



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

February 15, 2019

AMENDED COMPLETENESS

Becky Whatley  
Superintendent  
Alpine Independent School District  
704 W. Sul Ross Ave.  
Alpine, Texas 79830

Re: Application for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Alpine Independent School District and SolaireHolman 1 LLC, Application 1025

Dear Superintendent Whatley:

On January 18, 2019, the Comptroller's office received SolaireHolman 1 LLC's agreement amendment for a limitation on appraised value (Application 1025) from Alpine Independent School District.

The purpose of this letter is to inform you that the Comptroller's office has reviewed the amendment and determined that it includes the information necessary to be determined as complete on February 15, 2019. Pursuant to 34 TAC 9.1053(f)(2)(P)(ii) the Comptroller shall provide a revised comptroller certificate for a limitation within 90 days or the request to amend the application is denied.

Please be advised we may request additional or clarifying information to complete our evaluation.

Should you have any questions, please contact Desiree Caufield with our office. She can be reached by email at [desiree.caufield@cpa.texas.gov](mailto:desiree.caufield@cpa.texas.gov) or by phone toll-free at 1-800-531-5441, ext. 6-8597, or at 512-936-8597.

Sincerely,

Will Counihan  
Director  
Data Analysis & Transparency

cc: Daniel T. Casey, Moak, Casey & Associates LLP  
Sylvain Legrand, SolaireHolman 1 LLC  
Billy Owens, SolaireHolman 1 LLC



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

February 22, 2019

AMENDED CERTIFICATION

Becky Whatley  
Superintendent  
Alpine Independent School District  
704 W. Sul Ross Ave.  
Alpine, Texas 79830

Re: Amended Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Alpine School District and SolaireHolman 1 LLC, Application 1025

Dear Superintendent Whatley:

This application (Application 1025) was originally submitted on June 24, 2014, to the Alpine Independent School District (school district) by SolaireHolman 1 LLC (applicant) for a limitation on appraised value under the provisions of Tax Code Chapter 313.<sup>1</sup> On September 16, 2014, the Comptroller issued written notice that the applicant submitted a completed application; and later issued a certificate for a limitation on appraised value on November 12, 2014. The applicant and school district executed an agreement for a limitation on appraised value (agreement) on December 16, 2014.

On January 18, 2019, Comptroller received an amendment to the agreement to reduce the amount of Qualifying Jobs from 2 to 1. This presents the Comptroller's review of that amendment per Section 10.2 of the agreement and determinations required:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

**Determination required by 313.025(h)**

The information provided by the applicant related to eligibility has not changed and therefore, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

<sup>1</sup> All statutory references are to the Texas Tax Code, unless otherwise noted.

**Certificate decision required by 313.025(d)**

Determination required by 313.026(c)(1)

Based on the amended information provided by the applicant, the Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem tax* revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller previously determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value for the amendment.

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the amendment to the agreement by December 31, 2019.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at [will.counihan@cpa.texas.gov](mailto:will.counihan@cpa.texas.gov) or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,



Lisa Craven  
Deputy Comptroller

Enclosure

cc: Will Counihan

## Amended Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of SolaireHolman 1 LLC (project) applying to Alpine Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2)

**Table 1** is a summary of investment, employment and tax impact of SolaireHolman 1 LLC.

	<b>Amendment No. 1</b>	<b>Amendment No. 2</b>
Applicant	SolaireHolman 1 LLC	SolaireHolman 1 LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Solar	Renewable Energy - Solar
School District	Alpine ISD	Alpine ISD
2014-2015 Average Daily Attendance	950	950
County	Brewster	Brewster
Proposed Total Investment in District	\$160,000,000	\$160,000,000
Proposed Qualified Investment	\$80,000,000	\$80,000,000
Limitation Amount	\$15,000,000	\$15,000,000
Qualifying Time Period (Full Years)	2015-2016	2015-2016
Number of new qualifying jobs committed to by applicant	2*	1*
Number of new non-qualifying jobs estimated by applicant	0	0
Average weekly wage of qualifying jobs committed to by applicant	\$712	\$712
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(A)	\$700	\$700
Minimum annual wage committed to by applicant for qualified jobs	\$37,000	\$37,000
Minimum weekly wage required for non-qualifying jobs	\$649.50	\$649.50
Minimum annual wage required for non-qualifying jobs	\$33,774	\$33,374
Investment per Qualifying Job	\$80,000,000	\$160,000,000
Estimated M&O levy without any limit (15 years)	\$12,456,607	\$12,456,607
Estimated M&O levy with Limitation (15 years)	\$3,686,187	\$3,686,187
Estimated gross M&O tax benefit (15 years)	\$8,770,421	\$8,770,421

\* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).

**Table 2** is the estimated statewide economic impact of SolaireHolman 1 LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2016	200	(200)	0.001	\$7,506,800	-\$7,506,800	\$0
2017	202	(202)	0	\$7,581,535	-\$7,581,535	\$0
2018	1	(1)	0	\$37,000	-\$37,000	\$0
2019	1	(1)	0	\$37,000	-\$37,000	\$0
2020	1	(1)	0	\$37,000	-\$37,000	\$0
2021	1	(1)	0	\$37,000	-\$37,000	\$0
2022	1	(1)	0	\$37,000	-\$37,000	\$0
2023	1	(1)	0	\$37,000	-\$37,000	\$0
2024	1	(1)	0	\$37,000	-\$37,000	\$0
2025	1	(1)	0	\$37,000	-\$37,000	\$0
2026	1	(1)	0	\$37,000	-\$37,000	\$0
2027	1	(1)	0	\$37,000	-\$37,000	\$0
2028	1	(1)	0	\$37,000	-\$37,000	\$0
2029	1	(1)	0	\$37,000	-\$37,000	\$0
2030	1	(1)	0	\$37,000	-\$37,000	\$0

Source: CPA REMI, SolaireHolman 1 LLC

**Table 3** examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate <sup>*</sup>	Alpine ISD I&S Tax Levy	Alpine ISD M&O Tax Levy	Alpine M&O and I&S Tax Levies	Brewster County Tax Levy	Big Bend Hospital District Tax Levy	Estimated Total Property Taxes
				<b>0.0810</b>	<b>1.1700</b>		<b>0.3826</b>	<b>0.1250</b>	
2017	\$80,000,000	\$80,000,000		\$64,800	\$936,000	\$1,000,800	\$306,104	\$100,000	\$1,406,904
2018	\$160,000,000	\$160,000,000		\$129,600	\$1,872,000	\$2,001,600	\$612,208	\$200,000	\$2,813,808
2019	\$136,000,000	\$136,000,000		\$110,160	\$1,591,200	\$1,701,360	\$520,377	\$170,000	\$2,391,737
2020	\$115,600,000	\$115,600,000		\$93,636	\$1,352,520	\$1,446,156	\$442,320	\$144,500	\$2,032,976
2021	\$98,260,000	\$98,260,000		\$79,591	\$1,149,642	\$1,229,233	\$375,972	\$122,825	\$1,728,030
2022	\$83,521,000	\$83,521,000		\$67,652	\$977,196	\$1,044,848	\$319,576	\$104,401	\$1,468,825
2023	\$70,992,850	\$70,992,850		\$57,504	\$830,616	\$888,121	\$271,640	\$88,741	\$1,248,502
2024	\$60,343,923	\$60,343,923		\$48,879	\$706,024	\$754,902	\$230,894	\$75,430	\$1,061,226
2025	\$51,292,334	\$51,292,334		\$41,547	\$600,120	\$641,667	\$196,260	\$64,115	\$902,042
2026	\$43,598,484	\$43,598,484		\$35,315	\$510,102	\$545,417	\$166,821	\$54,498	\$766,736
2027	\$37,058,711	\$37,058,711		\$30,018	\$433,587	\$463,604	\$141,798	\$46,323	\$651,726
2028	\$32,000,000	\$32,000,000		\$25,920	\$374,400	\$400,320	\$122,442	\$40,000	\$562,762
2029	\$32,000,000	\$32,000,000		\$25,920	\$374,400	\$400,320	\$122,442	\$40,000	\$562,762
2030	\$32,000,000	\$32,000,000		\$25,920	\$374,400	\$400,320	\$122,442	\$40,000	\$562,762
2031	\$32,000,000	\$32,000,000		\$25,920	\$374,400	\$400,320	\$122,442	\$40,000	\$562,762
			<b>Total</b>	<b>\$862,381</b>	<b>\$12,456,607</b>	<b>\$13,318,988</b>	<b>\$4,073,736</b>	<b>\$1,330,834</b>	<b>\$18,723,559</b>

Source: CPA, SolaireHolman 1 LLC

\*Tax Rate per \$100 Valuation

**Table 4** examines the estimated direct impact on ad valorem taxes to the school district and Brewster County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Alpine ISD I&S Tax Levy	Alpine ISD M&O Tax Levy	Alpine M&O and I&S Tax Levies	Brewster County Tax Levy	Big Bend Hospital District Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.0810	1.1700		0.3826	0.1250	
2017	\$80,000,000	\$15,000,000		\$64,800	\$175,500	\$240,300	\$149,991	\$49,000	\$439,291
2018	\$160,000,000	\$15,000,000		\$129,600	\$175,500	\$305,100	\$299,982	\$98,000	\$703,082
2019	\$136,000,000	\$15,000,000		\$110,160	\$175,500	\$285,660	\$254,985	\$83,300	\$623,945
2020	\$115,600,000	\$15,000,000		\$93,636	\$175,500	\$269,136	\$216,737	\$70,805	\$556,678
2021	\$98,260,000	\$15,000,000		\$79,591	\$175,500	\$255,091	\$184,226	\$60,184	\$499,501
2022	\$83,521,000	\$15,000,000		\$67,652	\$175,500	\$243,152	\$156,592	\$51,157	\$450,901
2023	\$70,992,850	\$15,000,000		\$57,504	\$175,500	\$233,004	\$133,104	\$43,483	\$409,591
2024	\$60,343,923	\$15,000,000		\$48,879	\$175,500	\$224,379	\$113,138	\$36,961	\$374,477
2025	\$51,292,334	\$15,000,000		\$41,547	\$175,500	\$217,047	\$96,167	\$31,417	\$344,631
2026	\$43,598,484	\$15,000,000		\$35,315	\$175,500	\$210,815	\$81,742	\$26,704	\$319,261
2027	\$37,058,711	\$37,058,711		\$30,018	\$433,587	\$463,604	\$141,798	\$46,323	\$651,726
2028	\$32,000,000	\$32,000,000		\$25,920	\$374,400	\$400,320	\$122,442	\$40,000	\$562,762
2029	\$32,000,000	\$32,000,000		\$25,920	\$374,400	\$400,320	\$122,442	\$40,000	\$562,762
2030	\$32,000,000	\$32,000,000		\$25,920	\$374,400	\$400,320	\$122,442	\$40,000	\$562,762
2031	\$32,000,000	\$32,000,000		\$25,920	\$374,400	\$400,320	\$122,442	\$40,000	\$562,762
			<b>Total</b>	<b>\$862,381</b>	<b>\$3,686,187</b>	<b>\$4,548,567</b>	<b>\$2,318,229</b>	<b>\$757,334</b>	<b>\$7,624,130</b>
			<b>Diff</b>	<b>\$0</b>	<b>\$8,770,421</b>	<b>\$8,770,421</b>	<b>\$1,755,508</b>	<b>\$573,500</b>	<b>\$11,099,429</b>

Source: CPA, SolaireHolman 1 LLC

\*Tax Rate per \$100 Valuation

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

## Attachment B – Tax Revenue before 25<sup>th</sup> Anniversary of Limitation Start

This represents the Comptroller’s determination that SolaireHolman 1 LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy and direct, indirect and induced tax effects from project employment directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
<b>Limitation Pre-Years</b>	2014	\$0	\$0	\$0	\$0
	2015	\$0	\$0	\$0	\$0
	2016	\$0	\$0	\$0	\$0
<b>Limitation Period (10 Years)</b>	2017	\$175,500	\$175,500	\$760,500	\$760,500
	2018	\$175,500	\$351,000	\$1,696,500	\$2,457,000
	2019	\$175,500	\$526,500	\$1,415,700	\$3,872,700
	2020	\$175,500	\$702,000	\$1,177,020	\$5,049,720
	2021	\$175,500	\$877,500	\$974,142	\$6,023,862
	2022	\$175,500	\$1,053,000	\$801,696	\$6,825,558
	2023	\$175,500	\$1,228,500	\$655,116	\$7,480,674
	2024	\$175,500	\$1,404,000	\$530,524	\$8,011,198
	2025	\$175,500	\$1,579,500	\$424,620	\$8,435,818
	2026	\$175,500	\$1,755,000	\$334,602	\$8,770,421
<b>Maintain Viable Presence (5 Years)</b>	2027	\$433,587	\$2,188,587	\$0	\$8,770,421
	2028	\$374,400	\$2,562,987	\$0	\$8,770,421
	2029	\$374,400	\$2,937,387	\$0	\$8,770,421
	2030	\$374,400	\$3,311,787	\$0	\$8,770,421
	2031	\$374,400	\$3,686,187	\$0	\$8,770,421
<b>Additional Years as Required by 313.026(c)(1) (10 Years)</b>	2032	\$374,400	\$4,060,587	\$0	\$8,770,421
	2033	\$374,400	\$4,434,987	\$0	\$8,770,421
	2034	\$374,400	\$4,809,387	\$0	\$8,770,421
	2035	\$374,400	\$5,183,787	\$0	\$8,770,421
	2036	\$374,400	\$5,558,187	\$0	\$8,770,421
	2037	\$374,400	\$5,932,587	\$0	\$8,770,421
	2038	\$374,400	\$6,306,987	\$0	\$8,770,421
	2039	\$374,400	\$6,681,387	\$0	\$8,770,421
	2040	\$374,400	\$7,055,787	\$0	\$8,770,421
	2041	\$374,400	\$7,430,187	\$0	\$8,770,421

**\$7,430,187**

is less than

**\$8,770,421**

<b>Analysis Summary</b>	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	No

NOTE: The analysis above only takes into account this project’s estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, SolaireHolman 1 LLC

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2016	200	(200)	0.001	\$7,506,800	-\$7,506,800	\$0	1190000	-641000	\$1,831,000
2017	202	(202)	0	\$7,581,535	-\$7,581,535	\$0	1289000	-404000	\$1,693,000
2018	1	(1)	0	\$37,000	-\$37,000	\$0	214000	534000	-\$320,000
2019	1	(1)	0	\$37,000	-\$37,000	\$0	145000	496000	-\$351,000
2020	1	(1)	0	\$37,000	-\$37,000	\$0	61000	443000	-\$382,000
2021	1	(1)	0	\$37,000	-\$37,000	\$0	8000	351000	-\$343,000
2022	1	(1)	0	\$37,000	-\$37,000	\$0	-38000	275000	-\$313,000
2023	1	(1)	0	\$37,000	-\$37,000	\$0	-46000	191000	-\$237,000
2024	1	(1)	0	\$37,000	-\$37,000	\$0	-23000	153000	-\$176,000
2025	1	(1)	0	\$37,000	-\$37,000	\$0	-69000	84000	-\$153,000
2026	1	(1)	0	\$37,000	-\$37,000	\$0	-76000	38000	-\$114,000
2027	1	(1)	0	\$37,000	-\$37,000	\$0	-99000	-38000	-\$61,000
2028	1	(1)	0	\$37,000	-\$37,000	\$0	-92000	-99000	\$7,000
2029	1	(1)	0	\$37,000	-\$37,000	\$0	-114000	-130000	\$16,000
2030	1	(1)	0	\$37,000	-\$37,000	\$0	-153000	-191000	\$38,000
2031	1	(1)	0	\$37,000	-\$37,000	\$0	-183000	-252000	\$69,000
2032	1	(1)	0	\$37,000	-\$37,000	\$0	-206000	-282000	\$76,000
2033	1	(1)	0	\$37,000	-\$37,000	\$0	-206000	-351000	\$145,000
2034	1	(1)	0	\$37,000	-\$37,000	\$0	-275000	-389000	\$114,000
2035	1	(1)	0	\$37,000	-\$37,000	\$0	-305000	-443000	\$138,000
2036	1	(1)	0	\$37,000	-\$37,000	\$0	-328000	-526000	\$198,000
2037	1	(1)	0	\$37,000	-\$37,000	\$0	-359000	-595000	\$236,000
2038	1	(1)	0	\$37,000	-\$37,000	\$0	-351000	-626000	\$275,000
2039	1	(1)	0	\$37,000	-\$37,000	\$0	-351000	-679000	\$328,000
2040	1	(1)	0	\$37,000	-\$37,000	\$0	-427000	-732000	\$305,000
2041	1	(1)	0	\$37,000	-\$37,000	\$0	-443000	-793000	\$350,000
<b>Total</b>							<b>-\$1,237,000</b>	<b>-\$4,606,000</b>	<b>\$3,369,000</b>
							<b>\$10,799,187</b>	is greater than	<b>\$8,770,421</b>

<b>Analysis Summary</b>	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	Yes

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