

UNDERWOOD

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October 24, 2017

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

Via Email and Federal Express

Re: App 1197 Childress ISD – Childress Solar Park, LLC

Dear Stephanie:

Enclosed are amended application pages (Tab 1 (Section 9) and revised schedules) provided by the Applicant for the Chapter 313 Application submitted by Childress Solar Park, LLC to Childress 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 October 24, 2017 and numbered 2, is the second amendment to the Application. Please let me know if you require any additional information.

Sincerely,



Fred A. Stormer

Encl.
M9DAYYWY0DBPIM
cc: Phillip DeHart

via email: philip@dehartpllc.com

Application for Appraised Value Limitation on Qualified Property

SECTION 9: Projected Timeline

1. Application approval by school board January 2018
2. Commencement of construction January 2018
3. Beginning of qualifying time period 2019
4. First year of limitation December 2018
5. Begin hiring new employees December 2018
6. Commencement of commercial operations December 2018
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? December 2018

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Childress
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Childress 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>Childress County; 0.59; 100%</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>Childress Co. Hosp. Dist.; 0.2; 100%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Gateway Ground Water Cons. Dist.; 0.01; 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Clarendon Jr. Coll. Dist.; 0.05; 100%</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>
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? 10,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 20,000,000.00
- 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

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

Date **10/20/2017**
 Applicant Name **Childress Solar Park LLC**
 ISD Name **Childress ISD**

Amendment No. 2-10/24/2017
 Form 50-296A

Revised May 2014

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2017	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									
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				0	0	0	0		
Complete tax years of qualifying time period	QTP1	2018-2019	2018	167,792,000	150,000			167,942,000	
	QTP2	2019-2020	2019	0	0	0		0	
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				167,792,000	150,000	0	0	167,942,000	
Total Qualified Investment (sum of green cells)				167,942,000					

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.

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

Date **10/20/2017**

Amendment No. 2-10/24/2017
Form 50-296A

Applicant Name **Childress Solar Park LLC**

Revised May 2014

ISD Name **Childress ISD**

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			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	2017-2018	2017					
	0	2018-2019	2018	167,792,000	\$ 150,000	0	0	167,942,000
Value limitation period***	1	2019-2020	2019	-			0	-
	2	2020-2021	2020	0	0	0	0	0
	3	2021-2022	2021					0
	4	2022-2023	2022	167,792,000				167,942,000
	5	2023-2024	2023		150,000			0
	6	2024-2025	2024			-	-	0
	7	2025-2026	2025					0
	8	2026-2027	2026					0
	9	2027-2028	2027					0
	10	2028-2029	2028					0
Total investment made through limitation				167,792,000	150,000	0	0	167,942,000
Continue to maintain viable presence	11	2029-2030	2029					0
	12	2030-2031	2030					0
	13	2031-2032	2031					0
	14	2032-2033	2032					0
	15	2033-2034	2033					0
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2034-2035	2034					0
	17	2035-2036	2035					0
	18	2036-2037	2036					0
	19	2037-2038	2037					0
	20	2038-2039	2038					0
	21	2039-2040	2039					0
	22	2040-2041	2040					0
	23	2041-2042	2041					0
	24	2042-2043	2042					0
	25	2043-2044	2043					0

* 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)

10/20/2017

Amendment No. 2-10/24/2017

Date

Applicant Name

Childress Solar Park LLC

Form 50-296A

ISD Name

Childress 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	2017-2018	2017	0	0	0	0	0	0
	0	2018-2019	2018	0	0	0	0	0	0
Value Limitation Period	1	2019-2020	2019	0	150,000	167,792,000	167,942,000	167,942,000	20,000,000
	2	2020-2021	2020	0	145,000	154,336,640	154,481,640	154,481,640	20,000,000
	3	2021-2022	2021	0	140,000	140,881,280	141,021,280	141,021,280	20,000,000
	4	2022-2023	2022	0	135,000	127,425,920	127,560,920	127,560,920	20,000,000
	5	2023-2024	2023	0	130,000	113,970,560	114,100,560	114,100,560	20,000,000
	6	2024-2025	2024	0	125,000	100,515,200	100,640,200	100,640,200	20,000,000
	7	2025-2026	2025	0	120,000	87,059,840	87,179,840	87,179,840	20,000,000
	8	2026-2027	2026	0	115,000	73,604,480	73,719,480	73,719,480	20,000,000
	9	2027-2028	2027	0	110,000	60,149,120	60,259,120	60,259,120	20,000,000
	10	2028-2029	2028	0	105,000	46,693,760	46,798,760	46,798,760	20,000,000
Continue to maintain viable presence	11	2029-2030	2029	0	100,000	33,638,400	33,738,400	33,738,400	33,738,400
	12	2030-2031	2030	0	95,000	32,965,632	33,060,632	33,060,632	33,060,632
	13	2031-2032	2031	0	90,000	32,292,864	32,382,864	32,382,864	32,382,864
	14	2032-2033	2032	0	85,000	31,620,096	31,705,096	31,705,096	31,705,096
	15	2033-2034	2033	0	80,000	30,947,328	31,027,328	31,027,328	31,027,328
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2034-2035	2034	0	75,000	30,274,560	30,349,560	30,349,560	30,349,560
	17	2035-2036	2035	0	70,000	29,601,792	29,671,792	29,671,792	29,671,792
	18	2036-2037	2036	0	65,000	28,929,024	28,994,024	28,994,024	28,994,024
	19	2037-2038	2037	0	60,000	28,256,256	28,316,256	28,316,256	28,316,256
	20	2038-2039	2038	0	55,000	27,583,488	27,638,488	27,638,488	27,638,488
	21	2039-2040	2039	0	50,000	26,910,720	26,960,720	26,960,720	26,960,720
	22	2040-2041	2040	0	45,000	26,237,952	26,282,952	26,282,952	26,282,952
	23	2041-2042	2041	0	40,000	25,565,184	25,605,184	25,605,184	25,605,184
	24	2042-2043	2042	0	35,000	24,892,416	24,927,416	24,927,416	24,927,416
	25	2043-2044	2043	0	30,000	24,219,648	24,249,648	24,249,648	24,249,648

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 10/20/2017
 Applicant Name Childress Solar Park LLC
 ISD Name Childress ISD

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 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	2017-2018	2017	0	0	0	0	0
	0	2018-2019	2018	0	0	0	0	0
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2019-2020	2019	290 FTEs	40,191	0	10	43,289
	2	2020-2021	2020	0	0	0	10	43,289
	3	2021-2022	2021	0	0	0	10	43,289
	4	2022-2023	2022	0	0	0	10	43,289
	5	2023-2024	2023	0	0	0	10	43,289
	6	2024-2025	2024	0	0	0	10	43,289
	7	2025-2026	2025	0	0	0	10	43,289
	8	2026-2027	2026	0	0	0	10	43,289
	9	2027-2028	2027	0	0	0	10	43,289
10	2028-2029	2028	0	0	0	10	43,289	
Years Following Value Limitation Period	11 through 25			0	0	0	10	43,289

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) Yes No
- 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

Schedule D: Other Incentives (Estimated)

Date 10/20/2017
 Applicant Name
 ISD Name

Childress Solar Park LLC
 Childress ISD

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 Revised May 2014

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: Childress	2019	10 years	\$ 990,858	\$ 980,949	\$ 9,909
	City:					
	Other: Hospital District	2019	10 years	\$ 335,884	\$ 332,525	\$ 3,359
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				\$ 1,326,742	\$ 1,313,474	\$ 13,267

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

Rick Teran
Print Name (Authorized School District Representative)

Superintendent
Title

sign here

[Signature]
Signature (Authorized School District Representative)

10-24-17
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

Miguel Oneto
Print Name (Authorized Company Representative (Applicant))

Manager
Title

sign here

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

10, 20, 2017
Date



GIVEN under my hand and seal of office this, the

20th day of October, 2017

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

My Commission expires: 12-16-17

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.