

Application for Appraised Value Limitation on Qualified Property

SECTION 9: Projected Timeline

- 1. Application approval by school board Q4 2016
- 2. Commencement of construction 2017
- 3. Beginning of qualifying time period 2017
- 4. First year of limitation 2018
- 5. Begin hiring new employees Q4 2017
- 6. Commencement of commercial operations Q4 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? Q4 2017

SECTION 10: The Property

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

County: <u>Oldham, .580 ,91% Deaf Smith, .510 , 9%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>HRMC, .355500% , 9%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Llano Estacado, .0100 ,91% / High Plains, .008</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>Noxious Weed District 9%</u> <small>(Name, tax rate and percent of project)</small>
- 5. Is the project located entirely within the ISD listed in Section 1? Yes No
 - 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
- 6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 - 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

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

Application for Appraised Value Limitation on Qualified Property

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0
2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2016
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 2
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 a. Average weekly wage for all jobs (all industries) in the county is 865.25
 b. 110% of the average weekly wage for manufacturing jobs in the county is N/A
 c. 110% of the average weekly wage for manufacturing jobs in the region is 908.37
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 47,235.10
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 47,236.00
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.024(d-2)? Yes No
 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (*not required*)
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Canadian Breaks LLC
115 Wild Basin, Suite 301
Austin, TX 78746

Dr. Uttley, Superintendent
Vega Independent School District
200 Longhorn Drive
Vega, Texas 79092

Re: Chapter 313 Job Waiver Request

Dear Dr. Uttley,

Please consider this letter to be Canadian Breaks LLC's formal request to waive the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-1).

The governing body of a school district may waive the new jobs creation requirement in Section 313.021(2)(A)(iv)(b) or 313.051(b) and approve an application if the governing body makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property that is described in this application. Wind energy projects create a large number of full-time jobs during the construction phase, but these jobs are temporary by nature. Once the project is in operation, a small crew of full-time employees will maintain and operate the facility. Based upon our experience in the wind industry, and an industry standard of one technician needed for every 15-20 turbines, we expect that six (6) employees would be needed to operate the entire 200 MW facility, and based on the thirty four (34) turbines potentially being sited in Vega ISD, we can commit to creating two (2) full-time positions to fill those needs. All would be qualifying jobs as described in Section 313.021(3) of the Texas Tax Code.

The applicant requests that the Vega ISD's Board of Trustees make such a finding and waive the job creation requirement. This waiver request is in line with industry standards for the job requirements for a wind energy facility of this size, as evidenced by limitation agreement applications that have been filed by other wind energy developers, and by documentation related to the development and operation of wind generation facilities.

Sincerely,



Chris Calavitta
Authorized Signatory



Canadian Breaks LLC
Chapter 313 Application to Vega ISD

CHECKLIST ITEM #13

Calculation of three possible wage requirements with TWC documentation

Oldham County All Industries Average Weekly Wages

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2015	4th Qtr	Oldham County	Private	00	0	10	Total, All Industries	\$ 964.00
2015	3rd Qtr	Oldham County	Private	00	0	10	Total, All Industries	\$ 829.00
2015	2nd Qtr	Oldham County	Private	00	0	10	Total, All Industries	\$ 794.00
2016	1st Qtr	Oldham County	Private	00	0	10	Total, All Industries	\$ 874.00
4 Period Weekly Average								\$ 865.25
110% of Average Weekly Wage								\$ 951.78
110% of Annual Wages								\$ 49,492.30

Oldham County Average Manufacturing Weekly Wages

-Wages unavailable

COG Region Wage

Panhandle Regional Planning Commission		
<i>2015 Average Manufacturing Wages</i>	Hourly	Annual
	\$20.64	\$ 42,941.00
Avg Weekly Wage		\$ 825.79
110% of Region Weekly Wage		\$ 908.37
110% of Annual Wages		\$ 47,235.10

**2015 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$24.41	\$50,778
1. Panhandle Regional Planning Commission	\$20.64	\$42,941
2. South Plains Association of Governments	\$17.50	\$36,408
3. NORTEX Regional Planning Commission	\$23.28	\$48,413
4. North Central Texas Council of Governments	\$25.03	\$52,068
5. Ark-Tex Council of Governments	\$18.46	\$38,398
6. East Texas Council of Governments	\$19.84	\$41,270
7. West Central Texas Council of Governments	\$19.84	\$41,257
8. Rio Grande Council of Governments	\$18.32	\$38,109
9. Permian Basin Regional Planning Commission	\$25.18	\$52,382
10. Concho Valley Council of Governments	\$18.80	\$39,106
11. Heart of Texas Council of Governments	\$21.41	\$44,526
12. Capital Area Council of Governments	\$29.98	\$62,363
13. Brazos Valley Council of Governments	\$18.78	\$39,057
14. Deep East Texas Council of Governments	\$17.30	\$35,993
15. South East Texas Regional Planning Commission	\$30.41	\$63,247
16. Houston-Galveston Area Council	\$26.44	\$54,985
17. Golden Crescent Regional Planning Commission	\$23.73	\$49,361
18. Alamo Area Council of Governments	\$19.96	\$41,516
19. South Texas Development Council	\$15.87	\$33,016
20. Coastal Bend Council of Governments	\$25.97	\$54,008
21. Lower Rio Grande Valley Development Council	\$16.17	\$33,634
22. Texoma Council of Governments	\$19.04	\$39,595
23. Central Texas Council of Governments	\$18.04	\$37,533
24. Middle Rio Grande Development Council	\$22.24	\$46,263

Source: Texas Occupational Employment and Wages

Data published: July 2016

Data published annually, next update will be July 31, 2017

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

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

Data intended for TAC 313 purposes only.

**2015 Manufacturing Median Wages by Council of Government Region
Wages for All Occupations**

COG	Median Wages	
	Hourly	Annual
Texas	\$ 18.45	\$38,379
1. Panhandle Regional Planning Commission	\$ 15.10	\$31,405
2. South Plains Association of Governments	\$ 14.28	\$29,713
3. NORTEX Regional Planning Commission	\$ 17.55	\$36,496
4. North Central Texas Council of Governments	\$ 18.56	\$38,605
5. Ark-Tex Council of Governments	\$ 15.78	\$32,828
6. East Texas Council of Governments	\$ 16.05	\$33,384
7. West Central Texas Council of Governments	\$ 16.79	\$34,924
8. Rio Grande Council of Governments	\$ 13.43	\$27,927
9. Permian Basin Regional Planning Commission	\$ 19.92	\$41,429
10. Concho Valley Council of Governments	\$ 15.72	\$32,705
11. Heart of Texas Council of Governments	\$ 16.44	\$34,188
12. Capital Area Council of Governments	\$ 22.42	\$46,626
13. Brazos Valley Council of Governments	\$ 16.10	\$33,478
14. Deep East Texas Council of Governments	\$ 14.28	\$29,693
15. South East Texas Regional Planning Commission	\$ 26.43	\$54,974
16. Houston-Galveston Area Council	\$ 20.57	\$42,787
17. Golden Crescent Regional Planning Commission	\$ 17.75	\$36,911
18. Alamo Area Council of Governments	\$ 15.84	\$32,950
19. South Texas Development Council	\$ 12.38	\$25,751
20. Coastal Bend Council of Governments	\$ 21.17	\$44,043
21. Lower Rio Grande Valley Development Council	\$ 12.36	\$25,712
22. Texoma Council of Governments	\$ 15.50	\$32,237
23. Central Texas Council of Governments	\$ 15.08	\$31,372
24. Middle Rio Grande Development Council	\$ 16.97	\$35,290

Source: Texas Occupational Employment and Wages

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**2015 All Industry Average Wages by Council of Government Region
Wages for All Occupations**

COG	Average Wages	
	Hourly	Annual
Texas	\$ 22.38	\$ 46,560
1. Panhandle Regional Planning Commission	\$ 19.32	\$ 40,188
2. South Plains Association of Governments	\$ 18.93	\$ 39,379
3. NORTEX Regional Planning Commission	\$ 18.62	\$ 38,731
4. North Central Texas Council of Governments	\$ 23.50	\$ 48,884
5. Ark-Tex Council of Governments	\$ 17.82	\$ 37,062
6. East Texas Council of Governments	\$ 19.17	\$ 39,869
7. West Central Texas Council of Governments	\$ 18.66	\$ 38,805
8. Rio Grande Council of Governments	\$ 17.80	\$ 37,018
9. Permian Basin Regional Planning Commission	\$ 23.35	\$ 48,562
10. Concho Valley Council of Governments	\$ 18.52	\$ 38,530
11. Heart of Texas Council of Governments	\$ 19.01	\$ 39,548
12. Capital Area Council of Governments	\$ 23.62	\$ 49,137
13. Brazos Valley Council of Governments	\$ 19.78	\$ 41,148
14. Deep East Texas Council of Governments	\$ 17.76	\$ 36,951
15. South East Texas Regional Planning Commission	\$ 21.55	\$ 44,819
16. Houston-Galveston Area Council	\$ 24.81	\$ 51,613
17. Golden Crescent Regional Planning Commission	\$ 19.35	\$ 40,239
18. Alamo Area Council of Governments	\$ 20.91	\$ 43,490
19. South Texas Development Council	\$ 16.78	\$ 34,900
20. Coastal Bend Council of Governments	\$ 20.06	\$ 41,719
21. Lower Rio Grande Valley Development Council	\$ 16.25	\$ 33,807
22. Texoma Council of Governments	\$ 18.13	\$ 37,710
23. Central Texas Council of Governments	\$ 19.22	\$ 39,985
24. Middle Rio Grande Development Council	\$ 17.74	\$ 36,895

Source: Texas Occupational Employment and Wages

Data published: July 2016

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**2015 All Industry Median Wages by Council of Government Region
Wages for All Occupations**

COG	Median Wages	
	Hourly	Annual
Texas	\$ 16.61	\$ 34,550
1. Panhandle Regional Planning Commission	\$14.92	\$31,036
2. South Plains Association of Governments	\$14.31	\$29,759
3. NORTEX Regional Planning Commission	\$14.59	\$30,356
4. North Central Texas Council of Governments	\$17.47	\$36,329
5. Ark-Tex Council of Governments	\$14.20	\$29,527
6. East Texas Council of Governments	\$15.05	\$31,314
7. West Central Texas Council of Governments	\$14.81	\$30,814
8. Rio Grande Council of Governments	\$12.73	\$26,483
9. Permian Basin Regional Planning Commission	\$18.00	\$37,442
10. Concho Valley Council of Governments	\$14.65	\$30,475
11. Heart of Texas Council of Governments	\$14.69	\$30,554
12. Capital Area Council of Governments	\$17.80	\$37,029
13. Brazos Valley Council of Governments	\$14.97	\$31,146
14. Deep East Texas Council of Governments	\$13.99	\$29,109
15. South East Texas Regional Planning Commission	\$16.90	\$35,144
16. Houston-Galveston Area Council	\$18.06	\$37,555
17. Golden Crescent Regional Planning Commission	\$15.03	\$31,272
18. Alamo Area Council of Governments	\$15.63	\$32,511
19. South Texas Development Council	\$11.86	\$24,659
20. Coastal Bend Council of Governments	\$15.00	\$31,198
21. Lower Rio Grande Valley Development Council	\$11.48	\$23,881
22. Texoma Council of Governments	\$14.47	\$30,106
23. Central Texas Council of Governments	\$15.22	\$31,668
24. Middle Rio Grande Development Council	\$13.17	\$27,393

Source: Texas Occupational Employment and Wages

Data published: July 2016

Data published annually, next update will be July 31, 2017

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

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Data intended for TAC 313 purposes only.

Schedule C: Employment Information

Date 8/18/2016
 Applicant Name Canadian Breaks LLC
 ISD Name Vega 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	15	55,000	-	-	-
	1	2017-2018	2017	200	55,000	-	-	-
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2018-2019	2018			0	2	47,236
	2	2019-2020	2019			0	2	47,236
	3	2020-2021	2020			0	2	47,236
	4	2021-2022	2021			0	2	47,236
	5	2022-2023	2022			0	2	47,236
	6	2023-2024	2023			0	2	47,236
	7	2024-2025	2024			0	2	47,236
	8	2025-2026	2025			0	2	47,236
	9	2026-2027	2026			0	2	47,236
	10	2027-2028	2027			0	2	47,236
Years Following Value Limitation Period	13 through 27	2028-2043	2028-2042			0	2	47,236

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

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



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 → Paul V. Kelly _____ Superintendent _____
 Print Name (Authorized School District Representative) Title

sign here → [Signature] _____ 8-22-16 _____
 Signature (Authorized School District Representative) 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 → CHRIS CALAVITTA _____ Authorized Signatory _____
 Print Name (Authorized Company Representative (Applicant)) Title

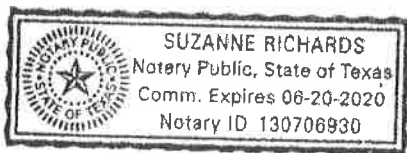
sign here → [Signature] _____ 08/16/2016 _____
 Signature (Authorized Company Representative (Applicant)) Date

GIVEN under my hand and seal of office this, the

16th day of August, 2016

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

My Commission expires: 06/20/2020



(Notary Seal)

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.