

UNDERWOOD

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September 19, 2017

Michelle Luera
Economic Development and Analysis Division
Texas Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774

Via Email and Federal Express

Re: App 1103-Reagan County ISD-Santa Rita Wind Energy, LLC

Dear Michelle:

Enclosed are amended application pages (p. 5 and revised Schedules A-2, B and C) provided by the Applicant for the Chapter 313 Application submitted by Santa Rita Wind Energy, LLC to Reagan County ISD (the "Application"), along with the updated schedules in Excel format and a signature page acknowledging the Amendment.

A CD containing these documents is also enclosed. This Amendment, dated September 14, 2017 and numbered 4, is the fourth amendment to the Application. Please let me know if you require any additional information.

Sincerely,



Fred A. Stormer

FAS/ph

Cc: Brandon Budde, Ryan Inc.

Via Email



Santa Rita Wind Energy LLC
Chapter 313 Application to Andrews ISD
Amendment No. 3

CHECKLIST ITEM #1

Application

See attached.

Application for Appraised Value Limitation on Qualified Property

Economic Development
and Analysis
Form 50-296-A

SECTION 9: Projected Timeline

1. Application approval by school board Dec 2015
 2. Commencement of construction 1st Qtr 2017
 3. Beginning of qualifying time period May 2016
 4. First year of limitation 2018
 5. Begin hiring new employees Q1 2018
 6. Commencement of commercial operations 4th Qtr 2017
 7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? ☐ Yes ☒ No
- Note:** Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? 4th Qtr 2017

SECTION 10: The Property

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

County: (Reagan County, .187366, 100%) <small>(Name, tax rate and percent of project)</small>	City: N/A <small>(Name, tax rate and percent of project)</small>
Hospital District: (Hospital District, .228123, 100%) <small>(Name, tax rate and percent of project)</small>	Water District: (Reagan Water Supply, .011124, 100%) <small>(Name, tax rate and percent of project)</small>
Other (describe): (FM & LR, .023469, 100%) <small>(Name, tax rate and percent of project)</small>	Other (describe): N/A <small>(Name, tax rate and percent of project)</small>
5. Is the project located entirely within the ISD listed in Section 1? ☐ Yes ☒ No
 - 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ☐ Yes ☒ No
 - 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 20,000,000.00
 2. What is the amount of appraised value limitation for which you are applying? 25,000,000.00
- Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ☒ Yes ☐ No
 4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
 5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ☒ Yes ☐ No



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CHECKLIST ITEM #14

Schedules A-D

See attached.

Date9/8/2017Applicant NameSanta Rita Wind Energy LLCISD NameReagan County ISD

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)

Form 50-296ARevised May 2014

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
				Column A	Column B	Column C	Column D	Column E	
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)	
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1			226,200,000	Enter amounts from TOTAL row in Schedule A1 in the row below			226,200,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2016-2017	2016	-	-	-	-	-	
	0	2017-2018	2017	226,200,000.00	-	-	-	226,200,000.00	
Value limitation period***	1	2018-2019	2018	-	-	-	-	-	
	2	2019-2020	2019	-	-	-	-	-	
	3	2020-2021	2020			-	-	-	
	4	2021-2022	2021			-	-	-	
	5	2022-2023	2022			-	-	-	
	6	2023-2024	2023			-	-	-	
	7	2024-2025	2024			-	-	-	
	8	2025-2026	2025			-	-	-	
	9	2026-2027	2026			-	-	-	
	10	2027-2028	2027			-	-	-	
Total Investment made through limitation				226,200,000.00	-	-	-	226,200,000.00	
Continue to maintain viable presence	11	2028-2029	2028						
	12	2029-2030	2029						
	13	2030-2031	2030						
	14	2031-2032	2031						
	15	2032-2033	2032						
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2033-2034	2033						
	17	2034-2035	2034						
	18	2035-2036	2035						
	19	2036-2037	2036						
	20	2037-2038	2037						
	21	2038-2039	2038						
	22	2039-2040	2039						
	23	2040-2041	2040						
	24	2041-2042	2041						
	25	2042-2043	2042						

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

Date

9/8/2017

Applicant Name

Santa Rita Wind Energy LLC

Form 50-296A

ISD Name

Reagan County ISD

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2016-2017	2016	-	-				
	0	2017-2018	2017						
Value Limitation Period	1	2018-2019	2018	-		210,366,000	210,366,000	210,366,000	25,000,000
	2	2019-2020	2019	-		195,640,380	195,640,380	195,640,380	25,000,000
	3	2020-2021	2020	-		181,945,553	181,945,553	181,945,553	25,000,000
	4	2021-2022	2021	-		169,209,365	169,209,365	169,209,365	25,000,000
	5	2022-2023	2022	-		157,364,709	157,364,709	157,364,709	25,000,000
	6	2023-2024	2023	-		146,349,179	146,349,179	146,349,179	25,000,000
	7	2024-2025	2024	-		136,104,737	136,104,737	136,104,737	25,000,000
	8	2025-2026	2025	-		126,577,405	126,577,405	126,577,405	25,000,000
	9	2026-2027	2026	-		117,716,987	117,716,987	117,716,987	25,000,000
	10	2027-2028	2027	-		109,476,798	109,476,798	109,476,798	25,000,000
Continue to maintain viable presence	11	2028-2029	2028	-		101,813,422	101,813,422	101,813,422	101,813,422
	12	2029-2030	2029	-		94,686,482	94,686,482	94,686,482	94,686,482
	13	2030-2031	2030	-		88,058,429	88,058,429	88,058,429	88,058,429
	14	2031-2032	2031	-		81,894,339	81,894,339	81,894,339	81,894,339
	15	2032-2033	2032	-		76,161,735	76,161,735	76,161,735	76,161,735
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2033-2034	2033	-		70,830,414	70,830,414	70,830,414	70,830,414
	17	2034-2035	2034	-		65,872,285	65,872,285	65,872,285	65,872,285
	18	2035-2036	2035	-		61,261,225	61,261,225	61,261,225	61,261,225
	19	2036-2037	2036	-		56,972,939	56,972,939	56,972,939	56,972,939
	20	2037-2038	2037	-		52,984,833	52,984,833	52,984,833	52,984,833
	21	2038-2039	2038	-		49,275,895	49,275,895	49,275,895	49,275,895
	22	2039-2040	2039	-		45,826,582	45,826,582	45,826,582	45,826,582
	23	2040-2041	2040	-		42,618,721	42,618,721	42,618,721	42,618,721
	24	2041-2042	2041	-		39,635,411	39,635,411	39,635,411	39,635,411
	25	2042-2043	2042	-		36,860,932	36,860,932	36,860,932	36,860,932

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

Schedule C: Employment Information

Date
Applicant Name
ISD Name

9/8/2017
Santa Rita Wind Energy LLC
Reagan County ISD

Form 50-296A

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
				Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2016-2017	2016					
	0	2017-2018	2017	300 FTEs	\$ 50,000			
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2018-2019	2018			1	8	\$ 42,775
	2	2019-2020	2019			1	8	\$ 42,775
	3	2020-2021	2020			1	8	\$ 42,775
	4	2021-2022	2021			1	8	\$ 42,775
	5	2022-2023	2022			1	8	\$ 42,775
	6	2023-2024	2023			1	8	\$ 42,775
	7	2024-2025	2024			1	8	\$ 42,775
	8	2025-2026	2025			1	8	\$ 42,775
	9	2026-2027	2026			1	8	\$ 42,775
	10	2027-2028	2027			1	8	\$ 42,775
Years Following Value Limitation Period	11 through 25	2028-2042	2028-2042			1	8	\$ 42,775

See TAC 9.1051 for definition of non-qualifying jobs.

Notes: Only include jobs on the project site in this school district.

Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute?

Yes

No

C1. If yes, answer the following two questions:

(25)

Will the applicant request a job waiver, as provided under 313.025(f-1)?

Yes

No

C1a. Will the applicant avail itself of the provision in 313.021(3)(F)?

Yes

No

C1b.



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CHECKLIST ITEM #17

Signature and Certification Page

See attached.



Application for Appraised Value Limitation on Qualified Property

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print
here

Steve Long
Print Name (Authorized School District Representative)

Superintendent
Title

sign
here

[Signature]
Signature (Authorized School District Representative)

9/18/2017
Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print
here

Kelly Meyer
Print Name (Authorized Company Representative (Applicant))

Vice President, Development
Title

sign
here

[Signature]
Signature (Authorized Company Representative (Applicant))

9-14-17
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

14th day of September, 2017

[Signature]
Notary Public in and for the State of Texas

My Commission expires: 9/21/2020

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