



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

September 26, 2019

AMENDED CERTIFICATION

Eddie Bland  
Superintendent  
Snyder Independent School District  
2901 37th Street  
Snyder, Texas 79549

Re: Amended Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Snyder Independent School District and Coyote Wind, LLC, Application 1204

Dear Superintendent Bland:

This application (Application 1204) was originally submitted on July 18, 2017, to the Snyder Independent School District (school district) by Coyote Wind, LLC (applicant) for a limitation on appraised value under the provisions of Tax Code Chapter 313.<sup>1</sup> On August 29, 2017, the Comptroller issued written notice that the applicant submitted a completed application; and later issued a certificate for a limitation on appraised value on October 2, 2017. The applicant and school district executed an agreement for a limitation on appraised value (agreement) on December 14, 2017.

On August 19, 2019, Comptroller received an amendment to the agreement to increase the MW from 242 to 242.5, reduce qualified investment from \$242,930,000 to \$53,204,500, increase total investment from \$252,930,000 to \$266,022,500 and to delay the beginning of the limitation period from 2020 to 2021. 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 Coyote Wind, LLC (project) applying to Snyder 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 Coyote Wind, LLC.

	<b>Original</b>	<b>Amendment No. 1</b>
Applicant	Coyote Wind, LLC	Coyote Wind, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation	Renewable Energy Electric Generation
School District	Snyder ISD	Snyder ISD
2015-2016 Average Daily Attendance	2,612	2,612
County	Scurry	Scurry
Proposed Total Investment in District	\$252,930,000	\$266,022,500
Proposed Qualified Investment	\$242,930,000	\$53,204,500
Limitation Amount	\$30,000,000	\$30,000,000
Qualifying Time Period (Full Years)	2018-2019	2018-2019
Number of new qualifying jobs committed to by applicant	6*	6*
Number of new non-qualifying jobs estimated by applicant	0	0
Average weekly wage of qualifying jobs committed to by applicant	\$884.62	\$884.62
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)( B)	\$893.58	\$893.58
Minimum annual wage committed to by applicant for qualified jobs	\$46,500	\$46,500
Minimum weekly wage required for non-qualifying jobs	\$929.50	\$929.50
Minimum annual wage required for non-qualifying jobs	\$48,334	\$48,334
Investment per Qualifying Job	\$42,155,000	\$44,337,083.33
Estimated M&O levy without any limit (15 years)	\$24,953,713	\$22,112,545
Estimated M&O levy with Limitation (15 years)	\$9,034,338	\$7,501,112
Estimated gross M&O tax benefit (15 years)	\$15,919,375	\$14,611,434

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



**Table 4** examines the estimated direct impact on ad valorem taxes to the school district and Scurry 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, Cogdell Hospital and the Western Texas College Tax Levies.

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	Tax Rate*	Snyder ISD I&S Tax Levy	Snyder ISD M&O Tax Levy	M&O and I&S Tax Levies	Scurry County Tax Levy	Cogdell Hospital Tax Levy	Western Texas College Tax Levy	Estimated Total Property Taxes
				<b>0.0780</b>	<b>0.9700</b>		<b>0.3800</b>	<b>0.0916</b>	<b>0.0673</b>	
2020	\$15,961,350	\$15,961,350		\$12,450	\$154,825	\$167,275	\$60,653	\$14,627	\$10,738	\$242,555
2021	\$255,401,600	\$30,000,000		\$199,213	\$291,000	\$490,213	\$259,616	\$73,539	\$47,408	\$823,367
2022	\$234,989,072	\$30,000,000		\$183,291	\$291,000	\$474,291	\$238,866	\$67,661	\$43,619	\$780,819
2023	\$216,208,370	\$30,000,000		\$168,643	\$291,000	\$459,643	\$219,776	\$62,253	\$40,133	\$741,672
2024	\$198,929,019	\$30,000,000		\$155,165	\$291,000	\$446,165	\$202,211	\$57,278	\$36,925	\$705,654
2025	\$183,030,977	\$30,000,000		\$142,764	\$291,000	\$433,764	\$186,051	\$52,701	\$33,974	\$672,516
2026	\$168,403,802	\$30,000,000		\$131,355	\$291,000	\$422,355	\$171,182	\$48,489	\$31,259	\$642,026
2027	\$154,945,882	\$30,000,000		\$120,858	\$291,000	\$411,858	\$157,502	\$44,614	\$28,761	\$613,974
2028	\$142,563,733	\$30,000,000		\$111,200	\$291,000	\$402,200	\$144,916	\$41,049	\$26,463	\$588,165
2029	\$131,171,344	\$30,000,000		\$102,314	\$291,000	\$393,314	\$133,336	\$37,769	\$24,348	\$564,418
2030	\$120,689,584	\$30,000,000		\$94,138	\$291,000	\$385,138	\$122,681	\$34,750	\$22,402	\$542,569
2031	\$111,045,648	\$111,045,648		\$86,616	\$1,077,143	\$1,163,758	\$421,973	\$101,762	\$74,709	\$1,687,494
2032	\$102,172,553	\$102,172,553		\$79,695	\$991,074	\$1,070,768	\$388,256	\$93,631	\$68,740	\$1,552,655
2033	\$94,008,673	\$94,008,673		\$73,327	\$911,884	\$985,211	\$357,233	\$86,150	\$63,247	\$1,428,593
2034	\$86,497,307	\$86,497,307		\$67,468	\$839,024	\$906,492	\$328,690	\$79,266	\$58,194	\$1,314,448
2035	\$79,586,291	\$79,586,291		\$62,077	\$771,987	\$834,064	\$302,428	\$72,933	\$53,544	\$1,209,425
			<b>Total</b>	<b>\$1,778,122</b>	<b>\$7,501,112</b>	<b>\$9,279,234</b>	<b>\$3,634,718</b>	<b>\$953,844</b>	<b>\$653,725</b>	<b>\$13,867,796</b>
			<b>Diff</b>	<b>\$0</b>	<b>\$14,611,434</b>	<b>\$14,611,434</b>	<b>\$5,027,929</b>	<b>\$1,135,221</b>	<b>\$879,973</b>	<b>\$22,308,283</b>

Source: CPA, Coyote Wind, 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 Coyote Wind, 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>	2018	\$0	\$0	\$0	\$0
	2019	\$0	\$0	\$0	\$0
	2020	\$0	\$0	\$0	\$0
<b>Limitation Period (10 Years)</b>	2021	\$291,000	\$291,000	\$2,186,396	\$2,186,396
	2022	\$291,000	\$582,000	\$1,988,394	\$4,174,790
	2023	\$291,000	\$873,000	\$1,806,221	\$5,981,011
	2024	\$291,000	\$1,164,000	\$1,638,611	\$7,619,622
	2025	\$291,000	\$1,455,000	\$1,484,400	\$9,104,023
	2026	\$291,000	\$1,746,000	\$1,342,517	\$10,446,540
	2027	\$291,000	\$2,037,000	\$1,211,975	\$11,658,515
	2028	\$291,000	\$2,328,000	\$1,091,868	\$12,750,383
	2029	\$291,000	\$2,619,000	\$981,362	\$13,731,745
	2030	\$291,000	\$2,910,000	\$879,689	\$14,611,434
<b>Maintain Viable Presence (5 Years)</b>	2031	\$1,077,143	\$3,987,143	\$0	\$14,611,434
	2032	\$991,074	\$4,978,217	\$0	\$14,611,434
	2033	\$911,884	\$5,890,101	\$0	\$14,611,434
	2034	\$839,024	\$6,729,125	\$0	\$14,611,434
	2035	\$771,987	\$7,501,112	\$0	\$14,611,434
<b>Additional Years as Required by 313.026(c)(1) (10 Years)</b>	2036	\$710,308	\$8,211,420	\$0	\$14,611,434
	2037	\$653,559	\$8,864,978	\$0	\$14,611,434
	2038	\$601,344	\$9,466,323	\$0	\$14,611,434
	2039	\$553,303	\$10,019,626	\$0	\$14,611,434
	2040	\$509,101	\$10,528,727	\$0	\$14,611,434
	2041	\$468,432	\$10,997,159	\$0	\$14,611,434
	2042	\$431,013	\$11,428,172	\$0	\$14,611,434
	2043	\$396,583	\$11,824,756	\$0	\$14,611,434
	2044	\$364,906	\$12,189,661	\$0	\$14,611,434
	2045	\$335,759	\$12,525,420	\$0	\$14,611,434

**\$12,525,420**

is less than

**\$14,611,434**

### Analysis Summary

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, Coyote Wind, LLC

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2019	100	89	189	\$5,250,000	\$7,200,000	\$12,450,000	660000	-330000	\$990,000
2020	200	183	383	\$10,500,000	\$16,360,000	\$26,860,000	1340000	-560000	\$1,900,000
2021	6	21	27	\$279,000	\$4,111,000	\$4,390,000	230000	370000	-\$140,000
2022	6	10	16	\$279,000	\$2,891,000	\$3,170,000	160000	370000	-\$210,000
2023	6	2	8	\$279,000	\$1,801,000	\$2,080,000	130000	320000	-\$190,000
2024	6	2	8	\$279,000	\$1,311,000	\$1,590,000	140000	300000	-\$160,000
2025	6	6	12	\$279,000	\$1,061,000	\$1,340,000	160000	270000	-\$110,000
2026	6	4	10	\$279,000	\$941,000	\$1,220,000	150000	230000	-\$80,000
2027	6	4	10	\$279,000	\$941,000	\$1,220,000	140000	200000	-\$60,000
2028	6	6	12	\$279,000	\$1,181,000	\$1,460,000	170000	180000	-\$10,000
2029	6	6	12	\$279,000	\$941,000	\$1,220,000	170000	170000	\$0
2030	6	8	14	\$279,000	\$941,000	\$1,220,000	160000	140000	\$20,000
2031	6	6	12	\$279,000	\$1,181,000	\$1,460,000	140000	140000	\$0
2032	6	6	12	\$279,000	\$701,000	\$980,000	130000	140000	-\$10,000
2033	6	6	12	\$279,000	\$701,000	\$980,000	140000	60000	\$80,000
2034	6	6	12	\$279,000	\$941,000	\$1,220,000	140000	70000	\$70,000
2035	6	4	10	\$279,000	\$451,000	\$730,000	100000	50000	\$50,000
2036	6	6	12	\$279,000	-\$39,000	\$240,000	80000	0	\$80,000
2037	6	6	12	\$279,000	\$211,000	\$490,000	110000	-20000	\$130,000
2038	6	4	10	\$279,000	-\$39,000	\$240,000	110000	-20000	\$130,000
2039	6	10	16	\$279,000	\$941,000	\$1,220,000	140000	-50000	\$190,000
2040	6	6	12	\$279,000	\$451,000	\$730,000	120000	-90000	\$210,000
2041	6	8	14	\$279,000	\$451,000	\$730,000	90000	-110000	\$200,000
2042	6	8	14	\$279,000	\$451,000	\$730,000	120000	-140000	\$260,000
2043	6	8	14	\$279,000	\$1,181,000	\$1,460,000	230000	-110000	\$340,000
2044	6	6	12	\$279,000	\$1,671,000	\$1,950,000	230000	-110000	\$340,000
2045	6	6	12	\$279,000	\$1,671,000	\$1,950,000	230000	-110000	\$340,000
<b>Total</b>							<b>\$5,490,000</b>	<b>\$1,470,000</b>	<b>\$4,020,000</b>
							<b>\$16,545,420</b>	is greater than	<b>\$14,611,434</b>

**Analysis Summary**

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.