II, LP (99.9900%)
◀ Small Deal Fund III L.P. (99.9900%)
◀ St. Francis 1994 L.P. (99.0000%)
◀ Standard Gasoline Company (100.0000%)
◀ Stone Brook Farms Limited Partnership (86.2500%)
◀ SunAmerica Housing Fund 1526 (99.9900%)
◀ SunAmerica Housing Fund 1527 (99.9900%)
◀ Sunshine Financial Group II L.P. (99.0000%)
◀ TABAC Tenant, LLC (99.9900%)
◀ TBM Production, L.P. (Tax Partnership) (56.4000%)
◀ TCC Historic Credit Fund VII, LP (99.9000%)
◀ TCC Historic Tax Credit Fund 2010, L.P. (99.9000%)
◀ TCC Historic Tax Credit Fund 2011 Part 2, LP (99.9000%)
◀ TCC Historic Tax Credit Fund 2011, LP (99.9000%)
◀ TCC Historic Tax Credit Fund IX, LP (99.9900%)
◀ TCC Historic Tax Credit Fund VI, LP (99.9000%)
◀ TCC Historic Tax Credit Fund VIII, LP (99.9000%)
◀ TCC Historic Tax Credit Fund X, LP (99.9000%)
◀ TEL Offshore Trust Partnership (0.0100%)
◀ Texaco Downstream LLC (100.0000%)
◀ Texaco Group LLC (100.0000%)
◀ Texaco International Ltd. (100.0000%)
◀ The Apartments At Nautica L.P. (99.0000%)
◀ The Creamery L.P. (99.9000%)
◀ The Landings At Timberleaf L.P. (99.0000%)
◀ Towneast 1991 Limited Partnership (99.0000%)
◀ TRMI-H LLC (100.0000%)
◀ TSC 2011 LP (99.9500%)
◀ Tupelo Apartment Homes (99.9000%)
◀ UA CD-SUB CDE 1, LLC (99.9900%)
◀ UACD Sub CDE V (99.9900%)
◀ Union Limited Partnership (99.0000%)
◀ USPO Galleria LLC (99.9000%)
◀ Valley Pines Associates (50.0000%)
◀ Versado Gas Processors, L.L.C. (37.0000%)
◀ VM Associates Limited Partnership (99.0000%)
◀ VR Tenant, LLC (99.9900%)
◀ Wachovia Guaranteed Tax Credit Fund - C/GA, LLC (100.0000%)
◀ Wall Street Tower KC Master Tenant, LLC (99.9900%)
◀ West 122nd Street Associates L.P. (99.0000%)
◀ WESTROSE VILLAGE L. P. (99.0000%)
◀ Wheatland Duplexes Associates (99.0000%)
◀ Whitney-Lorenti House Limited Partnership (99.0000%)
◀ Widener Associates Limited Partnership (88.0000%)
◀ Willow Grove, Ltd (99.0000%)
◀ Wilshire 1991 Limited Partnership (99.0000%)
◀ WJ GROUP I LIMITED (99.0000%)
◀ Woods of Marlton I Limited Partnership (99.0000%)
◀ Woods of Marlton II Limited Partnership (99.0000%)
◀ Wyche 1990 Limited Partnership (99.0000%)
◀ XBM Production, L.P. (Tax Partnership) (95.0000%)
◀ Yazoo Delta Housing Partnership L.P. (99.0000%)



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

February 1, 2013

CERTIFICATE OF ACCOUNT STATUS

THE STATE OF TEXAS
COUNTY OF TRAVIS

I, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO
HEREBY CERTIFY that according to the records of this office

CHEVRON U.S.A. INC.

is, as of this date, in good standing with this office having no franchise
tax reports or payments due at this time. This certificate is valid through
the date that the next franchise tax report will be due May 15, 2013.

This certificate does not make a representation as to the status of the
entity's registration, if any, with the Texas Secretary of State.

This certificate is valid for the purpose of conversion when the converted
entity is subject to franchise tax as required by law. This certificate is
not valid for any other filing with the Texas Secretary of State.

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this 1st day of
February 2013 A.D.

A handwritten signature in black ink that reads "Susan Combs".

Susan Combs
Texas Comptroller

Taxpayer number: 12505279252
File number: 0000872406

Form 05-304 (Rev. 12-07/17)



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

February 1, 2013

CERTIFICATE OF ACCOUNT STATUS

THE STATE OF TEXAS
COUNTY OF TRAVIS

I, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO
HEREBY CERTIFY that according to the records of this office

CHEVRON U.S.A. HOLDINGS INC.

is, as of this date, in good standing with this office having no franchise
tax reports or payments due at this time. This certificate is valid through
the date that the next franchise tax report will be due May 15, 2013.

This certificate does not make a representation as to the status of the
entity's registration, if any, with the Texas Secretary of State.

This certificate is valid for the purpose of conversion when the converted
entity is subject to franchise tax as required by law. This certificate is
not valid for any other filing with the Texas Secretary of State.

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this 1st day of
February 2013 A.D.

Susan Combs
Texas Comptroller

Taxpayer number: 15102657135
File number: 0005585606

Form 05-304 (Rev. 12-07/17)



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

February 1, 2013

CERTIFICATE OF ACCOUNT STATUS

THE STATE OF TEXAS
COUNTY OF TRAVIS

I, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO
HEREBY CERTIFY that according to the records of this office

CHEVRON ORONITE COMPANY LLC

is, as of this date, in good standing with this office having no franchise
tax reports or payments due at this time. This certificate is valid through
the date that the next franchise tax report will be due May 15, 2013.

This certificate does not make a representation as to the status of the
entity's registration, if any, with the Texas Secretary of State.

This certificate is valid for the purpose of conversion when the converted
entity is subject to franchise tax as required by law. This certificate is
not valid for any other filing with the Texas Secretary of State.

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this 1st day of
February 2013 A.D.

A handwritten signature in cursive script that reads "Susan Combs".

Susan Combs
Texas Comptroller

Taxpayer number: 32002594128
File number: 0707144523

Form 05-304 (Rev. 12-07/17)



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

February 1, 2013

CERTIFICATE OF ACCOUNT STATUS

THE STATE OF TEXAS
COUNTY OF TRAVIS

I, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO
HEREBY CERTIFY that according to the records of this office

CHEVRON SHIPPING COMPANY LLC

is, as of this date, in good standing with this office having no franchise
tax reports or payments due at this time. This certificate is valid through
the date that the next franchise tax report will be due May 15, 2013.

This certificate does not make a representation as to the status of the
entity's registration, if any, with the Texas Secretary of State.

This certificate is valid for the purpose of conversion when the converted
entity is subject to franchise tax as required by law. This certificate is
not valid for any other filing with the Texas Secretary of State.

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this 1st day of
February 2013 A.D.

A handwritten signature in black ink that reads "Susan Combs".

Susan Combs
Texas Comptroller

Taxpayer number: 32000443450
File number: 0703364523

Form 05-304 (Rev. 12-07/17)



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

February 1, 2013

CERTIFICATE OF ACCOUNT STATUS

THE STATE OF TEXAS
COUNTY OF TRAVIS

I, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO
HEREBY CERTIFY that according to the records of this office

CHEVRON TECHNOLOGY VENTURES LLC

is, as of this date, in good standing with this office having no franchise
tax reports or payments due at this time. This certificate is valid through
the date that the next franchise tax report will be due May 15, 2013.

This certificate does not make a representation as to the status of the
entity's registration, if any, with the Texas Secretary of State.

This certificate is valid for the purpose of conversion when the converted
entity is subject to franchise tax as required by law. This certificate is
not valid for any other filing with the Texas Secretary of State.

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this 1st day of
February 2013 A.D.

A handwritten signature in cursive script that reads "Susan Combs".

Susan Combs
Texas Comptroller

Taxpayer number: 17606032716
File number: 0800354225

Form 05-304 (Rev. 12-07/17)

Chevron

Headcount by City by Entity in Texas 01/26/13

Count of Employee ID	Column Labels								
Row Labels	Chevron Environmental	Chevron Global Downstream	Chevron Global Technology	Chevron Marine Products	Chevron Oronite Company	Chevron Pipe Line Company	Chevron Shipping Company	Chevron U.S.A. Inc.	Grand Total
ABILENE, TX						1			1
ANDREWS, TX								25	25
AUSTIN, TX								4	4
BEAUMONT, TX						2			2
BELLAIRE, TX	36		2		56	502		525	1121
Big Lake, TX								22	22
BIG SPRING, TX						3		22	25
CANADIAN, TX								2	2
CARTHAGE, TX								42	42
CAYUGA, TX								5	5
COAHOMA, TX						3			3
COLLEGE STATION, TX								1	1
CORPUS CHRISTI, TX (OFFSHORE)								2	2
CORPUS CHRISTI, TX (ONSHORE)								12	12
CRANE, TX								36	36
DALLAS, TX								9	9
DOLLARHIDE, TX								29	29
EASTLAND, TX						2			2
EDINBURG, TX								10	10
EL CAMPO, TX								1	1
EL PASO, TX						1		4	5
FAIRFIELD, TX						1			1
FORT STOCKTON, TX								25	25
FORT WORTH, TX								6	6
FREER, TX								2	2
GALENA PARK, TX								8	8
GOLDSMITH, TX								2	2
HOUSTON, TX	44	12	28	19	1	17	93	6719	6933
HUMBLE, TX								1	1
INGLESIDE, TX								9	9
IRVING, TX								1	1
KATY, TX								1	1
KERMIT, TX						1			1
KEYSTONE, TX						5			5
KILGORE, TX						1		9	10
KINGDOM, TX								1	1

Chevron

Headcount by City by Entity in Texas 01/26/13

Count of Employee ID	Column Labels								
Row Labels	Chevron Environmental	Chevron Global Downstream	Chevron Global Technology	Chevron Marine Products	Chevron Oronite Company	Chevron Pipe Line Company	Chevron Shipping Company	Chevron U.S.A. Inc.	Grand Total
LAREDO, TX								3	3
LEVELLAND, TX								2	2
LUFKIN, TX						3		1	4
MCALLEN, TX								6	6
MIDLAND, TX	4					22		525	551
MONT BELVIEU, TX						43			43
NEDERLAND, TX	1					57			58
ODESSA, TX								75	75
OZONA, TX								5	5
PAMPA, TX								16	16
PENWELL, TX								1	1
PORT ARTHUR, TX								112	112
PYOTE, TX								2	2
RICHARDSON, TX								1	1
ROSCOE, TX						9			9
SAN ANTONIO, TX	1				11			5	17
SANDHILL, TX								7	7
SEMINOLE, TX								25	25
SHERMAN, TX								2	2
SOUR LAKE, TX						20			20
STERLING CITY, TX								28	28
SULPHUR SPRINGS, TX								1	1
SUNDOWN, TX								29	29
THE WOODLANDS, TX								3	3
VAN, TX								25	25
VEALMOOR, TX								8	8
WEATHERFORD, TX						12		1	13
WEST COLUMBIA, TX								1	1
WICKETT, TX								2	2
WINK, TX						1			1
WORTHAM, TX						15			15
ZAPATA, TX								9	9
Grand Total	86	12	30	19	68	721	93	8430	9459

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

<input type="text" value="Year"/>	<input type="text" value="Period"/>	<input type="text" value="Area"/>	<input type="text" value="Ownership"/>	<input type="text" value="Division"/>	<input type="text" value="Level"/>	<input type="text" value="Ind Code"/>	<input type="text" value="Industry"/>	<input type="text" value="Avg Weekly Wages"/>
2011	4th Qtr	<u>Harris County</u>	Total All	00	0	10	Total, All Industries	\$1,240

A Report of the Economic Impact on the State of Texas from Chevron U.S.A. Inc. in Houston, Texas

February 11, 2013

Prepared by:

Impact DataSource
4709 Cap Rock Drive
Austin, Texas 78735
(512) 892-0205
Fax (512) 892-2569
www.impactdatasource.com

ImpactDataSource

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Executive Summary

The Project

Chevron U.S.A. Inc. plans a new 1.5 million square foot office facility in Houston to house technical, administrative, and executive staff.

The firm will invest \$662 million in the facility over the first five years: \$576 million for buildings and other real property improvements and \$86 million for furniture, fixtures and equipment.

The facility will create 2,552 permanent jobs over eight years, with average annual salaries of \$110,000.

Total Capital Investment and Employment that Will be Maintained

Over the first ten years, the facility will have the following total capital investment and number of permanent jobs that will be maintained at this facility:

Total Capital Investment and Permanent Employment That Will Be Maintained		
Year	Level of Capital Investment	Level of Permanent Employment
2013	\$0	494
2014	\$96,000,000	848
2015	\$288,000,000	1,005
2016	\$523,000,000	1,362
2017	\$662,000,000	2,027
2018	\$662,000,000	2,202
2019	\$662,000,000	2,377
2020	\$662,000,000	2,552
2021	\$662,000,000	2,552
2022	\$662,000,000	2,552

Economic Output During Construction

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

Economic Impact of Construction at the Firm's Facility			
	Direct	Indirect and Induced	Total
Economic output/increase in gross state product	\$576,000,000	\$877,190,400	\$1,453,190,400
Peak construction employment	1,786	2,107	3,893
Payroll/increase in state personal income	\$248,170,092	\$336,692,364	\$584,862,456

Economic Impacts During the Facility's Operations

Total Economic Output/Increase in State Gross Product

The total annual economic output/increase in gross state product during the facility's operations is shown below.

Total Economic Output/Increase in Gross State Product During the Facility's Operations			
Year	Direct	Indirect and Induced	Total Economic Output
2013	\$112,458,609	\$136,344,818	\$248,803,427
2014	\$178,953,974	\$216,963,797	\$395,917,771
2015	\$218,448,356	\$264,846,787	\$483,295,142
2016	\$304,927,821	\$369,694,490	\$674,622,312
2017	\$467,423,902	\$566,704,739	\$1,034,128,641
2018	\$523,012,065	\$634,099,827	\$1,157,111,892
2019	\$581,514,836	\$705,028,587	\$1,286,543,422
2020	\$643,057,062	\$779,642,382	\$1,422,699,444
2021	\$662,348,774	\$803,031,653	\$1,465,380,427
2022	\$682,219,237	\$827,122,603	\$1,509,341,840
Total	\$4,374,364,635	\$5,303,479,683	\$9,677,844,318

Total Employment During the Facility's Operations

Total employment to be maintained during the facility's operations is shown below.

Total Employment During the Facility's Operations			
Year	Direct	Indirect and Induced	Total Jobs
2013	494	377	871
2014	848	648	1,496
2015	1,005	768	1,773
2016	1,362	1,040	2,402
2017	2,027	1,548	3,575
2018	2,202	1,682	3,884
2019	2,377	1,816	4,193
2020	2,552	1,949	4,501
2021	2,552	1,949	4,501
2022	2,552	1,949	4,501

Total Payroll/State Personal Income During the Facility's Operations

Total payroll/state personal income during the facility's operations is shown below.

Total Payroll/State Personal Income During the Facility's Operations			
Year	Direct	Indirect and Induced	Total Payroll
2013	\$54,340,000	\$54,954,042	\$109,294,042
2014	\$96,078,400	\$97,164,086	\$193,242,486
2015	\$117,282,495	\$118,607,787	\$235,890,282
2016	\$163,712,359	\$165,562,309	\$329,274,668
2017	\$250,954,699	\$253,790,487	\$504,745,187
2018	\$280,799,366	\$283,972,399	\$564,771,765
2019	\$312,208,854	\$315,736,814	\$627,945,668
2020	\$345,250,192	\$349,151,519	\$694,401,710
2021	\$355,607,697	\$359,626,064	\$715,233,761
2022	\$366,275,928	\$370,414,846	\$736,690,774

Retail Sales During Construction and Operations

Retail sales in the state during construction projects at the facility are shown below:

Retail Sales During Construction	
Retail sales during construction	\$186,624,238

Retail sales in the state during the facility's operations are shown below.

Retail Sales During the Facility's Operations	
2013	\$60,309,035
2014	\$100,903,948
2015	\$123,153,646
2016	\$171,841,981
2017	\$263,303,182
2018	\$294,620,909
2019	\$327,584,136
2020	\$362,263,860
2021	\$373,179,913
2022	\$384,429,850
Total	\$2,461,590,460

State Revenues

During construction, the State of Texas will receive the following revenues:

State Revenues During Construction	
State revenues during construction	\$20,363,921

During the facility's operations, the state will receive revenues as shown below.

State Revenues During the Facility's Operations	
2013	\$4,438,763
2014	\$7,445,194
2015	\$9,082,964
2016	\$12,663,450
2017	\$19,388,109
2018	\$21,694,775
2019	\$24,123,104
2020	\$26,678,415
2021	\$27,488,825
2022	\$28,324,884
Total	\$181,328,482

Details of information summarized above in this executive summary are on the following pages.

A Report of the Economic Impact of Chevron U.S.A. Inc.

Introduction

This report presents the results of an economic impact analysis performed by Impact DataSource, Austin, Texas. The analysis was to determine the economic impact of Chevron U.S.A. Inc. proposed facility in Houston, Texas on the state during the first ten years of the construction and operations of the facility and the fiscal impact on the State of Texas during this same period.

A Description of the Facility and Its Operations

Chevron U.S.A. Inc. plans a new 1.5 million square foot office facility in Houston to house technical, administrative, and executive staff.

The firm will invest \$662 million in the facility over the first five years: \$576 million for buildings and other real property improvements and \$86 million for furniture, fixtures and equipment.

The facility will create 2,552 permanent jobs over eight years, with average annual salaries of \$110,000.

Timeline for Permanent Employment and Investment

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

Timeline for Permanent Employment and Investment					
Year	Number of New Workers to be Hired Each Year	Land	Buildings and Other Real Property Improvements	Machinery and Equipment	Total Capital Investment
2013	494	\$0	\$0	\$0	\$0
2014	354	\$0	\$96,000,000	\$0	\$96,000,000
2015	157	\$0	\$192,000,000	\$0	\$192,000,000
2016	357	\$0	\$192,000,000	\$43,000,000	\$235,000,000
2017	665	\$0	\$96,000,000	\$43,000,000	\$139,000,000
2018	175	\$0	\$0	\$0	\$0
2019	175	\$0	\$0	\$0	\$0
2020	175	\$0	\$0	\$0	\$0
2021		\$0	\$0	\$0	\$0
2022		\$0	\$0	\$0	\$0
Total	2,552	\$0	\$576,000,000	\$86,000,000	\$662,000,000

Total Capital Investment and Total Employment

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

Total Capital Investment and Employment Over the First Ten Years	
Total capital investment	\$662,000,000
Total employment	2,552

Economic Impacts During Construction

The facility plans to spend the following estimated amounts constructing the facility:

Construction Costs	
2013	\$0
2014	\$96,000,000
2015	\$192,000,000
2016	\$192,000,000
2017	\$96,000,000
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0
Total	\$576,000,000

Construction Economic Output/Increase in Gross State Product

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

Economic Output/Increase in Gross State Product During Construction			
Year	Direct Construction Output	Indirect and Induced Output	Total Output
2013	\$0	\$0	\$0
2014	\$96,000,000	\$146,198,400	\$242,198,400
2015	\$192,000,000	\$292,396,800	\$484,396,800
2016	\$192,000,000	\$292,396,800	\$484,396,800
2017	\$96,000,000	\$146,198,400	\$242,198,400
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$576,000,000	\$877,190,400	\$1,453,190,400

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

Construction Employment

The estimated number of construction workers to be supported by the facility's construction is shown below.

Number of Construction Workers for a \$1 Million Construction Project	
Total estimated construction	\$1,000,000
On-site labor costs as a percentage of construction costs	40%
Estimated annual construction worker's salary	\$43,000
Estimated number of construction workers for \$1 million one year construction project	9.30

The number of construction workers employed during the facility's construction is shown below.

Construction Workers Employed During Construction		
Year	Construction Costs	Number of Construction Workers
2013	\$0	0
2014	\$96,000,000	893
2015	\$192,000,000	1,786
2016	\$192,000,000	1,786
2017	\$96,000,000	893
2018	\$0	0
2019	\$0	0
2020	\$0	0
2021	\$0	0
2022	\$0	0
Total	\$576,000,000	

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

Direct, Indirect and Induced Employment During Construction			
Year	Direct Construction Employment	Indirect and Induced Employment	Total Employment
2013	0	0	0
2014	893	1,054	1,947
2015	1,786	2,107	3,893
2016	1,786	2,107	3,893
2017	893	1,054	1,947
2018	0	0	0
2019	0	0	0
2020	0	0	0
2021	0	0	0
2022	0	0	0

Construction Payroll

Construction workers will have the following payrolls:

Direct Construction Payroll			
Year	Construction Costs	Mean Annual Construction Salaries	Total Construction Payroll
2013	\$0	\$43,000	\$0
2014	\$96,000,000	\$44,290	\$39,552,000
2015	\$192,000,000	\$45,619	\$81,477,120
2016	\$192,000,000	\$46,987	\$83,921,434
2017	\$96,000,000	\$48,397	\$43,219,538
2018	\$0	\$49,849	\$0
2019	\$0	\$51,344	\$0
2020	\$0	\$52,885	\$0
2021	\$0	\$54,471	\$0
2022	\$0	\$56,105	\$0
Total	\$576,000,000		\$248,170,092

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

Direct, Indirect and Induced Payroll During Construction			
Year	Direct Construction Payroll	Indirect and Induced Payroll	Total Payroll
2013	\$0	\$0	\$0
2014	\$39,552,000	\$53,660,198	\$93,212,198
2015	\$81,477,120	\$110,540,009	\$192,017,129
2016	\$83,921,434	\$113,856,209	\$197,777,643
2017	\$43,219,538	\$58,635,948	\$101,855,486
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$248,170,092	\$336,692,364	\$584,862,456

Fiscal Impacts During Construction

Taxable Sales

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

Percent of Construction Costs and Worker Salaries Subject to Sales Tax	
Percent of construction costs for materials	60%
Percent of construction materials that will be subject to sales tax	10%
Percent of worker salaries spent on taxable goods and services	26%

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

Estimated Taxable Sales			
Year	Estimated Taxable Construction Materials	Estimated Taxable Worker Spending	Total Taxable Sales
2013	\$0	\$0	\$0
2014	\$5,760,000	\$24,235,172	\$29,995,172
2015	\$11,520,000	\$49,924,453	\$61,444,453
2016	\$11,520,000	\$51,422,187	\$62,942,187
2017	\$5,760,000	\$26,482,426	\$32,242,426
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$34,560,000	\$152,064,238	\$186,624,238

Sales Tax Collections

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

Estimated Sales Tax Collections During Construction			
Year	On Construction Materials	On Taxable Worker Spending	Total Sales Tax Collections
2013	\$0	\$0	\$0
2014	\$360,000	\$1,514,698	\$1,874,698
2015	\$720,000	\$3,120,278	\$3,840,278
2016	\$720,000	\$3,213,887	\$3,933,887
2017	\$360,000	\$1,655,152	\$2,015,152
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$2,160,000	\$9,504,015	\$11,664,015

Taxable Margins Subject to Texas Franchise Tax

If direct, indirect and induced revenues during construction are revenues for organizations subject to Texas' franchise tax, their taxable margins will be subject to the tax. If this is the case, and the estimated taxable margins of the construction companies and indirect and induced companies are 10% of revenues, then construction on this project will result in the following taxable margins:

Estimated Taxable Margins During Construction Subject to Texas' Franchise Tax			
Year	On Direct Revenues During Construction	On Indirect and Induced Revenues	Total Taxable Margins
2013	\$0	\$0	\$0
2014	\$9,600,000	\$14,619,840	\$24,219,840
2015	\$19,200,000	\$29,239,680	\$48,439,680
2016	\$19,200,000	\$29,239,680	\$48,439,680
2017	\$9,600,000	\$14,619,840	\$24,219,840
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$57,600,000	\$87,719,040	\$145,319,040

Franchise Tax Collections

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A half percent rate is used for taxable entities primarily engaged in retail or wholesale trade, and a 1% rate is used for all other entities.

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

Estimated Franchise Tax Collections During Construction		
Year	Total Taxable Margins	Franchise Tax Collections
2013	\$0	\$0
2014	\$24,219,840	\$242,198
2015	\$48,439,680	\$484,397
2016	\$48,439,680	\$484,397
2017	\$24,219,840	\$242,198
2018	\$0	\$0
2019	\$0	\$0
2020	\$0	\$0
2021	\$0	\$0
2022	\$0	\$0
Total	\$145,319,040	\$1,453,190

Other Taxes and Revenues from Workers

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

Other Revenues for the State from Each Worker During Construction	
Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$250
Cigarette and tobacco taxes	\$16
Alcohol beverage taxes	\$90
Net lottery proceeds	\$183
Total	\$576

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

Other Revenues for the State from Workers During Construction						
Year	Gasoline Taxes	Motor Vehicle Sales and Use Taxes	Cigarette and Tobacco Taxes	Alcoholic Beverage Taxes	Net Lottery Proceeds	Total Other Taxes and Revenues
2013	\$0	\$0	\$0	\$0	\$0	\$0
2014	\$75,188	\$501,253	\$31,091	\$181,316	\$366,094	\$1,154,942
2015	\$154,887	\$1,032,580	\$64,048	\$373,511	\$754,155	\$2,379,181
2016	\$159,534	\$1,063,558	\$65,970	\$384,716	\$776,779	\$2,450,556
2017	\$82,160	\$547,732	\$33,974	\$198,129	\$400,041	\$1,262,037
2018	\$0	\$0	\$0	\$0	\$0	\$0
2019	\$0	\$0	\$0	\$0	\$0	\$0
2020	\$0	\$0	\$0	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$0	\$0	\$0
2022	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$471,768	\$3,145,123	\$195,084	\$1,137,671	\$2,297,069	\$7,246,716

Summary of General Fund Revenues for the State During Construction

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

General Fund Revenues for the State During Construction				
Year	Sales Tax Collections	Franchise Tax Collections	Other Taxes and Revenues	Total Revenues
2013	\$0	\$0	\$0	\$0
2014	\$1,874,698	\$242,198	\$1,154,942	\$3,271,839
2015	\$3,840,278	\$484,397	\$2,379,181	\$6,703,856
2016	\$3,933,887	\$484,397	\$2,450,556	\$6,868,840
2017	\$2,015,152	\$242,198	\$1,262,037	\$3,519,387
2018	\$0	\$0	\$0	\$0
2019	\$0	\$0	\$0	\$0
2020	\$0	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$0
2022	\$0	\$0	\$0	\$0
Total	\$11,664,015	\$1,453,190	\$7,246,716	\$20,363,921

Economic Impacts During the Facility's Operations

The facility will have the following estimated annual revenues during the first ten years of operations:

The Facility's Estimated Annual Operating Revenues During the First Ten Years of Operations		
2013	Year 1	\$112,458,609
2014	Year 2	\$178,953,974
2015	Year 3	\$218,448,356
2016	Year 4	\$304,927,821
2017	Year 5	\$467,423,902
2018	Year 6	\$523,012,065
2019	Year 7	\$581,514,836
2020	Year 8	\$643,057,062
2021	Year 9	\$662,348,774
2022	Year 10	\$682,219,237

Economic Output During Operations

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

Output During Operations			
Year	Direct Operations Output	Indirect and Induced Output	Total Output
2013	\$112,458,609	\$136,344,818	\$248,803,427
2014	\$178,953,974	\$216,963,797	\$395,917,771
2015	\$218,448,356	\$264,846,787	\$483,295,142
2016	\$304,927,821	\$369,694,490	\$674,622,312
2017	\$467,423,902	\$566,704,739	\$1,034,128,641
2018	\$523,012,065	\$634,099,827	\$1,157,111,892
2019	\$581,514,836	\$705,028,587	\$1,286,543,422
2020	\$643,057,062	\$779,642,382	\$1,422,699,444
2021	\$662,348,774	\$803,031,653	\$1,465,380,427
2022	\$682,219,237	\$827,122,603	\$1,509,341,840
Total	\$4,374,364,635	\$5,303,479,683	\$9,677,844,318

Employment during Operations

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

Number of Jobs to be Created		
Year	Number of New Jobs to be Created	Cumulative Number of New Jobs
2013	494	494
2014	354	848
2015	157	1,005
2016	357	1,362
2017	665	2,027
2018	175	2,202
2019	175	2,377
2020	175	2,552
2021	0	2,552
2022	0	2,552
Total	2,552	

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

Direct, Indirect and Induced Employment During Operations			
Year	Direct Operations Employment	Indirect and Induced Employment	Total Employment
2013	494	377	871
2014	848	648	1,496
2015	1,005	768	1,773
2016	1,362	1,040	2,402
2017	2,027	1,548	3,575
2018	2,202	1,682	3,884
2019	2,377	1,816	4,193
2020	2,552	1,949	4,501
2021	2,552	1,949	4,501
2022	2,552	1,949	4,501

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

Estimated Annual Payroll	
Percent of annual increase	3.0%
Average annual salaries:	
Year 1	\$110,000
Year 2	\$113,300
Year 3	\$116,699
Year 4	\$120,200
Year 5	\$123,806
Year 6	\$127,520
Year 7	\$131,346
Year 8	\$135,286
Year 9	\$139,345
Year 10	\$143,525
Annual payroll:	
2013	\$54,340,000
2014	\$96,078,400
2015	\$117,282,495
2016	\$163,712,359
2017	\$250,954,699
2018	\$280,799,366
2019	\$312,208,854
2020	\$345,250,192
2021	\$355,607,697
2022	\$366,275,928

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

Direct, Indirect and Induced Payroll During Operations			
Year	Direct Operations Payroll	Indirect and Induced Payroll	Total Payroll
2013	\$54,340,000	\$54,954,042	\$109,294,042
2014	\$96,078,400	\$97,164,086	\$193,242,486
2015	\$117,282,495	\$118,607,787	\$235,890,282
2016	\$163,712,359	\$165,562,309	\$329,274,668
2017	\$250,954,699	\$253,790,487	\$504,745,187
2018	\$280,799,366	\$283,972,399	\$564,771,765
2019	\$312,208,854	\$315,736,814	\$627,945,668
2020	\$345,250,192	\$349,151,519	\$694,401,710
2021	\$355,607,697	\$359,626,064	\$715,233,761
2022	\$366,275,928	\$370,414,846	\$736,690,774
Total	\$2,342,509,991	\$2,368,980,354	\$4,711,490,344

Fiscal Impacts During the Facility's Operations

Taxable Sales on Direct and Indirect Worker Spending

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

Year	Worker Salaries	Workers' Taxable Spending
2013	\$109,294,042	\$28,416,451
2014	\$193,242,486	\$50,243,046
2015	\$235,890,282	\$61,331,473
2016	\$329,274,668	\$85,611,414
2017	\$504,745,187	\$131,233,749
2018	\$564,771,765	\$146,840,659
2019	\$627,945,668	\$163,265,874
2020	\$694,401,710	\$180,544,445
2021	\$715,233,761	\$185,960,778
2022	\$736,690,774	\$191,539,601
Total	\$4,711,490,344	\$1,224,987,490

The Facility's Taxable Sales

The facility's expects to have the following sales subject to Texas sales tax:

The Facility's Taxable Sales	
Year	Taxable Sales
Annual increase	0%
2013	\$0
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0
Total	\$0

Taxable Spending by the Facility and Indirect and Induced Companies

An estimated 10% of the facility's expenditures and 15% of revenues of indirect and induced companies may be spent on taxable goods and services. If this is the case, the following taxable spending can be expected from the companies:

Taxable Spending by the Facility and Indirect Companies			
Year	The Facility's Estimated Taxable Spending	Estimated Taxable Spending by Indirect and Induced Companies	Total Facility and Companies' Taxable Spending
2013	\$11,245,861	\$20,451,723	\$31,697,584
2014	\$17,895,397	\$32,544,570	\$50,439,967
2015	\$21,844,836	\$39,727,018	\$61,571,854
2016	\$30,492,782	\$55,454,174	\$85,946,956
2017	\$46,742,390	\$85,005,711	\$131,748,101
2018	\$52,301,206	\$95,114,974	\$147,416,181
2019	\$58,151,484	\$105,754,288	\$163,905,772
2020	\$64,305,706	\$116,946,357	\$181,252,063
2021	\$66,234,877	\$120,454,748	\$186,689,625
2022	\$68,221,924	\$124,068,390	\$192,290,314
Total	\$437,436,463	\$795,521,953	\$1,232,958,416

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

The facility expects the following number of out-of-town visitors:

Number of Visitors	
Annual increase in the number of visitors	10%
2013	1,300
2014	1,430
2015	1,573
2016	1,730
2017	1,903
2018	2,094
2019	2,303
2020	2,533
2021	2,787
2022	3,065

These visitors will spend the following number of days visiting the facility and spend the following amounts:

Spending by a Typical Out-of-State Visitors	
Average number of days spent visiting the facility	2
Average number of nights spent in a local hotel	2
Average daily spending in the community subject to sales tax	\$75
Average nightly room rate at a local motel	\$200
Average annual increase in nightly room rate	3.0%
Average annual increase in daily taxable spending in the community	3.0%

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

Spending by Out-of-Town Visitors		
Year	Taxable Spending in the Community	Spending on Lodging in the Community
2013	\$195,000	\$520,000
2014	\$220,935	\$572,000
2015	\$250,319	\$629,200
2016	\$283,612	\$692,120
2017	\$321,332	\$784,172
2018	\$364,069	\$888,467
2019	\$412,491	\$1,006,633
2020	\$467,352	\$1,140,515
2021	\$529,510	\$1,292,204
2022	\$599,934	\$1,464,067
Total	\$3,644,554	\$8,989,377

Total Taxable Sales

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

Estimated Total Taxable Sales					
Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Facility and Companies' Taxable Spending	Taxable Spending by Visitors in the Community	Total Taxable Sales
2013	\$28,416,451	\$0	\$31,697,584	\$195,000	\$60,309,035
2014	\$50,243,046	\$0	\$50,439,967	\$220,935	\$100,903,948
2015	\$61,331,473	\$0	\$61,571,854	\$250,319	\$123,153,646
2016	\$85,611,414	\$0	\$85,946,956	\$283,612	\$171,841,981
2017	\$131,233,749	\$0	\$131,748,101	\$321,332	\$263,303,182
2018	\$146,840,659	\$0	\$147,416,181	\$364,069	\$294,620,909
2019	\$163,265,874	\$0	\$163,905,772	\$412,491	\$327,584,136
2020	\$180,544,445	\$0	\$181,252,063	\$467,352	\$362,263,860
2021	\$185,960,778	\$0	\$186,689,625	\$529,510	\$373,179,913
2022	\$191,539,601	\$0	\$192,290,314	\$599,934	\$384,429,850
Total	\$1,224,987,490	\$0	\$1,232,958,416	\$3,644,554	\$2,461,590,460

Sales Tax Collections

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

Estimated Sales Tax Collections During Operations					
Year	On Workers' Spending	On The Facility's Taxable Sales	On Taxable Companies' Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2013	\$1,776,028	\$0	\$1,981,099	\$12,188	\$3,769,315
2014	\$3,140,190	\$0	\$3,152,498	\$13,808	\$6,306,497
2015	\$3,833,217	\$0	\$3,848,241	\$15,645	\$7,697,103
2016	\$5,350,713	\$0	\$5,371,685	\$17,726	\$10,740,124
2017	\$8,202,109	\$0	\$8,234,256	\$20,083	\$16,456,449
2018	\$9,177,541	\$0	\$9,213,511	\$22,754	\$18,413,807
2019	\$10,204,117	\$0	\$10,244,111	\$25,781	\$20,474,008
2020	\$11,284,028	\$0	\$11,328,254	\$29,209	\$22,641,491
2021	\$11,622,549	\$0	\$11,668,102	\$33,094	\$23,323,745
2022	\$11,971,225	\$0	\$12,018,145	\$37,496	\$24,026,866
Total	\$76,561,718	\$0	\$77,059,901	\$227,785	\$153,849,404

Hotel Occupancy Tax Collections

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

Estimated Hotel Occupancy Tax Collections from Visitors		
Year	Spending on Lodging	Total Hotel Occupancy Tax Collections
2013	\$520,000	\$31,200
2014	\$572,000	\$34,320
2015	\$629,200	\$37,752
2016	\$692,120	\$41,527
2017	\$784,172	\$47,050
2018	\$888,467	\$53,308
2019	\$1,006,633	\$60,398
2020	\$1,140,515	\$68,431
2021	\$1,292,204	\$77,532
2022	\$1,464,067	\$87,844
Total	\$8,989,377	\$539,363

Franchise Tax Collections from the Company and Indirect and Induced Businesses

Texas franchise tax is a tax on “taxable margin,” which is a concept similar to taxable income. Generally, an entity’s taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity’s revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A half percent rate is used for taxable entities primarily engaged in retail or wholesale trade, and a 1% rate is used for all other entities.

Estimated Taxable Margins of the Company and Indirect and Induced Companies

The facility's estimated taxable margins subject to Texas franchise tax may be 0% of operating expenses and the estimated taxable margins of indirect companies may be 10% of revenues. If this is the case, the estimated taxable margins of the company and indirect and induced companies that will be subject to corporate franchise taxes in the state of Texas are shown below.

Revenues of the Company Subject to Franchise Taxes and Taxable Margins of Indirect and Induced Companies During Operations					
Year	Taxable Margins of the Company Subject to Texas Franchise Taxes	Revenues of Indirect and Induced Businesses Subject to Franchise Taxes	Total Revenues Subject to Franchise Taxes		
2013	\$0	\$13,634,482	\$13,634,482		
2014	\$0	\$21,696,380	\$21,696,380		
2015	\$0	\$26,484,679	\$26,484,679		
2016	\$0	\$36,969,449	\$36,969,449		
2017	\$0	\$56,670,474	\$56,670,474		
2018	\$0	\$63,409,983	\$63,409,983		
2019	\$0	\$70,502,859	\$70,502,859		
2020	\$0	\$77,964,238	\$77,964,238		
2021	\$0	\$80,303,165	\$80,303,165		
2022	\$0	\$82,712,260	\$82,712,260		
Total	\$0	\$530,347,968	\$530,347,968		

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

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

Estimated Franchise Tax Collections from the Facility and Indirect and Induced Businesses During Operations			
	The Facility	Indirect Businesses	Total
2013	\$0	\$136,345	\$136,345
2014	\$0	\$216,964	\$216,964
2015	\$0	\$264,847	\$264,847
2016	\$0	\$369,694	\$369,694
2017	\$0	\$566,705	\$566,705
2018	\$0	\$634,100	\$634,100
2019	\$0	\$705,029	\$705,029
2020	\$0	\$779,642	\$779,642
2021	\$0	\$803,032	\$803,032
2022	\$0	\$827,123	\$827,123
Total	\$0	\$5,303,480	\$5,303,480

Other Taxes and Revenues from Workers

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

Other Revenues for the State from Each Worker During Operations	
Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$250
Cigarette and tobacco taxes	\$16
Alcoholic beverage taxes	\$90
Net lottery proceeds	\$183
Total	\$576

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

Other Revenues for the State from Workers During Operations						
Year	Gasoline Taxes	Motor Vehicle Sales and Use Taxes	Cigarette and Tobacco Taxes	Alcoholic Beverage Taxes	Net Lottery Proceeds	Total Other Taxes and Revenues
2013	\$32,674	\$217,829	\$13,511	\$78,794	\$159,094	\$501,903
2014	\$57,772	\$385,143	\$23,889	\$139,316	\$281,293	\$887,413
2015	\$70,521	\$470,143	\$29,162	\$170,063	\$343,373	\$1,083,262
2016	\$98,439	\$656,263	\$40,706	\$237,387	\$479,308	\$1,512,104
2017	\$150,898	\$1,005,986	\$62,399	\$363,891	\$734,731	\$2,317,905
2018	\$168,843	\$1,125,623	\$69,820	\$407,166	\$822,109	\$2,593,560
2019	\$187,730	\$1,251,532	\$77,629	\$452,711	\$914,068	\$2,883,669
2020	\$207,597	\$1,383,982	\$85,845	\$500,622	\$1,010,804	\$3,188,851
2021	\$213,825	\$1,425,502	\$88,420	\$515,640	\$1,041,128	\$3,284,516
2022	\$220,240	\$1,468,267	\$91,073	\$531,109	\$1,072,362	\$3,383,052
Total	\$1,408,541	\$9,390,271	\$582,455	\$3,396,699	\$6,858,270	\$21,636,236

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

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

General Fund Revenues for the State During Operations					
Year	Sales Tax Collections	Hotel Occupancy Taxes	Franchise Tax Collections	Other Taxes and Revenues	Total State Revenues
2013	\$3,769,315	\$31,200	\$136,345	\$501,903	\$4,438,763
2014	\$6,306,497	\$34,320	\$216,964	\$887,413	\$7,445,194
2015	\$7,697,103	\$37,752	\$264,847	\$1,083,262	\$9,082,964
2016	\$10,740,124	\$41,527	\$369,694	\$1,512,104	\$12,663,450
2017	\$16,456,449	\$47,050	\$566,705	\$2,317,905	\$19,388,109
2018	\$18,413,807	\$53,308	\$634,100	\$2,593,560	\$21,694,775
2019	\$20,474,008	\$60,398	\$705,029	\$2,883,669	\$24,123,104
2020	\$22,641,491	\$68,431	\$779,642	\$3,188,851	\$26,678,415
2021	\$23,323,745	\$77,532	\$803,032	\$3,284,516	\$27,488,825
2022	\$24,026,866	\$87,844	\$827,123	\$3,383,052	\$28,324,884
Total	\$153,849,404	\$539,363	\$5,303,480	\$21,636,236	\$181,328,482

Discussion of Indirect and Induced Impacts

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

Indirect revenues, jobs and salaries are created in new or existing firms in the state, such as parts suppliers, that may supply goods and services to the facility. In addition, induced revenues, jobs and salaries are created and supported in new or existing businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to workers and their families.

To estimate the indirect and induced economic impact of the facility on the state, regional economic multipliers were used. Regional economic multipliers for Texas are included in the US Department of Commerce’s Regional Input-Output Modeling System (RIMS II).

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

An output multiplier was used to estimate the indirect and induced output or revenues created and supported in the state. An employment multiplier was used to estimate the number of indirect and

induced jobs created and supported in the state. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs.

The multipliers show the estimated indirect and induced revenues of other companies in the state for every dollar of revenues at the facility. An employment multiplier shows the number of indirect and induced jobs created for every direct job at the facility and the amount of salaries paid to these workers for every dollar paid to a direct worker at the facility. The indirect and induced multipliers shown below were used in this analysis:

Indirect and Induced Multipliers Used in this Analysis		
	During Construction	During Operations
Output multiplier	1.5229	1.2124
Employment multiplier	1.1798	0.7638
Earnings multiplier	1.1134	1.0113

About Impact DataSource

Impact DataSource is a nineteen-year-old Austin economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in Texas and 25 other states. In addition, the firm has developed economic impact analysis computer programs for several clients including the New Mexico Economic Development Department.

The firm’s principal, Jerry Walker, performed this economic impact analysis. He is an economist and has Bachelor of Science and Master of Business Administration degrees in accounting and economics from Nicholls State University, Thibodaux, Louisiana.

Some Rates and Assumptions Used in this Analysis

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

Texas business franchise tax:

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A half percent rate is used for taxable entities primarily engaged in retail or wholesale trade, and a 1% rate is used for all other entities.

Sales and use tax rate	6.25%
Hotel occupancy tax rate	6%
Gasoline tax, per gallon	\$0.20
Percent of gasoline taxes going into state general revenues	25%
Motor vehicle sales and use tax	6.25%
Percent of total salaries that a typical worker spends on taxable goods and services	33%

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

	Total Collections in 2010	Number of Households in the State (Estimated 2010)	Amount of Annual Collections Per Worker Household
Cigarette and tobacco taxes	\$138,764,873	8,948,598	\$16
Alcoholic beverage taxes	\$809,233,737	8,948,598	\$90
Net lottery proceeds	\$1,633,922,591	8,948,598	\$183
Total			\$289

Some assumptions used in this analysis:

Annual state gasoline tax collections per worker:

Miles driven per year by a typical worker	15,000
Miles per gallon	20
Number of gallons of gasoline purchased each year by a typical worker	750

Gasoline tax, per gallon	\$0.20
Gasoline taxes paid each year by a typical worker	\$150
Percent of gasoline taxes going into the general fund	25%
Gasoline taxes paid each year by a typical worker going to the general fund	\$38

Annual motor vehicle sales and use tax collections per worker:

Number of new or used automobiles purchased per 10 workers each year	2
Average value of new or used automobiles purchased by a typical worker who purchases an automobile	\$20,000
Motor vehicle sales and use tax	6.25%
Annual motor vehicle sales and use taxes paid by a typical worker	\$250.00

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

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

Gasoline taxes	\$37.50
Motor vehicle sales and use taxes	\$250.00
Cigarette and tobacco taxes	\$15.51
Alcoholic beverage taxes	\$90.43
Net lottery proceeds	\$182.59
Total	\$576.03

Estimated annual increase in the above taxes per worker over each of the next ten years 3%

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2012	1st Qtr	Harris County	Total All	00	0	10	Total, All Industries	\$1,338
2012	2nd Qtr	Harris County	Total All	00	0	10	Total, All Industries	\$1,165
2012	3rd Qtr	<u>Harris County</u>	Total All	00	0	10	Total, All Industries	\$1,155

PERMITS

Pending

Current

No Permits Required

Estimated state and local fee related revenue generated by this project \$754,000

List any local, state or federal permits that will be, or have been acquired, including the corresponding fees paid, issuing agency and the expected date of receipt, if applicable.

This project would require the normal office building permits – Base Building and Tenant Improvements.

JOB CREATION & INVESTMENT SCHEDULE (Must match Projected Capital Investment on pg.7)

<u>Year</u>	<u>Existing Jobs on Site</u>	<u>New Jobs</u>	<u>Total Jobs</u>	<u>Land</u>	<u>Building(s)</u>	<u>Machinery & Equipment</u>	<u>Total Investment</u>
2013	0	144	144				
2014	144	154	298		96,000,000		96,000,000
2015	298	157	455		192,000,000		192,000,000
2016	455	157	612		192,000,000	43,000,000	235,000,000
2017	612	615	1,227		96,000,000	43,000,000	139,000,000
2018	1,227	175	1,402				
2019	1,402	175	1,577				
2020	1,577	175	1,752				
2021							
2022							
TOTALS		1,752		0	576,000,000	86,000,000	662,000,000

Note: A breakdown of the types of new full-time jobs to be created by classification, title, and the salary may be requested.

Number of new full-time jobs to be included in State Agreement 1,752

Estimated annual *median* wage of new jobs to be created \$110,000/yr

Note: The median wage is determined by listing all salaries in ascending order and selecting the value with equal number of salaries above and below its value, or with an average of the two middle values if there is no middle number.

PRIMARY COMPETITION FOR PROJECT (Out of State)

<u>City</u>	<u>State or Country</u>	<u>Incentive</u>
See Attached Project Summary		

INDUSTRY CLUSTER

If applicable, identify the targeted industry cluster within which this project falls.

- Advanced Technologies and Manufacturing, including four sub-clusters: Nanotechnology and Materials; Micro-electromechanical Systems; Semiconductor Manufacturing; Automotive Manufacturing
- Aerospace, Aviation and Defense
- Biotechnology and Life Sciences, not including medical services
- Information and Computer Technology, including three sub-clusters: Communications Equipment; Computing Equipment and Semiconductors; Information Technology
- Petroleum Refining and Chemical Products
- Energy, including three sub-clusters: Oil and Gas Production; Power Generation and Transmission; Manufactured Energy Systems
- None apply

TEF REQUEST & OTHER STATE ASSISTANCE

Identify state programs that the project will apply for:

<u>State Source</u>	<u>Amount</u>
Texas Enterprise Zone Program	<u>\$3,750,000</u>
Texas Enterprise Fund request	<u>\$17,000,000</u>
Total	<u>\$20,750,000</u>