

Application for Appraised Value Limitation on Qualified Property

SECTION 9: Projected Timeline

- 1. Application approval by school board Dec 2016
2. Beginning of qualifying time period Q4 2016
3. First year of limitation 2019
4. Begin hiring new employees Q1 2018
5. Commencement of commercial operations Q3 2018
6. 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)? [X] Yes [] No
7. When do you anticipate the new buildings or improvements will be placed in service? Q3 2018

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 [X] 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: Oldham, .580 ,91% Deaf Smith, .510 , 9%
Hospital District: HRMC, .355500% , 9%
Other (describe): N/A
5. Is the project located entirely within the ISD listed in Section 1? [] Yes [X] No
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 [X] No

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
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? [X] 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 new buildings or new improvements 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? [X] Yes [] No

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Date **2/21/2017**
 Applicant Name **Canadian Breaks LLC**
 ISD Name **Vega ISD**

Amendment No. 3-3/8/2017 **Form 50-296A**
Revised 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 new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district	2016	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2016	Not eligible to become Qualified Property				[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application					250,000			250,000.00	
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period								-	
Complete tax years of qualifying time period	QTP1	2017-2018	2017					-	
	QTP2	2018-2019	2018	83,718,085	-			83,718,085.00	
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				83,718,085	250,000			83,968,085.00	
				Enter amounts from TOTAL row above in Schedule A2					
Total Qualified Investment (sum of green cells)				83,718,085					

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application. Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

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		83,718,085	250,000	0	0	83,968,085
Enter amounts from TOTAL row in Schedule A1 in the row below								
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2016-2017	2016		250,000			
	1	2017-2018	2017	-	-			
	2	2018-2019	2018	83,718,085	-			
Value limitation period***	3	2019-2020	2019					
	4	2020-2021	2020					
	5	2021-2022	2021					
	6	2022-2023	2022					
	7	2023-2024	2023					
	8	2024-2025	2024					
	9	2025-2026	2025					
	10	2026-2027	2026					
	11	2027-2028	2027					
	12	2028-2029	2028					
Total Investment made through limitation				83,718,085	250,000			83,968,085
Continue to maintain viable presence	13	2029-2030	2029					
	14	2030-2031	2030					
	15	2031-2032	2031					
	16	2032-2033	2032					
	17	2033-2034	2033					
Additional years for 25 year economic impact as required by 313.026(c)(1)	18	2034-2035	2034					
	19	2035-2036	2035					
	20	2036-2037	2036					
	21	2037-2038	2037					
	22	2038-2039	2038					
	23	2039-2040	2039					
	24	2040-2041	2040					
	25	2041-2042	2041					
	26	2042-2043	2042					
	27	2043-2044	2043					

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row**.

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.

Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

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

Date **2/21/2017**
 Applicant Name **Canadian Breaks LLC**
 ISD Name **Vega ISD**

Amendment No. 3-3/8/2017

Form 50-296A

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	-					
	1	2017-2018	2017	-	12,500	-	12,500	12,500	12,500
	2	2018-2019	2018		12,500	-	12,500	12,500	12,500
Value Limitation Period	1	2019-2020	2019	-	-	83,718,085	83,718,085	83,718,085	30,000,000
	2	2020-2021	2020	-	-	77,020,638	77,020,638	77,020,638	30,000,000
	3	2021-2022	2021	-	-	70,858,987	70,858,987	70,858,987	30,000,000
	4	2022-2023	2022	-	-	65,190,268	65,190,268	65,190,268	30,000,000
	5	2023-2024	2023	-	-	59,975,047	59,975,047	59,975,047	30,000,000
	6	2024-2025	2024	-	-	55,177,043	55,177,043	55,177,043	30,000,000
	7	2025-2026	2025	-	-	50,762,880	50,762,880	50,762,880	30,000,000
	8	2026-2027	2026	-	-	46,701,849	46,701,849	46,701,849	30,000,000
	9	2027-2028	2027	-	-	42,965,701	42,965,701	42,965,701	30,000,000
	10	2028-2029	2028	-	-	39,528,445	39,528,445	39,528,445	30,000,000
Continue to maintain viable presence	11	2029-2030	2029	-	-	36,366,170	36,366,170	36,366,170	36,366,170
	12	2030-2031	2030	-	-	33,456,876	33,456,876	33,456,876	33,456,876
	13	2031-2032	2031	-	-	30,780,326	30,780,326	30,780,326	30,780,326
	14	2032-2033	2032	-	-	28,317,900	28,317,900	28,317,900	28,317,900
	15	2033-2034	2033	-	-	26,052,468	26,052,468	26,052,468	26,052,468
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2034-2035	2034	-	-	23,968,270	23,968,270	23,968,270	23,968,270
	17	2035-2036	2035	-	-	22,050,809	22,050,809	22,050,809	22,050,809
	18	2036-2037	2036	-	-	20,286,744	20,286,744	20,286,744	20,286,744
	19	2037-2038	2037	-	-	18,663,805	18,663,805	18,663,805	18,663,805
	20	2038-2039	2038	-	-	25,000,000	25,000,000	25,000,000	25,000,000
	21	2039-2040	2039	-	-	25,000,000	25,000,000	25,000,000	25,000,000
	22	2040-2041	2040	-	-	25,000,000	25,000,000	25,000,000	25,000,000
	23	2041-2042	2041	-	-	25,000,000	25,000,000	25,000,000	25,000,000
	24	2042-2043	2042	-	-	25,000,000	25,000,000	25,000,000	25,000,000
25	2043-2044	2043	-	-	25,000,000	25,000,000	25,000,000	25,000,000	

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 **2/21/2017**
 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	100	55,000	-	-	-
	2	2018-2019	2018	100	55,000	0	0	-
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	3	2019-2020	2019			0	2	47,236
	4	2020-2021	2020			0	2	47,236
	5	2021-2022	2021			0	2	47,236
	6	2022-2023	2022			0	2	47,236
	7	2023-2024	2023			0	2	47,236
	8	2024-2025	2024			0	2	47,236
	9	2025-2026	2025			0	2	47,236
	10	2026-2027	2026			0	2	47,236
	11	2027-2028	2027			0	2	47,236
12	2028-2029	2028			0	2	47,236	
Years Following Value Limitation Period	13 through 27	2029-2044	2029-2044			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) Yes No
 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

Schedule D: Other Incentives (Estimated)

Date **2/21/2017**
 Applicant Name Canadian Breaks LLC
 ISD Name Vega ISD

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: Oldham & Deaf Smith	2019	10 Years	685,052.57	100%	244,000.00
	City:					
	Other: Hereford Regional Medical	2019	10 Years	171,907.90	75%	42,976.97
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL				856,960.47		286,976.97

Additional information on incentives for this project:



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 Utley Superintendent

sign here [Signature] 3-9-17

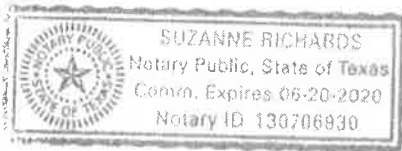
2. Authorized Company Representative (Applicant) Signature and Notarization

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

sign here [Signature] 03/07/2017



(Notary Seal)

GIVEN under my hand and seal of office this, the

7th day of March, 2017 [Signature]

Notary Public in and for the State of Texas

My Commission expires: 06/20/2020

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.