Chapter 313 Annual Eligibility Report Form

SECTION 1: Applicant and District Information

1. Tax year covered by this report: 2017

   NOTE: This report must be completed and submitted to the school district by May 15 of every year using information from the previous tax (calendar) year.

2. Application number: 1207

   NOTE: You can find your application number and all agreement documents and reports on the website comptroller.texas.gov/economy/local/ch313/agreement-docs.php

3. Name of school district: Tulia ISD
4. Name of project on original application *(or short description of facility)*: Nazareth Solar project
5. Name of applicant on original application: TX Nazareth Solar, LLC
6. Name the company entering into original agreement with district: TX Nazareth Solar, LLC
7. Amount of limitation at time of application approval: 20000000
8. If you are one of two or more companies originally applying for a limitation, list all other applicants here and describe their relationships. *(Use attachments if necessary.)*

SECTION 2: Current Agreement Information

1. Name of current agreement holder(s) TX Nazareth Solar, LLC
2. Complete mailing address of current agreement holder 909 Lake Carolyn Parkway, Suite 260, Irving, TX 75039
3. Company contact person for agreement holder:

Craig Carson	Authorized Representative
Name	Title
(214) 773-9069	craig.carson@lendlease.com
Phone	Email

4. Texas franchise tax ID number of current agreement holder: 32053632850
5. If the current agreement holder does not report under the franchise tax law, please include name and tax ID of reporting entity:

   Name | Tax ID

6. If the authorized company representative *(same as signatory for this form)* is different from the contact person listed above, complete the following:

   Name | Title

   Complete Mailing Address

   Phone | Email

7. If you are a current agreement holder who was not an original applicant, please list all other current agreement holders. Please describe the chain of ownership from the original applicant to the new entities. *(Use attachments if necessary.)*

SECTION 3: Applicant Eligibility Information

1. Does the business entity have the right to transact business with respect to Tax Code, Chapter 171? *(Attach printout from Comptroller website: https://mycpa.cpa.state.tx.us/coa/)* ☑ Yes ☐ No
2. Is the business entity current on all taxes due to the State of Texas? ☑ Yes ☐ No
3. Is the business activity of the project an eligible business activity under Section 313.024(b)? ☑ Yes ☐ No

   a) 3a. Please identify business activity: NAICS 221114

SECTION 4: Market Value and Limitation Amount

Please identify the county appraisal district (CAD) in which the project is located: Swisher County Appraisal District

If the project is located in more than one CAD, please identify the name(s) of the other CADs and provide on a separate sheet for each CAD, the responses to items 1 through 5 applicable to the property (or portion of property) that is reflected in each CAD's property tax account records.

For purposes of item 1, "total market value" should reflect the market value as determined by the CAD (and as adjusted after protest) for only eligible property in all of the CAD property tax accounts covered by the 313 agreement in that county. Please note: "qualified property" is defined by Tax Code section 313.021(2) and 34 Tex. Admin. Code § 9.1051(16) and identified in the executed Chapter 313 agreement.

1. Total market value of all qualified property from all CAD property accounts subject to the 313 agreement ..... $ 25000
2. Total value of all applicable exemptions for the qualified property included in Item 1 ..... $ 0
3. Total taxable value for school I&S tax purposes for the qualified property (Item 1 less Item 2) ..... $ 25000
4. Limitation amount on appraised value specified as qualified in the 313 agreement ..... $ 2000000
5. Total taxable value for school M&O tax purposes for the qualified property (lesser of item 3 or item 4) ..... $ 25000

SECTION 5A: Wage and Employment Information for Applications Prior to Jan. 1, 2014 (#1 Through 999)

ONLY COMPLETE THE WAGE SECTION (5A or 5B) THAT APPLIES TO YOUR APPLICATION. You can find your application number on the website at comptroller.texas.gov/economy/local/ch313/agreement-docs.php

NOTE: All statutory references in Section 5A are for statute as it existed prior to Jan. 1, 2014. For job definitions see TAC §9.1051(14) and Tax Code, §313.021(3). If the agreement includes a definition of "new job" other than TAC §9.1051(14)(C), then please provide the definition "new job" as used in the agreement. Notwithstanding any waiver by the district of the requirement for the creation of a minimum number of new jobs, or any other job commitment in the agreement, Tax Code §313.024(d) requires that 80 percent of all new jobs be qualifying jobs.

1. How many new jobs were based on the qualified property in the year covered by this report? *(See note above)* 0
2. What is the number of new jobs required for a project in this school district according to §313.021(2)(A)(iv)(b), §313.051(b), as appropriate? 0
3. Did the applicant request that the governing body waive the minimum job requirement, as provided under Tax Code §313.025(f-1)? ☑ Yes ☐ No

   3a. If yes, how many new jobs must the approved applicant create under the waiver? 2
4. Calculate 80 percent of new jobs (0.80 x number of new jobs based on the qualified property in the year covered by this report.) 0
5. What is the minimum required annual wage for each qualifying job in the year covered by the report? ..... $ 0.00
6. Identify which of the four Tax Code sections is used to determine the wage standard required by the agreement:

   ☑ §313.021(5)(A) or ☐ §313.021(5)(B) or ☐ §313.021(3)(E)(ii) or ☐ §313.051(b)

   6a. Attach calculations and cite exact Texas Workforce Commission data source as defined in TAC §9.1051.
7. Does the agreement require the applicant to provide a specified number of jobs at a specified wage? ☑ Yes ☐ No

   7a. If yes, how many qualifying jobs did the approved applicant commit to create in the year covered by the report? 0

   7b. If yes, what annual wage did the approved applicant commit to pay in the year covered by the report? ..... $

7c. If yes, how many qualifying jobs were created at the specified wage in the year covered by the report? .....

8. How many qualifying jobs (employees of this entity and employees of a contractor with this entity) were based on the qualified property in the year covered by the report? 0

8a. Of the qualifying job-holders last year, how many were employees of the approved applicant? .....

8b. Of the qualifying job-holders last year, how many were employees of an entity contracting with the approved applicant? .....

8c. If any qualifying job-holders were employees of an entity contracting with the applicant, does the approved applicant or assignee have documentation from the contractor supporting the conclusion that those jobs are qualifying jobs? ..... ☐ Yes ☐ No ☐ N/A

SECTION 5B: Wage and Employment Information for Applications After Jan. 1, 2014 (#1000 and Above)

ONLY COMPLETE THE WAGE SECTION (5A or 5B) THAT APPLIES TO YOUR APPLICATION. You can find your application number on the website at comptroller.texas.gov/economy/local/ch313/agreement-docs.php.

NOTE: For job definitions see TAC §9.1051(14) and Tax Code, §313.021(3).

QUALIFYING JOBS

1. What is the number of new qualifying jobs the applicant committed to create in the year covered by this report? 0

2. Did the applicant request that the governing body waive the minimum qualifying job requirement, as provided under Tax Code §313.025(f-1)? ..... ☑ Yes ☐ No

2a. If yes, how many new qualifying jobs must the approved applicant create under the waiver? 0

3. Which Tax Code section are you using to determine the wage standard required for this project? ☑ §313.021(5)(A) or ☐ §313.021(5)(B)

3a. Attach calculations and cite exact Texas Workforce Commission data sources as defined in TAC §9.1051.

4. What is the minimum required annual wage for each qualifying job in the year covered by this report? ..... $ 0

5. What is the annual wage the applicant committed to pay for each of the qualifying jobs in the year covered by this report? ..... $ 0.00

6. How many qualifying jobs (employees of this entity and employees of a contractor with this entity) were based on the qualified property in the year covered by the report? 0

6a. Of the qualifying job-holders last year, how many were employees of the approved applicant? .....

6b. Of the qualifying job-holders last year, how many were employees of an entity contracting with the approved applicant? .....

6c. If any qualifying job-holders were employees of an entity contracting with the applicant, does the approved applicant or assignee have documentation from the contractor supporting the conclusion that those jobs are qualifying jobs? ..... ☐ Yes ☐ No ☐ N/A

7. Do the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3) and TAC 9.1051(30)? ..... ☐ Yes ☐ No

NON-QUALIFYING JOBS

8. What is the number of non-qualifying jobs the applicant had on Dec. 31 of the year covered by this report? 0

9. What was the average wage you were paying for non-qualifying jobs on Dec. 31 of the year covered by this report? .. $ 0.00

10. What is the county average weekly wage for non-qualifying jobs, as defined in TAC §9.1051? ..... $ 652.00

MISCELLANEOUS

11. Did the applicant rely on a determination by the Texas Workforce Commission under the provisions §313.024(3)(F) in meeting the minimum qualifying job requirements? ..... ☐ Yes ☑ No

11a. If yes, attach supporting documentation to evidence that the requirements of §313.021(3)(F) were met.

12. Are you part of a Single Unified Project (SUP) and relying on the provisions in Tax Code §313.024(d-2) to meet the qualifying job requirements? ..... ☐ Yes ☑ No

12a. If yes, attach supporting documentation from the Texas Economic Development and Tourism Office including a list of the other school district(s) and the qualifying jobs located in each.

SECTION 6: Qualified Investment During Qualified Time Period

ENTITIES ARE NOT REQUIRED TO COMPLETE THIS SECTION IF THE YEAR COVERED BY THE REPORT IS AFTER THE QUALIFYING TIME PERIOD OF THEIR AGREEMENT.

1. What is the qualified investment expended by this entity from the beginning of the qualifying time period through the end of the year covered by this report? ..... $ 25,000.00
2. Was any of the land classified as qualified investment? ..... ☐ Yes ☑ No
3. Was any of the qualified investment leased under a capitalized lease? ..... ☐ Yes ☑ No
4. Was any of the qualified investment leased under an operating lease? ..... ☐ Yes ☑ No
5. Was any property not owned by the applicant part of the qualified investment? ..... ☐ Yes ☑ No

SECTION 7: Partial Interest

THE FOLLOWING QUESTIONS MUST BE ANSWERED BY ENTITIES HAVING A PARTIAL INTEREST IN AN AGREEMENT.
For limitation agreements where there are multiple company entities that receive a part of the limitation provided by the agreement:
1) each business entity not having a full interest in the agreement should complete a separate form for their proportionate share of required employment and investment information; and, 2) separately, the school district is required to complete an Annual Eligibility Report that provides for each question in this form a sum of the individual answers from reports submitted by each entity so that there is a cumulative Annual Eligibility Report reflecting the entire agreement.

1. What was your limitation amount (or portion of original limitation amount) during the year covered by this report? ....
2. Please describe your interest in the agreement and identify all the documents creating that interest.

SECTION 8: Approval

"I am the authorized representative for the Company submitting this Annual Eligibility Report. I understand that this Report is a government record as defined in Chapter 37 of the Texas Penal Code. The information I am providing on this Report is true and correct to the best of my knowledge and belief."

print here Craig Carson
Print Name *(Authorized Company Representative)*

Authorized Representative
Title

sign here [signature]
Signature *(Authorized Company Representative)*

7/13/18
Date

print here Bruce R. Thompson
Print Name of Preparer *(Person Who Completed the Form)*

(972) 707-5245
Phone

July 25, 2017

Superintendent Steve Post
Tulia Independent School District
702 NW 8th Streer
Tulia, TX 79088

Re: Chapter 313 Job Waiver Request

Dear Superintendent Post:

Please consider this letter to be TX Nazareth Solar 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. Solar 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 solar industry, we expect that two (2) employees would be needed to operate a 200 MW facility, and we can commit to creating two (2) full-time positions to fill those needs. Both would be qualifying jobs as described in Section 313.021(3) of the Texas Tax Code.

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

The project stands to provide significant benefits to the community with respect to increased tax base and the ongoing royalty payments it will make to local landowners.

Yours sincerely,

Ross Metersky
Project Development Director
TX Nazareth Solar, LLC

ross.metersky@lendlease.com
(214) 773-9069

TAB 13

Wage Requirement Calculation

1. Average Weekly Wages for All Jobs (All Industries) in Swisher County, Q1 – Q4 2016

Category	Area	Period	Avg. Weekly Wage
All Industries	Swisher County	Q1 2016	$628
All Industries	Swisher County	Q2 2016	$633
All Industries	Swisher County	Q3 2016	$641
All Industries	Swisher County	Q4 2016	$702
		AVERAGE	$652

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	1st Qtr	Swisher County	Total All	00	0	10	Total, All Industries	$628
2016	2nd Qtr	Swisher County	Total All	00	0	10	Total, All Industries	$633
2016	3rd Qtr	Swisher County	Total All	00	0	10	Total, All Industries	$641
2016	4th Qtr	Swisher County	Total All	00	0	10	Total, All Industries	$702

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Databases, Tables & Calculators by Subject

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Data extracted on: July 19, 2017 (8:06:22 AM)

Quarterly Census of Employment and Wages

```
Series Id:   ENU4843740010
State:       Texas
Area:        Swisher County, Texas
Industry:    Total, all industries
Owner:       Total Covered
Size:        All establishment sizes
Type:        Average Weekly Wage
```

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Series Id	Year	Period	Value
ENU4843740010	2016	Q01	628(P)
ENU4843740010	2016	Q02	633(P)
ENU4843740010	2016	Q03	641(P)
ENU4843740010	2016	Q04	702(P)
ENU4843740010	2016	Q05	652(P)

P : Preliminary.

2. Average Weekly Wages for Manufacturing Jobs in Swisher County, Q1 – Q4 2016

Category	Area	Period	Avg. Weekly Wage
Manufacturing	Swisher County	Q2 2016	$639
Manufacturing	Swisher County	Q3 2016	$743
Manufacturing	Swisher County	Q4 2016	$633
Manufacturing	Swisher County	Q1 2017	$741
		AVERAGE	$689
		110% OF AVERAGE	$758

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	1st Qtr	Swisher County	Total All	31	2	31-33	Manufacturing	$639
2016	2nd Qtr	Swisher County	Total All	31	2	31-33	Manufacturing	$743
2016	3rd Qtr	Swisher County	Total All	31	2	31-33	Manufacturing	$633
2016	4th Qtr	Swisher County	Total All	31	2	31-33	Manufacturing	$741

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Databases, Tables & Calculators by Subject

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Data extracted on: July 19, 2017 (8:10:31 AM)

Quarterly Census of Employment and Wages

Series Id: ENU4843740510 13
State: Texas
Area: Swisher County, Texas
Industry: Manufacturing
Owner: Private
Size: All establishment sizes
Type: Average Weekly Wage

Download: xlsx

Series Id	Year	Period	Value
ENU4843740510 13	2016	Q01	639(P)
ENU4843740510 13	2016	Q02	743(P)
ENU4843740510 13	2016	Q03	633(P)
ENU4843740510 13	2016	Q04	741(P)
ENU4843740510 13	2016	Q05	689(P)

P : Preliminary.

3. Average Weekly Wages for Manufacturing Jobs in Panhandle Region, Q1 – Q4 2016

Category	Area	Period	Avg. Weekly Wage
Manufacturing	Panhandle WDA	Q1 2016	$1,079
Manufacturing	Panhandle WDA	Q2 2016	$1,142
Manufacturing	Panhandle WDA	Q3 2016	$1,093
Manufacturing	Panhandle WDA	Q4 2016	$1,038
		AVERAGE	$1,088
		110% OF AVERAGE	$1,197

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	4th Qtr	Panhandle	Total All	31	2	31-33	Manufacturing	$1,079
2016	3rd Qtr	Panhandle	Total All	31	2	31-33	Manufacturing	$1,142
2016	2nd Qtr	Panhandle	Total All	31	2	31-33	Manufacturing	$1,093
2016	1st Qtr	Panhandle	Total All	31	2	31-33	Manufacturing	$1,038

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

COG	Wages Hourly	Wages 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.

Franchise Tax Account Status

As of : 07/13/2018 13:23:36

This Page is Not Sufficient for Filings with the Secretary of State

TX NAZARETH SOLAR, LLC	
Texas Taxpayer Number	32053632850
Mailing Address	401 N MICHIGAN AVE STE 501 CHICAGO, IL 60611-5883
Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	03/31/2014
Texas SOS File Number	0801962036
Registered Agent Name	NATIONAL REGISTERED AGENTS, INC.
Registered Office Street Address	1999 BRYAN STREET SUITE 900 DALLAS, TX 75201