

**FINDINGS OF THE IRAAN-SHEFFIELD
INDEPENDENT SCHOOL DISTRICT BOARD
OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE
APPLICATION SUBMITTED
BY
RE MAPLEWOOD LLC (#1233)**



June 11, 2018

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OF THE
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SCHOOL DISTRICT BOARD OF TRUSTEES
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TEXAS ECONOMIC DEVELOPMENT ACT
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STATE OF TEXAS §

COUNTY OF PECOS §

On the 11th day of June 2018, a public meeting of the Board of Trustees of the Iraan-Sheffield Independent School District (“District”) was held. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board of Trustees took up and considered the application of RE Maplewood LLC (“Applicant”) for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations on the Application from interested parties within the District. The Board of Trustees has considered the economic impact analysis and the project certification issued by the Texas Comptroller of Public Accounts. After hearing presentations from the District’s administrative staff, and from consultants retained by the District to advise the Board in this matter, and after considering the relevant documentary evidence, the Board of Trustees makes the following findings with respect to application from Applicant, and the economic impact of that application:

On December 11, 2017, the Superintendent of the District, acting as agent of the Board of Trustees, and the Texas Comptroller of Public Accounts (“Comptroller”) received an Application from Applicant for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. A copy of the Application is attached as **Attachment A**.

The Applicant, (Texas Taxpayer Id. 32060912451), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**.

The Board of Trustees acknowledged receipt of the Application, along with the requisite application fee, established pursuant to Texas Tax Code § 313.025(a)(1) and Local District Policy.

The Application was delivered to the Comptroller for review pursuant to Texas Tax Code § 313.025(d). A copy of the Application was delivered to the Pecos County Appraisal District for review pursuant to 34 Tex. Admin. Code § 9.1054. On March 8, 2018, the Comptroller determined the Application to be complete.

The Application was reviewed by the Comptroller pursuant to Texas Tax Code §313.026, and a Comptroller Certificate was issued on April 17, 2018 in which the Comptroller has determined, inter alia, that: 1) Application is subject to the provisions of Chapter 171, Texas Tax Code; 2) the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised values; 3) the proposed project is reasonably likely to generate 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 before the 25th anniversary of the beginning of the limitation period; and, 4) the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state. A copy of the Certificate is attached to the findings as **Attachment C**.

The Board of Trustees has previously directed that a specific financial analysis be conducted concerning the impact of the proposed value limitation on the finances of District. A copy of the report prepared by Moak, Casey & Associates, Inc., is attached to these findings as **Attachment D**.

The Board of Trustees has confirmed that the taxable value of property in the District for the preceding tax year, as determined under Subchapter M, Chapter 403, Government Code, is as stated in **Attachment E**.

The Texas Education Agency has evaluated the impact of the project on the District's facilities. TEA's determination is to be attached to these findings as **Attachment F**.

The Board has adopted the Texas Economic Development Agreement (Form 50-826) as promulgated by the Comptroller's Office. Form 50-826 has been altered only in accordance only the provisions of the template that the Comptroller permitted. The proposed Agreement is attached to these findings as **Attachment G**.

After review of the Comptroller's Certificate and economic analysis, and in consideration of its own studies the Board finds:

Board Finding Number 1.

The Board finds that the property described in the Application meets the requirements of Tex. Tax Code §313.024 for eligibility for a limitation on appraised value.

In support of Finding 1, the Application indicates that:

RE Maplewood LLC is developing a solar photovoltaic facility designed to use solar power to generate electricity. The anticipated generation capacity of the Project is 100 MW.

Property used for renewable energy electric generation is eligible for a limitation under §313.024(b)(5).

Board Finding Number 2.

The project proposed by the applicant is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue, including state tax revenue, school district maintenance and operations ad valorem tax revenue attributable to the project, and any other tax revenue attributable to the effect of the project on the economy of the state, in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement (as detailed in Attachment B of the Comptroller's Certification).

Board Finding Number 3.

Based on the information certified by the Comptroller, the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state (as detailed in Attachment C of the Comptroller's Certification).

Board Finding Number 4.

The Board finds that the Application Fee received was reasonable and only in such an amount as was necessary to cover the District's costs of processing the Application under consideration.

In support of Finding 4, the Board reviewed the Application Fee payment included in the Application at Attachment A, the contract with the District's consultants and the internal costs for processing the application, if any.

Board Finding Number 5.

Based upon the Application and in the Comptroller's Economic Impact Evaluation and Certification, Attachment A, the Board finds that the number of jobs to be created and the wages to be paid comply with the requirements of statute; and, the Board further finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions and information related to job creation requirements, to wit: the provisions set forth in Subsections 9.1C&D of such Agreement.

In its Application, Applicant has committed to creating two (2) new qualifying jobs. The average salary level of qualifying jobs will be at least \$59,487 per year. The review of the application by the Comptroller's indicated that this amount—based on Texas Workforce Commission data—complies with current Tex. Tax Code §313.021(3) requirement that qualifying jobs must pay 110 percent of the county average manufacturing wage. As defined in Section 313.021 of the Tax Code, "Qualifying Job" means a permanent full-time job that:

- (A) requires at least 1,600 hours of work a year;
- (B) is not transferred from one area in this state to another area in this state;
- (C) is not created to replace a previous employee;
- (D) is covered by a group health benefit plan for which the business offers to pay at least 80 percent of the premiums or other charges assessed for employee-only coverage under the plan, regardless of whether an employee may voluntarily waive the coverage; and
- (E) pays at least 110 percent of the county average weekly wage for manufacturing jobs in the county where the job is located.

Board Finding Number 6.

Based upon the information provided to the District with regard to the industry standard for staffing ratios of similar projects in the State of Texas, the District has determined that if the job creation requirement set forth in Texas Tax Code § 313.021(2)(A)(iv)(b) was applied, for the size and scope of the project described in the Application, the required number of jobs meets or exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

Board Finding Number 7.

The Applicant does not intend to create any non-qualifying jobs.

In its Application, Applicant has indicated that it does not intend to create any non-qualifying jobs. For all non-qualifying jobs, the Applicant should create the Applicant will be required to pay at least the county average wage of \$44,084 for all jobs in the county in accordance with the provisions of Tex. Tax Code §313.024(d).

Board Finding Number 8.

The revenue gains that will be realized by the school district if the Application is approved will be significant in the long-term, with special reference to revenues used for supporting school district debt.

In support of this finding, the analysis prepared by Moak, Casey & Associates projects that the project would initially add \$140 million to the tax base for debt service purposes at the peak investment level for the 2020-21 school year.

Board Finding Number 9.

The effect of the applicant's proposal, if approved, on the number or size of needed school district instructional facilities is not expected to increase the District's facility needs, with current trends suggest little underlying enrollment growth based on the impact of the project.

The summary of financial impact prepared by Moak, Casey & Associates, Inc., indicates that there will be little to no impact on school facilities created by the new project. This finding is confirmed by the TEA evaluation of this project's impact on the number and size of school facilities in the District as stated in **Attachment F**.

Board Finding Number 10.

The Board finds that with the adoption of District Policy CCG (Local), implemented in conformance with both Comptroller and Texas Education Agency Rules governing Chapter 313 Agreements, it has developed a process to verify, either directly or through its consultants, the accuracy and completeness of information in annual eligibility reports and biennial progress reports regarding (1) the reported

number of jobs created and (2) the reported amount invested in the property.

Board Finding Number 11.

The Board of Trustees hired consultants to review and verify the information in the Application. Based upon the consultants' review, the Board has determined that the information provided by the Applicant is true and correct.

The Board has developed a written policy CCG (Local) which requires, upon the filing of an Application under Tax Code Chapter 313, the retention of consultants in order to verify: (1) that Applicant's information contained in the Application as to existing facts is true and correct; (2) that Applicant's information contained in the Application with respect to projections of future events are commercially reasonable and within the ability of Applicant to execute; (3) that information related to job creation is commercially reasonable and within the ability of Applicant to execute; (4) that Applicant's representations concerning and economic incentives being offered, if any, and (5) the proposed project meets eligibility requirements.

As a part of its verification process the Board notes that the Chapter 313 Application for which these Findings are being made has been submitted by the Applicant under oath. Chapter 313 Applications are governmental records under Tex. Penal Code §37.01(2)(A); as a result, all statements contained therein are representations of fact within the meaning of Tex. Penal Code § 37.01(3). Since Board action upon the adoption of these Findings and the approval of the Chapter 313 Tax Limitation Agreement (**Attachment G**) is an "official proceeding," a false statement on a Chapter 313 application constitutes perjury under Tex. Penal Code § 37.03.

The Board finds that sworn statements are routinely used as an acceptable verification method for reliance by fact finders in each of the three separate branches of government, including trials.

The consultants have prepared signed statements that the consultants have reviewed and verified the contents of the Application and have determined that the current statements of fact contained in the Application are true and correct. (**Attachment H**) The Board finds that reliance by the Board and its consultants upon verified statements of the Applicant, especially as to Applicant's future intentions which cannot be objectively verified is reasonable and within the intent of Chapter 313, Texas Tax Code.

Board Finding Number 12.

The Board of Trustees has determined that the Tax Limitation Amount requested by Applicant is currently Thirty Million Dollars, which is consistent with the minimum values currently set out by Tax Code, § 313.054(a).

The Board finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**), in accordance with Comptroller's Form 50-826, contains all required provisions and information related to the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement. According to the Texas Comptroller of Public Accounts' School and Appraisal Districts' Property Value Study 2015 Final Findings made under Subchapter M, Chapter 403, Government Code for the preceding tax year, Attachment F. The total industrial value for the District is \$246 million. The District is categorized as Subchapter C, which applies only to a school district that has territory in a strategic investment area, as defined under Subchapter O, Chapter 171, Tax Code or in a county: (1) that has a population of less than 50,000 and (2) in which, from 1990 to 2000, according to the federal decennial census, the population: (A) remained the same; (B) decreased; or (C) increased, but at a rate of not more than three percent per annum. The District is classified as a "rural" district due to its demographic characteristics. Given that the value of industrial property is more than \$200 million, it is classified as a Category I district which can offer a minimum value limitation of \$30 million.

Board Finding Number 13.

The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all necessary provisions and information related to establishing the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement.

The Board relies on the certifications of its consultants and the Comptroller's Approval of the Agreement form to make this Finding. **(Attachment I)**

Board Finding Number 14.

The Applicant (Taxpayer No. 32060912451) is eligible for the limitation on appraised value of qualified property as an active franchise-tax paying entity.

The Applicant, (Texas Taxpayer No. 32060912451), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**. The Board also finds that the Chapter 313 Tax Limitation Agreement **(Attachment G)** contains all required provisions necessary for the Board to assess eligibility of any business to which an agreement is transferred.

Board Finding Number 15.

The project will be located within an area that is designated as a reinvestment zone, pursuant to Chapter 312 of the Texas Tax Code.

Board Finding Number 16.

The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, includes adequate and appropriate revenue protection provisions for the District, and such provisions comply with the specific terms of Texas Tax Code, Chapter 313.

In support of this finding, the report of Moak, Casey & Associates, Inc. shows that the District will incur a revenue loss in the first year that the value limitation is in effect without the proposed Agreement. However, with this Agreement, the negative consequences of granting the value limitation are offset through the revenue protection provisions agreed to by the Applicant and the District. The Agreement contains adequate revenue protection

measures for the duration of the Agreement. In support of this Finding, the Board relies upon the recommendation of its consultants. (**Attachment H**)

Board Finding Number 17.

The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions necessary for the Board to assess performance standards and to require periodic deliverables that will enable it to hold businesses accountable for achieving desired results, to wit: the reporting requirements set forth in Article VIII of said Agreement.

Board Finding Number 18.

The Board finds that there are no conflicts of interest at the time of considering the agreement.

The Board finds that with the adoption of District Policies BBFA and BBFB, both (Legal) and (Local), set forth at <https://pol.tasb.org/Home/Index/996>, that it has taken appropriate action to ensure that all District Trustees and the Superintendent, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

In addition, at the public hearing, the Board caused the statement set forth in **Attachment J** to be read into the public record and that only Board members audibly responding that no conflict of interest existed either deliberated or voted on the Tax Limitation Agreement, these Findings or any matter relating to the Application upon which these Findings have been premised.

The Board finds that with the adoption of District Policies DBD, DGA, DH, and BBFB, both (Legal) and (Local) that it has taken appropriate action to ensure that all District employees and/or consultants, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

The Board finds that that no non-disclosed conflicts of interest exist as to the Application for which these Findings are being made, as of the time of action on these Findings.

Board Finding Number 19.

The Board directs that a link on its Web site to the Comptroller's Office's Web site where appraisal limitation related documents are made available to the public.

Board Finding Number 20.

Considering the purpose and effect of the law and the terms of the Agreement, that it is in the best interest of the District and the State to enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

It is therefore ORDERED that the Agreement attached hereto as **Attachment G** is approved and herby authorized to be executed and delivered by and on behalf of the District. It is further ORDERED that these findings and the Attachments referred to herein be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the District.

Dated the 11th day of June 2018.

IRAAN-SHEFFIELD INDEPENDENT SCHOOL DISTRICT

By:  _____
President, Board of Trustees

ATTEST:

By:  _____
Secretary, Board of Trustees

Attachment A

Application

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS & COUNSELORS AT

LAW 808 WEST AVE

AUSTIN, TEXAS 78701

TELEPHONE: (512) 494-9949

FACSIMILIE: (512) 494-9919

KEVIN O'HANLON
CERTIFIED, CIVIL APPELLATE
CERTIFIED, CIVIL TRIAL

JUSTIN DEMERATH
BENJAMIN CASTILLO

January 18, 2018

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Application to the Iraan-Sheffield Independent School District from RE
Maplewood LLC Application and Confidential Materials

(First Qualifying Year 2018; First Limitation Year 2020)

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Iraan-Sheffield Independent School District is notifying RE Maplewood LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. Please prepare the economic impact report.

The Applicant submitted the Application to the school district on December 11, 2017. The Board voted to accept the application on December 11, 2017. The application has been determined complete as of January 18, 2018.

The Applicant has requested a portion of Tab 11 of the Application be kept confidential. In accordance with 34 TAC 9.1053, the map depicting the specific planned location of the qualifying property is segregated from the application, that is, the proprietary commercial information regarding the specific location of the possible project. The confidential map is being submitted separately to protect against unintended disclosure. The public release of this information would reveal information which the company considers to be a trade secret. Trade secrets are excepted from public disclosure pursuant to Tex. Gov't Code 552.110. Furthermore, the public production of this information would cause the company to suffer substantial competitive harm and weaken its position in competitive siting decisions.

Please do not hesitate to call with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin O'Hanlon". The signature is stylized with several loops and a long horizontal stroke at the end.

Kevin O'Hanlon
School District Consultant

Cc: RE Maplewood LLC
Pecos County Appraisal District



Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

December 11, 2017

Date Application Received by District

Kevin

Allen

First Name

Last Name

Superintendent

Title

Iraan-Sheffield Independent School District

School District Name

100 S. Farr Street

Street Address

P.O. Box 486

Mailing Address

Iraan

Texas

79744-0486

City

State

ZIP

432-639-2512 Ext 223

(432) 639-2501

Phone Number

Fax Number

kevin.allen@isisd.net

Mobile Number (optional)

Email Address

2. Does the district authorize the consultant to provide and obtain information related to this application? Yes No

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Bob _____ Popinski _____
 First Name Last Name
 Associate _____
 Title _____
 Moak, Casey & Associates _____
 Firm Name _____
 512-485-7878 _____ 512-485-7888 _____
 Phone Number Fax Number
 _____ bpopinski@moakcasey.com _____
 Email Address _____
 Mobile Number (optional) _____

4. On what date did the district determine this application complete? January 18, 2018
 5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Helen _____ Shin _____
 First Name Last Name
 General Counsel and Secretary _____ Recurrent Energy, LLC _____
 Title Organization
 3000 Oak Road, Suite 300 _____
 Street Address _____
 3000 Oak Road, Suite 300 _____
 Mailing Address _____
 Walnut Creek _____ California _____ 94597 _____
 City State ZIP
 415-967-2991 _____ 415-675-1501 _____
 Phone Number Fax Number
 _____ helen.shin@recurrentenergy.com _____
 Business Email Address _____
 Mobile Number (optional) _____

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? Yes No

2a. If yes, please fill out contact information for that person.

Daniel _____ Uminski _____
 First Name Last Name
 Manager _____ Recurrent Energy, LLC _____
 Title Organization
 3000 Oak Road, Suite 300 _____
 Street Address _____
 3000 Oak Road, Suite 300 _____
 Mailing Address _____
 Walnut Creek _____ California _____ 94597 _____
 City State ZIP
 412-298-1042 _____ 415-675-1501 _____
 Phone Number Fax Number
 _____ daniel.uminiski@recurrentenergy.com _____
 Business Email Address _____
 Mobile Number (optional) _____

3. Does the applicant authorize the consultant to provide and obtain information related to this application? Yes No

Application for Appraised Value Limitation on Qualified Property

SECTION 2: Applicant Information (continued)
4. Authorized Company Consultant (If Applicable)

John	Pitts
First Name	Last Name
Principal	
Title	
Texas Star Alliance	
Firm Name	
512-413-1062	
Phone Number	Fax Number
john2@texasstaralliance.com	
Business Email Address	

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? Yes No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A

3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? RE MAPLEWOOD LLC

2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32060912451

3. List the NAICS code 221114

4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No

4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Company

2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No

2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

3. Is the applicant current on all tax payments due to the State of Texas? Yes No

4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A

5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? Yes No
2. The property will be used for one of the following activities:
 - (1) manufacturing Yes No
 - (2) research and development Yes No
 - (3) a clean coal project, as defined by Section 5.001, Water Code Yes No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code Yes No
 - (5) renewable energy electric generation Yes No
 - (6) electric power generation using integrated gasification combined cycle technology Yes No
 - (7) nuclear electric power generation Yes No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) Yes No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 Yes No
3. Are you requesting that any of the land be classified as qualified investment? Yes No
4. Will any of the proposed qualified investment be leased under a capitalized lease? Yes No
5. Will any of the proposed qualified investment be leased under an operating lease? Yes No
6. Are you including property that is owned by a person other than the applicant? Yes No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? Yes No

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:

<input type="checkbox"/> Land has no existing improvements	<input checked="" type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
3. Does the applicant have current business activities at the location where the proposed project will occur? Yes No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? Yes No
5. Has the applicant received any local or state permits for activities on the proposed project site? Yes No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? Yes No
7. Is the applicant evaluating other locations not in Texas for the proposed project? Yes No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? Yes No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? Yes No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? Yes No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

Application for Appraised Value Limitation on Qualified Property



SECTION 9: Projected Timeline

1. Application approval by school board December 2017
2. Commencement of construction February 2019
3. Beginning of qualifying time period January 2018
4. First year of limitation January 2020
5. Begin hiring new employees Q4 - 2019
6. Commencement of commercial operations Q4 - 2019
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 - 2019

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Pecos County, Texas
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Pecos 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>Pecos County 100% .7990</u> <i>(Name, tax rate and percent of project)</i>	City: <u>N/A</u> <i>(Name, tax rate and percent of project)</i>
Hospital District: <u>Iraan General Hosp. 100% .3730</u> <i>(Name, tax rate and percent of project)</i>	Water District: <u>Middle Pecos Groundwater 100% .0249</u> <i>(Name, tax rate and percent of project)</i>
Other (<i>describe</i>): <u>Midland College 100% .0350</u> <i>(Name, tax rate and percent of project)</i>	Other (<i>describe</i>): <u>N/A</u> <i>(Name, tax rate and percent of project)</i>
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

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).

2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? Yes No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).

3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? _____ N/A

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): \$ _____ 0.00
5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ _____ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

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 2017 (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 848.00
 b. 110% of the average weekly wage for manufacturing jobs in the county is 1,407.25
 c. 110% of the average weekly wage for manufacturing jobs in the region is 1,049.68
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? 54,583.10
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 54,583.10
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 §313.021(3)(F)? 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**.

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project vicinity b) Qualified investment including 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 c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

TAB 2

Proof of Payment of Application Fee

SEE ATTACHED

Proof of payment of filing fee received by the
Comptroller of Public Accounts per TAC Rule
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of Public
Accounts)*

TAB 3

Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation

SEE ATTACHED

Texas Franchise Tax Extension List

Reporting Entity Taxpayer Number	Report Year	Reporting Entity Taxpayer Name
32062276707	2016	CANADIAN SOLAR ENERGY ACQUISITION CO.

Legal Name of Affiliate	Affiliates Texas Taxpayer Number
RE MAPLEWOOD LLC	32060912451
RE MONUMENT LLC	32054004265
RE PALMWOOD LLC	32054020899
RE AVALON LLC	32054004273
RE FORT STOCKTON LLC	32052480244
RE BLUEBONNET HOLDINGS LLC	32058383442
RE BRAZOS HOLDINGS LLC	32058383418
RECURRENT ENERGY DEVELOPMENT HOLDINGS LLC	12646941968
RECURRENT ENERGY LLC	12701767027
SITECO LLC	32056272043

The applicant and combined group are current on all tax payments due to the State of Texas.

Texas Franchise Tax Public Information Report
To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP),
Professional Associations (PA) and Financial Institutions

■ Tcode 13196

■ Taxpayer number **32054004265** ■ Report year **2016**

You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.

Taxpayer name RE MONUMENT LLC			<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 300 CALIFORNIA STREET, 7TH FL			Secretary of State (SOS) file number or Comptroller file number	
City SAN FRANCISCO	State CA	ZIP code plus 4 94104-1415	0801986899	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office
300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415

Principal place of business
300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415



3205400426516

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name YUMIN LIU	Title PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name HELEN SHIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name JOSHUA A GOLDSTEIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104

SECTION B Enter information for each corporation LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution RECURRENT ENERGY DEVELOPMENT HOLDINGS, LLC	State of formation DE	Texas SOS file number, if any 0801241717	Percentage of ownership 100.00%
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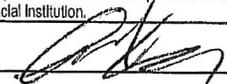
Registered agent and registered office currently on file (see instructions if you need to make changes)

Agent: **CSC - LAWYERS INCORPORATING SERVICE COMPANY**

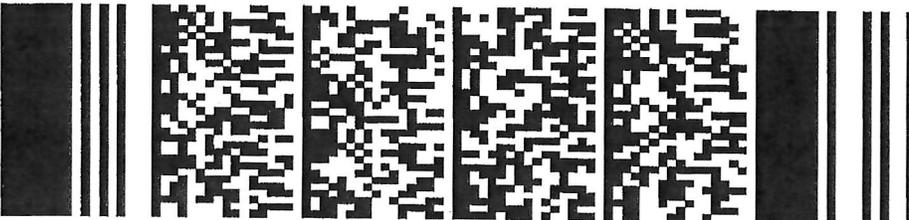
Office: **211 E. 7TH STREET, SUITE 620** City **AUSTIN** State **TX** ZIP Code **78701**

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here  Title **PRESIDENT** Date **11/10/10** Area code and phone number **(415) 675-1500**

Texas Comptroller Official Use Only



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Section A Continuation (TX 05-102)

RE MONUMENT LLC

32054004265

Name ODESSA COOPER		Title SECRETARY	Director <input type="checkbox"/>	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL				
City SAN FRANCISCO		State CA	ZIP Code 94104	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
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City		State	ZIP Code	
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City		State	ZIP Code	
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Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	

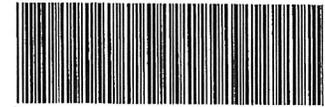
Texas Franchise Tax Public Information Report
To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP),
Professional Associations (PA) and Financial Institutions

■ Tcode 13196

■ Taxpayer number 32054020899		■ Report year 2016		You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.	
Taxpayer name RE PALMWOOD LLC				<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 300 CALIFORNIA STREET, 7TH FL				Secretary of State (SOS) file number or Comptroller file number	
City SAN FRANCISCO		State CA	ZIP code plus 4 94104-1415	0801987681	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415
Principal place of business 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415



3205402089916

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name YUMIN LIU	Title PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name HELEN SHIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name JOSHUA A GOLDSTEIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104

SECTION B Enter information for each corporation LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution RECURRENT ENERGY DEVELOPMENT HOLDINGS, LLC	State of formation DE	Texas SOS file number, if any 0801241717	Percentage of ownership 100.00%
---	---------------------------------	--	---

Registered agent and registered office currently on file (see instructions if you need to make changes)				You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.	
Agent: CSC - LAWYERS INCORPORATING SERVICE COMPANY					
Office: 211 E. 7TH STREET, SUITE 620		City AUSTIN	State TX	ZIP Code 78701	

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here	Title PRESIDENT	Date 11/10/16	Area code and phone number (415) 675-1500
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Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	PIR IND	<input type="checkbox"/>
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Section A Continuation (TX 05-102)

RE PALMWOOD LLC

32054020899

Name	Title	Director	Term expiration
ODESSA COOPER	SECRETARY	<input type="checkbox"/>	PERPETUAL
Mailing address			
300 CALIFORNIA STREET, 7TH FL			
City		State	ZIP Code
SAN FRANCISCO		CA	94104
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code

Texas Franchise Tax Public Information Report

To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP), Professional Associations (PA) and Financial Institutions

■ Tcode 13196

<input checked="" type="checkbox"/> Taxpayer number 32054004273	<input checked="" type="checkbox"/> Report year 2016	<i>You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.</i>
---	--	--

Taxpayer name RE AVALON LLC			<input type="checkbox"/> Check box if the mailing address has changed.
Mailing address 300 CALIFORNIA STREET, 7TH FL		Secretary of State (SOS) file number or Comptroller file number 0801986894	
City SAN FRANCISCO	State CA	ZIP code plus 4 94104-1415	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-14145
Principal place of business 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-14145



3205400427316

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name YUMIN LIU	Title PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL	<i>m m d d y y</i>	
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104		
Name HELEN SHIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL	<i>m m d d y y</i>	
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104		
Name JOSHUA A. GOLDSTEIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL	<i>m m d d y y</i>	
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104		

SECTION B Enter information for each corporation LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution RECURRENT ENERGY DEVELOPMENT HOLDINGS, LLC	State of formation DE	Texas SOS file number, if any 0801241717	Percentage of ownership 100.00%
---	---------------------------------	--	---

Registered agent and registered office currently on file (<i>see instructions if you need to make changes</i>)				<small>You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.</small>			
Agent: CSC - LAWYERS INCORPORATING SERVICE COMPANY				City AUSTIN	State TX	ZIP Code 78701	
Office: 211 E. 7TH STREET, SUITE 620							

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here	Title PRESIDENT	Date 11/10/16	Area code and phone number (415) 675-1500
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Texas Comptroller Official Use Only



VE/DE <input type="checkbox"/>	PIR IND <input type="checkbox"/>	
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Section A Continuation (TX 05-102)

RE AVALON LLC

32054004273

Name ODESSA COOPER		Title SECRETARY	Director <input type="checkbox"/>	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL				
City SAN FRANCISCO		State CA	ZIP Code 94104	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
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City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
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City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	

Texas Franchise Tax Public Information Report

To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP), Professional Associations (PA) and Financial Institutions

■ Tcode 13196

■ Taxpayer number 32052480244		■ Report year 2016		<i>You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.</i>	
Taxpayer name RE FORT STOCKTON LLC				<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 300 CALIFORNIA STREET, 7TH FL				Secretary of State (SOS) file number or Comptroller file number	
City SAN FRANCISCO	State CA	ZIP code plus 4 94104-1415		0801883106	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415
Principal place of business 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415



3205248024416

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name YUMIN LIU	Title PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name HELEN SHIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name JOSHUA A GOLDSTEIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104

SECTION B Enter information for each corporation LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution RECURRENT ENERGY DEVELOPMENT HOLDINGS, LLC	State of formation DE	Texas SOS file number, if any 0801241717	Percentage of ownership 100.00%
---	---------------------------------	--	---

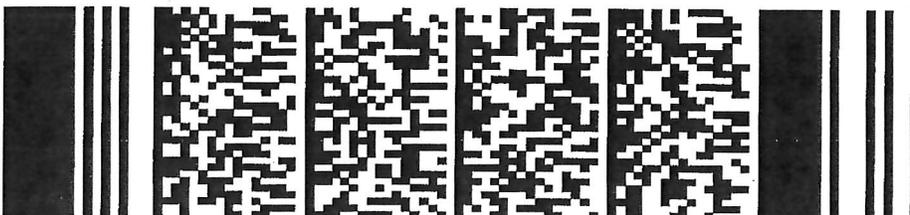
Registered agent and registered office currently on file (<i>see instructions if you need to make changes</i>)		<i>You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.</i>	
Agent: CSC - LAWYERS INCORPORATING SERVICE COMPANY			
Office: 211 E. 7TH STREET, SUITE 620	City AUSTIN	State TX	ZIP Code 78701

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here	Title PRESIDENT	Date 11/10/16	Area code and phone number (415) 675-1500
------------------	---------------------------	-------------------------	---

Texas Comptroller Official Use Only



VE/DE <input type="checkbox"/>	PIR IND <input type="checkbox"/>
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Section A Continuation (TX 05-102)

RE FORT STOCKTON LLC

32052480244

Name ODESSA COOPER		Title SECRETARY	Director <input type="checkbox"/>	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL				
City SAN FRANCISCO		State CA	ZIP Code 94104	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
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City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
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City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	

Texas Franchise Tax Public Information Report
To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP),
Professional Associations (PA) and Financial Institutions

■ Tcode 13196

Taxpayer number 32058383442		Report year 2016	You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.	
Taxpayer name RE BLUEBONNET HOLDINGS LLC			<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 300 CALIFORNIA STREET, 7TH FL			Secretary of State (SOS) file number or Comptroller file number	
City SAN FRANCISCO	State CA	ZIP code plus 4 94104-1415	0802298958	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415
Principal place of business 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415



3205838344216

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name	Title	Director <input type="checkbox"/> YES	Term expiration m m d d y y
YUMIN LIU 300 CALIFORNIA STREET, 7TH FL	PRESIDENT	<input type="checkbox"/> YES	PERPETUAL
HELEN SHIN 300 CALIFORNIA STREET, 7TH FL	VICE PRESIDENT	<input type="checkbox"/> YES	PERPETUAL
JOSHUA A GOLDSTEIN 300 CALIFORNIA STREET, 7TH FL	VICE PRESIDENT	<input type="checkbox"/> YES	PERPETUAL

SECTION B Enter information for each corporation LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
RE ROSEROCK HOLDINGS LLC	DE	0802298963	49.00%
RE ROSEROCK LLC	DE	0801981837	49.00%

SECTION C Enter information for each corporation LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
RE BRAZOS HOLDINGS LLC	DE	0802298961	100.00%

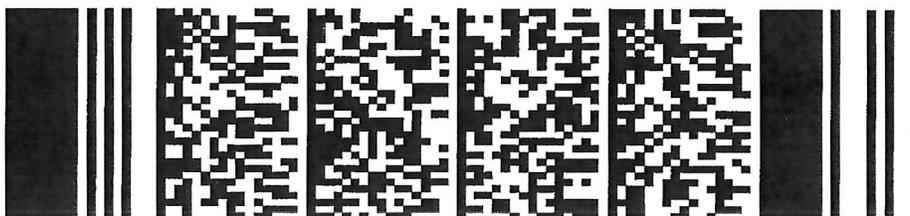
Registered agent and registered office currently on file (see instructions if you need to make changes)		You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.	
Agent: CSC - LAWYERS INCORPORATING SERVICE COMPANY			
Office: 211 E. 7TH STREET, SUITE 620	City AUSTIN	State TX	ZIP Code 78701

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here	Title PRESIDENT	Date 11/10/16	Area code and phone number (415) 675-1500
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Texas Comptroller Official Use Only



VE/DE <input type="checkbox"/>	PIR IND <input type="checkbox"/>
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Section A Continuation (TX 05-102)

RE BLUEBONNET HOLDINGS LLC

32058383442

Name ODESSA COOPER		Title SECRETARY	Director <input type="checkbox"/>	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL				
City SAN FRANCISCO		State CA	ZIP Code 94104	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
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Name		Title	Director <input type="checkbox"/>	Term expiration
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City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
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City		State	ZIP Code	
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Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	

Texas Franchise Tax Public Information Report
*To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP),
 Professional Associations (PA) and Financial Institutions*

■ **Tcode** 13196

■ Taxpayer number 32058383418		■ Report year 2016		<i>You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.</i>	
Taxpayer name RE BRAZOS HOLDINGS LLC				<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 300 CALIFORNIA STREET, 7TH FL				Secretary of State (SOS) file number or Comptroller file number	
City SAN FRANCISCO	State CA	ZIP code plus 4 94104-1415		0802298961	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415
Principal place of business 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415



3205838341816

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name YUMIN LIU	Title PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name HELEN SHIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name JOSHUA A GOLDSTEIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104

SECTION B Enter information for each corporation LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution See Attached Statement	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution RECURRENT ENERGY DEVELOPMENT HOLDINGS, LLC	State of formation DE	Texas SOS file number, if any 0801241717	Percentage of ownership 100.00%
---	---------------------------------	--	---

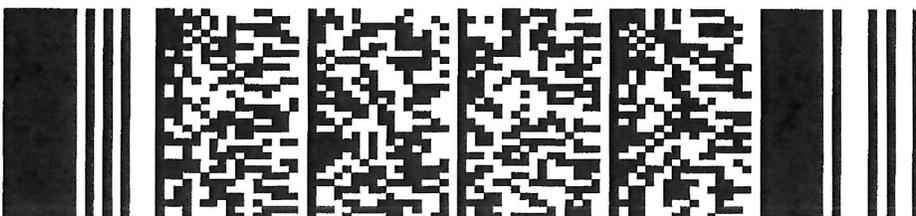
Registered agent and registered office currently on file (see instructions if you need to make changes) Agent: CSC - LAWYERS INCORPORATING SERVICE COMPANY		You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.	
Office: 211 E, 7TH STREET, SUITE 620	City AUSTIN	State TX	ZIP Code 78701

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here	Title PRESIDENT	Date 11/15/16	Area code and phone number (415) 675-1500
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Texas Comptroller Official Use Only



VE/DE <input type="checkbox"/>	PIR IND <input type="checkbox"/>
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Section A Continuation (TX 05-102)

RE BRAZOS HOLDINGS LLC

32058383418

Name ODESSA COOPER		Title SECRETARY	Director <input type="checkbox"/>	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL				
City SAN FRANCISCO		State CA	ZIP Code 94104	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
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Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	

Section B (TX 05-102)

	Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number	Percent of Ownership
1	RE BLUEBONNET HOLDINGS LLC	DE	0802298958	100.00%
2	RE ROSEROCK HOLDINGS LLC	DE	0802298963	36.33%
3	RE ROSEROCK LLC	DE	0801981837	36.33%

Texas Franchise Tax Public Information Report

*To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP),
 Professional Associations (PA) and Financial Institutions*

■ Tcode 13196

■ Taxpayer number 12646941968		■ Report year 2016		<i>You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.</i>	
Taxpayer name RECURRENT ENERGY DEVELOPMENT HOLDINGS, LCC				<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 300 CALIFORNIA STREET, 7TH FL			Secretary of State (SOS) file number or Comptroller file number		
City SAN FRANCISCO		State CA	ZIP code plus 4 94104-1415	0801241717	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415
Principal place of business 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415



1264694196816

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name YUMIN LIU	Title PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL	m m d d y y	
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104		
Name HELEN SHIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL	m m d d y y	
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104		
Name JOSHUA A GOLDSTEIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL	m m d d y y	
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104		

SECTION B Enter information for each corporation LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution PLEASE SEE ATTACHED	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution RECURRENT ENERGY, LLC	State of formation DE	Texas SOS file number, if any	Percentage of ownership 100.00%
---	--------------------------	-------------------------------	------------------------------------

Registered agent and registered office currently on file <i>(see instructions if you need to make changes)</i>				<small>You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.</small>	
Agent: CSC - LAWYERS INCORPORATING SERVICE COMPANY					
Office: 211 E. 7TH STREET, SUITE 620		City AUSTIN	State TX	ZIP Code 78701	

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here!	Title PRESIDENT	Date 11/10/10	Area code and phone number (415) 675-1500
-------------------	--------------------	------------------	--

Texas Comptroller Official Use Only



VE/DE <input type="checkbox"/>	PIR IND <input type="checkbox"/>	
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Section A Continuation (TX 05-102)

RECURRENT ENERGY DEVELOPMENT HOLDINGS, LCC

12646941968

Name ODESSA COOPER		Title SECRETARY	Director <input type="checkbox"/>	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL				
City SAN FRANCISCO		State CA	ZIP Code 94104	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
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Name		Title	Director <input type="checkbox"/>	Term expiration
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Name		Title	Director <input type="checkbox"/>	Term expiration
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City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	
Name		Title	Director <input type="checkbox"/>	Term expiration
Mailing address				
City		State	ZIP Code	

Public Ownership Report -

Subsidiary Information

Subsidiary Name	Subsidiary State Incorporated	Texas SOS file number, if any	Subsidiary Percent
Monte Vista Solar, LLC	DE	None	100.00
RE Algozo ES LLC	DE	None	100.00
RE Arabian Holdings LLC	DE	None	100.00
RE Astoria 2 Holdings LLC	DE	None	100.00
RE Astoria 2 LLC	DE	None	100.00
RE Astoria 3 Holdings LLC	DE	None	100.00
RE Astoria 3 LLC	DE	None	100.00
RE Astoria Holdings LLC	DE	None	100.00
RE Astoria Interconnection Manager LLC	DE	None	100.00
RE Astoria LLC	DE	None	100.00
RE Avalon LLC	DE	0801986894	100.00
RE Barren Ridge 1 Holdings LLC	DE	None	100.00
RE Barren Ridge 1 LLC	DE	None	99.31
RE Barren Ridge 2 Holdings LLC	DE	None	100.00
RE Barren Ridge 3 Holdings LLC	DE	None	99.31
RE Beacon 2 LLC	DE	None	100.00
RE Bluebonnet Holdings LLC	DE	0802298958	100.00
RE Bradmore ES LLC	DE	None	100.00
RE Brazos Holdings LLC	DE	0802298961	100.00
RE Bridgehead ES LLC	DE	None	100.00
RE Brisbane ES LLC	DE	None	100.00
RE Cantua Holdings LLC	DE	None	100.00
RE Clearwater LLC	DE	None	100.00
RE Columbia Interconnection Manager LLC	DE	None	100.00
RE Columbia, LLC	DE	None	40.00
RE Cranbury Holdings LLC	DE	None	100.00
RE Cranbury Solar 1, LLC	DE	None	100.00
RE Crimson LLC	DE	None	100.00
RE Cuey Holdings LLC	DE	None	100.00
RE Desert Star Interconnection Manager LLC	DE	None	100.00
RE Floral Holdings LLC	DE	None	100.00
RE Fort Stockton LLC	DE	0801883106	100.00
RE Frazier ES LLC	DE	None	100.00
RE FreedomCo LLC	DE	None	100.00
RE Garland 2 LLC	DE	None	100.00
RE Garland 3 LLC	DE	None	100.00
RE Garland A LLC	DE	None	38.60
RE Garland B LLC	DE	None	100.00
RE Garland C LLC	DE	None	100.00
RE Garland D LLC	DE	None	100.00
RE Garland E LLC	DE	None	100.00
RE Garland F LLC	DE	None	100.00
RE Garland G LLC	DE	None	100.00
RE Garland Holdings LLC	DE	None	38.60
RE Garland Interconnection Manager LLC	DE	None	100.00
RE Garland LLC	DE	None	38.60
RE Holiday Holdings LLC	DE	None	100.00

RE Holiday Solar Holdings LLC	DE	None	100.00
RE Holt LLC	DE	None	100.00
RE HonorCo LLC	DE	None	100.00
RE IndependenceCo LLC	DE	None	100.00
RE Jameson LLC	DE	None	100.00
RE JusticeCo LLC	DE	None	100.00
RE Kamm LLC	DE	None	100.00
RE La Mesa LLC	DE	None	100.00
RE LibertyCo LLC	DE	None	100.00
RE Lincoln LLC	DE	None	100.00
RE Maplewood LLC	DE	None	100.00
RE Mikado LLC	DE	None	100.00
RE Minter LLC	DE	None	100.00
RE Mitchell Holdings LLC	DE	None	99.14
RE Mojave 1 ES LLC	DE	None	100.00
RE Mojave 2 ES LLC	DE	None	100.00
RE Mojave 3 ES LLC	DE	None	100.00
RE Mojave Holdings LLC	DE	None	100.00
RE Monte Vista Holdings LLC	DE	None	100.00
RE Monument LLC	DE	0801986899	100.00
RE Mustang 3 LLC	DE	None	99.14
RE Mustang 4 LLC	DE	None	99.14
RE Mustang 5 LLC	DE	None	100.00
RE Mustang 6 LLC	DE	None	100.00
RE Mustang BAAH LLC	DE	None	99.14
RE Mustang Holdings LLC	DE	None	99.14
RE Mustang Interconnection Manager LLC	DE	None	100.00
RE Mustang LLC	DE	None	99.14
RE Mustang Two LLC	DE	None	100.00
RE Oakland ES LLC	DE	None	100.00
RE Orion LLC	DE	None	100.00
RE Palmwood LLC	DE	0801987681	100.00
RE Patterson Holdings LLC	DE	None	100.00
RE Pelican Holdings LLC	DE	None	100.00
RE Periwinkle LLC	DE	None	100.00
RE Pioneer Holdings LLC	DE	None	100.00
RE PR Solar, LLC	DE	None	100.00
RE Quarter Holdings LLC	DE	None	100.00
RE Roserock Holdings LLC	DE	0802298963	36.33
RE Roserock LLC	DE	0801981837	36.33
RE Royal LLC	DE	None	100.00
RE Santa Clara LLC	DE	None	100.00
RE Scarlet LLC	DE	None	100.00
RE Shire Holdings LLC	DE	None	100.00
RE Sienna LLC	DE	None	100.00
RE Silverlake Holdings LLC	DE	None	38.60
RE Slate LLC	DE	None	100.00
RE Tranquillity 1 LLC	DE	None	100.00
RE Tranquillity 2 LLC	DE	None	100.00
RE Tranquillity 3 LLC	DE	None	100.00
RE Tranquillity 4 LLC	DE	None	100.00
RE Tranquillity 5 LLC	DE	None	100.00
RE Tranquillity 6 LLC	DE	None	100.00
RE Tranquillity 7 LLC	DE	None	100.00
RE Tranquillity 8 Amarillo LLC	DE	None	100.00
RE Tranquillity 8 Azul LLC	DE	None	100.00

RE Tranquillity 8 Dorado LLC	DE	None	100.00
RE Tranquillity 8 ES LLC	DE	None	100.00
RE Tranquillity 8 Gris LLC	DE	None	100.00
RE Tranquillity 8 LLC	DE	None	100.00
RE Tranquillity 8 Marron LLC	DE	None	100.00
RE Tranquillity 8 Rojo LLC	DE	None	100.00
RE Tranquillity 8 Rosa LLC	DE	None	100.00
RE Tranquillity 8 Verde LLC	DE	None	100.00
RE Tranquillity 8 Violeta LLC	DE	None	100.00
RE Tranquillity BAAH LLC	DE	None	42.40
RE Tranquillity Holdings LLC	DE	None	42.40
RE Tranquillity Interconnection Manager LLC	DE	None	100.00
RE Tranquillity LLC	DE	None	42.40
RE Vallejo 2 LLC	DE	None	100.00
RE ValorCo LLC	DE	None	100.00
RE Walker Pass A LLC	DE	None	100.00
RE Yakima LLC	DE	None	100.00
Recurrent Energy Gen-Tie Management LLC	DE	None	100.00
Recurrent Energy Management llc	DE	None	100.00
Recurrent Energy ProCo LLC	DE	None	100.00
REK Holdings LLC	DE	None	100.00
SiteCo, LLC	DE	0802146319	100.00

Texas Franchise Tax Public Information Report
To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP),
Professional Associations (PA) and Financial Institutions

■ Tcode 13196

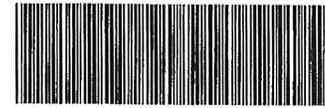
■ Taxpayer number **12701767027** ■ Report year **2016**

You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.

Taxpayer name RECURRENT ENERGY, LLC			<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 300 CALIFORNIA STREET, 7TH FL			Secretary of State (SOS) file number or Comptroller file number	
City SAN FRANCISCO	State CA	ZIP code plus 4 94104-1415	0052391180	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415
Principal place of business 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415



1270176702716

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name YUMIN LIU	Title PRESIDENT	Director <input checked="" type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name JOSHUA A GOLDSTEIN	Title SENIOR VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name HELEN SHIN	Title GENERAL COUNSEL & SECRETARY	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104

SECTION B Enter information for each corporation LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution PLEASE SEE ATTACHED	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution CANADIAN SOLAR ENERGY ACQUISITION CO.	State of formation DE	Texas SOS file number, if any	Percentage of ownership 100.00%
--	---------------------------------	-------------------------------	---

Registered agent and registered office currently on file (see instructions if you need to make changes)		You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.	
Agent:	City	State	ZIP Code
Office:			

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here	Title PRESIDENT	Date 11/10/16	Area code and phone number (415) 675-1500
------------------	---------------------------	-------------------------	---

Texas Comptroller Official Use Only



VE/DE <input type="checkbox"/>	PIR IND <input type="checkbox"/>
--------------------------------	----------------------------------



Section A Continuation (TX 05-102)

RECURRENT ENERGY, LLC

12701767027

Name	Title	Director	Term expiration
ODESSA COOPER	ASST. SECRETARY	<input type="checkbox"/>	PERPETUAL
Mailing address			
300 CALIFORNIA STREET, 7TH FL			
City		State	ZIP Code
SAN FRANCISCO		CA	94104
Name	Title	Director	Term expiration
ARTHUR CHIEN	DIRECTOR	<input checked="" type="checkbox"/>	PERPETUAL
Mailing address			
300 CALIFORNIA STREET, 7TH FL			
City		State	ZIP Code
SAN FRANCISCO		CA	94104
Name	Title	Director	Term expiration
HUIFENG CHANG	DIRECTOR	<input checked="" type="checkbox"/>	PERPETUAL
Mailing address			
300 CALIFORNIA STREET, 7TH FL			
City		State	ZIP Code
SAN FRANCISCO		CA	94104
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code
Name	Title	Director	Term expiration
		<input type="checkbox"/>	
Mailing address			
City		State	ZIP Code

Public Ownership Report -

Subsidiary Information

Subsidiary Name	Subsidiary State Incorporated	Texas SOS file number, if any	Subsidiary Percent
Monte Vista Solar, LLC	DE	None	100.00
RE Algozo ES LLC	DE	None	100.00
RE Arabian Holdings LLC	DE	None	100.00
RE Astoria 2 Holdings LLC	DE	None	100.00
RE Astoria 2 LLC	DE	None	100.00
RE Astoria 3 Holdings LLC	DE	None	100.00
RE Astoria 3 LLC	DE	None	100.00
RE Astoria Holdings LLC	DE	None	100.00
RE Astoria Interconnection Manager LLC	DE	None	100.00
RE Astoria LLC	DE	None	100.00
RE Avalon LLC	DE	0801986894	100.00
RE Barren Ridge 1 Holdings LLC	DE	None	100.00
RE Barren Ridge 1 LLC	DE	None	99.31
RE Barren Ridge 2 Holdings LLC	DE	None	100.00
RE Barren Ridge 3 Holdings LLC	DE	None	99.31
RE Beacon 2 LLC	DE	None	100.00
RE Blocker LLC	DE	None	100.00
RE Bluebonnet Holdings LLC	DE	0802298958	100.00
RE Bradmore ES LLC	DE	None	100.00
RE Brazos Holdings LLC	DE	0802298961	100.00
RE Bridgehead ES LLC	DE	None	100.00
RE Brisbane ES LLC	DE	None	100.00
RE Cantua Holdings LLC	DE	None	100.00
RE Clearwater LLC	DE	None	100.00
RE Columbia Interconnection Manager LLC	DE	None	100.00
RE Columbia, LLC	DE	None	40.00
RE Cranbury Holdings LLC	DE	None	100.00
RE Cranbury Solar 1, LLC	DE	None	100.00
RE Crimson LLC	DE	None	100.00
RE Cuey Holdings LLC	DE	None	100.00
RE Desert Star Interconnection Manager LLC	DE	None	100.00
RE Floral Holdings LLC	DE	None	100.00
RE Fort Stockton LLC	DE	0801883106	100.00
RE Frazier ES LLC	DE	None	100.00
RE FreedomCo LLC	DE	None	100.00
RE Garland 2 LLC	DE	None	100.00
RE Garland 3 LLC	DE	None	100.00
RE Garland A LLC	DE	None	38.60
RE Garland B LLC	DE	None	100.00
RE Garland C LLC	DE	None	100.00
RE Garland D LLC	DE	None	100.00
RE Garland E LLC	DE	None	100.00
RE Garland F LLC	DE	None	100.00
RE Garland G LLC	DE	None	100.00
RE Garland Holdings LLC	DE	None	38.60
RE Garland Interconnection Manager LLC	DE	None	100.00
RE Garland LLC	DE	None	38.60

RE Holdco CK 1 LLC	DE	None	50.10
RE Holiday Holdings LLC	DE	None	100.00
RE Holiday Solar Holdings LLC	DE	None	100.00
RE Holt LLC	DE	None	100.00
RE HonorCo LLC	DE	None	100.00
RE IndependenceCo LLC	DE	None	100.00
RE India Holdings LLC	DE	None	100.00
RE Jameson LLC	DE	None	100.00
RE JusticeCo LLC	DE	None	100.00
RE Kamm LLC	DE	None	100.00
RE La Mesa LLC	DE	None	100.00
RE Lancaster LLC	DE	None	50.10
RE LibertyCo LLC	DE	None	100.00
RE Lincoln LLC	DE	None	100.00
RE Maplewood LLC	DE	None	100.00
RE Mikado LLC	DE	None	100.00
RE Minter LLC	DE	None	100.00
RE Mitchell Holdings LLC	DE	None	99.14
RE Mohican LLC	DE	None	50.10
RE Mojave 1 ES LLC	DE	None	100.00
RE Mojave 2 ES LLC	DE	None	100.00
RE Mojave 3 ES LLC	DE	None	100.00
RE Mojave Holdings LLC	DE	None	100.00
RE Monte Vista Holdings LLC	DE	None	100.00
RE Monument LLC	DE	0801986899	100.00
RE Mustang 3 LLC	DE	None	99.14
RE Mustang 4 LLC	DE	None	99.14
RE Mustang 5 LLC	DE	None	100.00
RE Mustang 6 LLC	DE	None	100.00
RE Mustang BAAH LLC	DE	None	99.14
RE Mustang Holdings LLC	DE	None	99.14
RE Mustang Interconnection Manager LLC	DE	None	100.00
RE Mustang LLC	DE	None	99.14
RE Mustang Two LLC	DE	None	100.00
RE Oakland ES LLC	DE	None	100.00
RE Orion LLC	DE	None	100.00
RE Palmwood LLC	DE	0801987681	100.00
RE Patterson Holdings LLC	DE	None	100.00
RE Pelican Holdings LLC	DE	None	100.00
RE Periwinkle LLC	DE	None	100.00
RE Pioneer Holdings LLC	DE	None	100.00
RE PR Solar, LLC	DE	None	100.00
RE Quarter Holdings LLC	DE	None	100.00
RE Roserock Holdings LLC	DE	0802298963	36.33
RE Roserock LLC	DE	0801981837	36.33
RE Royal LLC	DE	None	100.00
RE Santa Clara LLC	DE	None	100.00
RE Scarlet LLC	DE	None	100.00
RE Shire Holdings LLC	DE	None	100.00
RE Sienna LLC	DE	None	100.00
RE Silverlake Holdings LLC	DE	None	38.60
RE Slate LLC	DE	None	100.00
RE Tranquillity 1 LLC	DE	None	100.00
RE Tranquillity 2 LLC	DE	None	100.00
RE Tranquillity 3 LLC	DE	None	100.00
RE Tranquillity 4 LLC	DE	None	100.00

RE Tranquillity 5 LLC	DE	None	100.00
RE Tranquillity 6 LLC	DE	None	100.00
RE Tranquillity 7 LLC	DE	None	100.00
RE Tranquillity 8 Amarillo LLC	DE	None	100.00
RE Tranquillity 8 Azul LLC	DE	None	100.00
RE Tranquillity 8 Dorado LLC	DE	None	100.00
RE Tranquillity 8 ES LLC	DE	None	100.00
RE Tranquillity 8 Gris LLC	DE	None	100.00
RE Tranquillity 8 LLC	DE	None	100.00
RE Tranquillity 8 Marron LLC	DE	None	100.00
RE Tranquillity 8 Rojo LLC	DE	None	100.00
RE Tranquillity 8 Rosa LLC	DE	None	100.00
RE Tranquillity 8 Verde LLC	DE	None	100.00
RE Tranquillity 8 Violeta LLC	DE	None	100.00
RE Tranquillity BAAH LLC	DE	None	42.40
RE Tranquillity Holdings LLC	DE	None	42.40
RE Tranquillity Interconnection Manager LLC	DE	None	100.00
RE Tranquillity LLC	DE	None	42.40
RE Vallejo LLC	DE	None	50.10
RE Vallejo 2 LLC	DE	None	100.00
RE ValorCo LLC	DE	None	100.00
RE Walker Pass A LLC	DE	None	100.00
RE Yakima LLC	DE	None	100.00
Recurrent Energy Gen-Tie MANAGEMENT LLC	DE	None	100.00
Recurrent Energy Management llc	DE	None	100.00
Recurrent Energy ProCo LLC	DE	None	100.00
REK Holdings LLC	DE	None	100.00
RE-PRI LLC	DE	None	100.00
RE-SDS LLC	DE	None	100.00
RE-VFO LLC	DE	None	100.00
SiteCo, LLC	DE	0802146319	100.00
Recurrent Energy Development Holdings, LLC	DE	0801241717	100.00
Recurrent Energy Portfolio Holdings, LLC	DE	None	100.00
Recurrent Energy US Holdings, LLC	DE	None	100.00
RE MineralCo LLC	DE	None	100.00
RE Skunk Creek LLC	DE	None	100.00
Recurrent Energy LandCo LLC	DE	None	100.00
RE Astoria 2 LandCo LLC	DE	None	100.00
RE Astoria 3 LandCo LLC	DE	None	100.00
RE Astoria LandCo LLC	DE	None	100.00
RE Barren Ridge LandCo LLC	DE	None	100.00
RE Clearwater LandCo LLC	DE	None	100.00
RE Dinuba LandCo LLC	DE	None	100.00
RE Garland A LandCo LLC	DE	None	100.00
RE Garland LandCo LLC	DE	None	100.00
RE Mustang LandCo LLC	DE	None	100.00
RE Oak Creek LandCo LLC	DE	None	100.00
Recurrent Energy International Holdings, LLC	DE	None	100.00

Texas Franchise Tax Public Information Report
To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP),
Professional Associations (PA) and Financial Institutions

■ Tcode 13196

■ Taxpayer number 32056272043		■ Report year 2016		You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.	
Taxpayer name SITECO, LLC				<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 300 CALIFORNIA STREET, 7TH FL				Secretary of State (SOS) file number or Comptroller file number	
City SAN FRANCISCO		State CA	ZIP code plus 4 94104-1415	0802146319	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415
Principal place of business 300 CALIFORNIA STREET, 7TH FL, SAN FRANCISCO, CA, 94104-1415



3205627204316

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name YUMIN LIU	Title PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name HELEN SHIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104
Name JOSHUA A GOLDSTEIN	Title VICE PRESIDENT	Director <input type="checkbox"/> YES	Term expiration PERPETUAL
Mailing address 300 CALIFORNIA STREET, 7TH FL	City SAN FRANCISCO	State CA	ZIP Code 94104

SECTION B Enter information for each corporation LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution RECURRENT ENERGY DEVELOPMENT HOLDINGS, LLC	State of formation DE	Texas SOS file number, if any 0801241717	Percentage of ownership 100.00%
---	---------------------------------	--	---

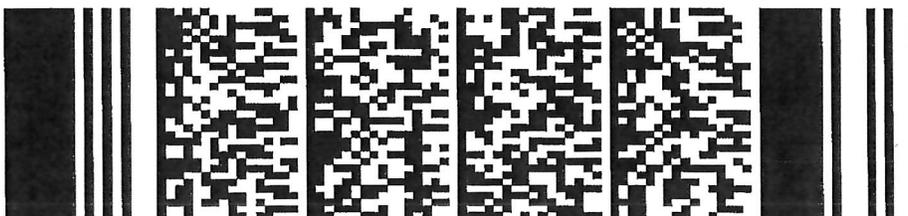
Registered agent and registered office currently on file (see instructions if you need to make changes)				You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.			
Agent: CSC - LAWYERS INCORPORATING SERVICE COMPANY							
Office: 211 E. 7TH STREET, SUITE 620			City AUSTIN		State TX	ZIP Code 78701	

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here	Title PRESIDENT	Date 11/10/10	Area code and phone number (415) 675-1500
------------------	---------------------------	-------------------------	---

Texas Comptroller Official Use Only



VE/DE <input type="checkbox"/>	PIR IND <input type="checkbox"/>
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TAB 4

Detailed description of the project

RE Maplewood LLC is developing a solar photovoltaic facility designed to use solar power to generate electricity. The anticipated generation capacity of the Project is 100 MW. The qualified investment may include solar modules, mounting system, electrical collection system, combiner boxes, inverters, project substation, meteorological equipment, operations and maintenance facility, transmission facilities, and other ancillary equipment necessary to safely generate and transmit energy. All of the property for which the Applicant is seeking a limitation of appraised value will be owned by the Applicant.

The Applicant anticipates commencing construction activities in the first quarter of 2019 and completing construction by the fourth quarter of 2019. Once complete, the Project may operate for thirty or more years.

The Project will be located entirely within Pecos County and the Iraan-Sheffield Independent School District. It may utilize approximately 1,500 acres of the land within the RZ Tunas Creek Reinvestment Zone. The project design is not finalized at this time thus the exact location of the improvements cannot be specified. The land used for the Project is privately owned land under long-term leases. The land is currently shrub land which is not being actively used for any profitable ventures.

TAB 5

Documentation to assist in determining if limitation is a determining factor

The applicant's parent company for this project, Recurrent Energy, is a solar project developer who has successfully developed and sold more than 1.9GWp of solar photovoltaic (PV) projects across North America. Based in the U.S. and headquartered in San Francisco, Recurrent Energy is a wholly owned subsidiary of Canadian Solar and functions as the U.S. development arm of Canadian Solar's Energy Group. Recurrent Energy has one of North America's largest solar development portfolios, with a project pipeline across the United States exceeding 4GWp and more than 2.1GWp of contracted projects. The applicant requires this appraised value limitation in order to move forward with constructing this project in Texas. Specifically, without the available tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project in Texas would be in jeopardy.

Property taxes can be the highest operating expense for a solar generation facility, as solar plants do not have any associated fuel costs for the production of electricity. With Texas wholesale electricity prices already below the national average, it is necessary to limit the property tax liabilities for a solar project in order to be able to offer electricity at prices that are marketable to Texas customers at competitive rates, including power sales under a bi-lateral contract. Without the appraised value limitation, Recurrent Energy would look to maximize their investment by building in California, a state that provides many subsidies for renewable energy projects, and which has higher average contracted power rates along with attractive incentives for developers to build projects.

The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates under a power purchase agreement. As such, the applicant is not able to finance and build its project in Texas even with a signed power purchase agreement with an offtaker because of the low price in the power purchase agreement. Without the tax incentive, the applicant would be forced to abandon the project, including its executed ERCOT Standard Generation Interconnection Agreement with Electric Transmission Texas LLC, its executed Chapter 312 Tax Abatement Agreements with Pecos County taxing entities and its executed Option-to-Lease Agreements with landowners in Pecos County. In addition to terminating these agreements, the applicant would look to spend its development capital and prospective investment funds in other states where the rate of return is higher on a project basis. This is because other states have high electricity prices where a developer can obtain a PPA with a much higher contracted rate, combined with state incentives for renewable energy generation, the other states offer a much higher rate of return for the project financiers. Without the tax incentives in Texas, a project with a power purchase agreement becomes unfinanceable.

TAB 6

Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor (if applicable)

The RE Maplewood LLC project is located 100% in the Iraan-Sheffield ISD in Pecos County, Texas. Additional taxing entities include:

- | | |
|---|--------|
| 1) Pecos County | - 100% |
| 2) Iraan Hospital District | - 100% |
| 3) Middle Pecos Groundwater Conservation District | - 100% |
| 4) Midland College | - 100% |

TAB 7

Description of Qualified Investment

RE Maplewood LLC, anticipates constructing a solar photovoltaic (PV) electric generating facility with an operating capacity of approximately 100 MW. The exact capacity and the specific technology components will be determined during the development and design process.

A 100 MW solar PV generating facility may include a qualified investment consisting of the following improvements:

- 1) Solar modules/panels
- 2) Steel/aluminum/other metal mounting system with tracking capabilities
- 3) Underground conduit, communication cables, and electrical collection system wiring
- 4) Multiple combiner boxes
- 5) One or multiple project substation(s) including breakers, a transformer, and meters
- 6) Collection substation will be connected to utility interconnection by an above ground transmission line
- 7) Inverter boxes on concrete or gravel pads
- 8) Operations and maintenance facility
- 9) Fencing for safety and security
- 10) Telephone system
- 11) New or improved access and service roads
- 12) Meteorological equipment to measure solar irradiation and weather conditions

The map in TAB 11 shows the proposed project area with the preliminary solar equipment location with the highlighted areas. The exact placement of the equipment is subject to ongoing planning, soil studies, and engineering and will be determined before construction begins.

TAB 8

Description of Qualified Property

Please refer to TAB 7.

TAB 9

Description of Land

N/A

TAB 10

Description of all property not eligible to become qualified property (if applicable)

N/A

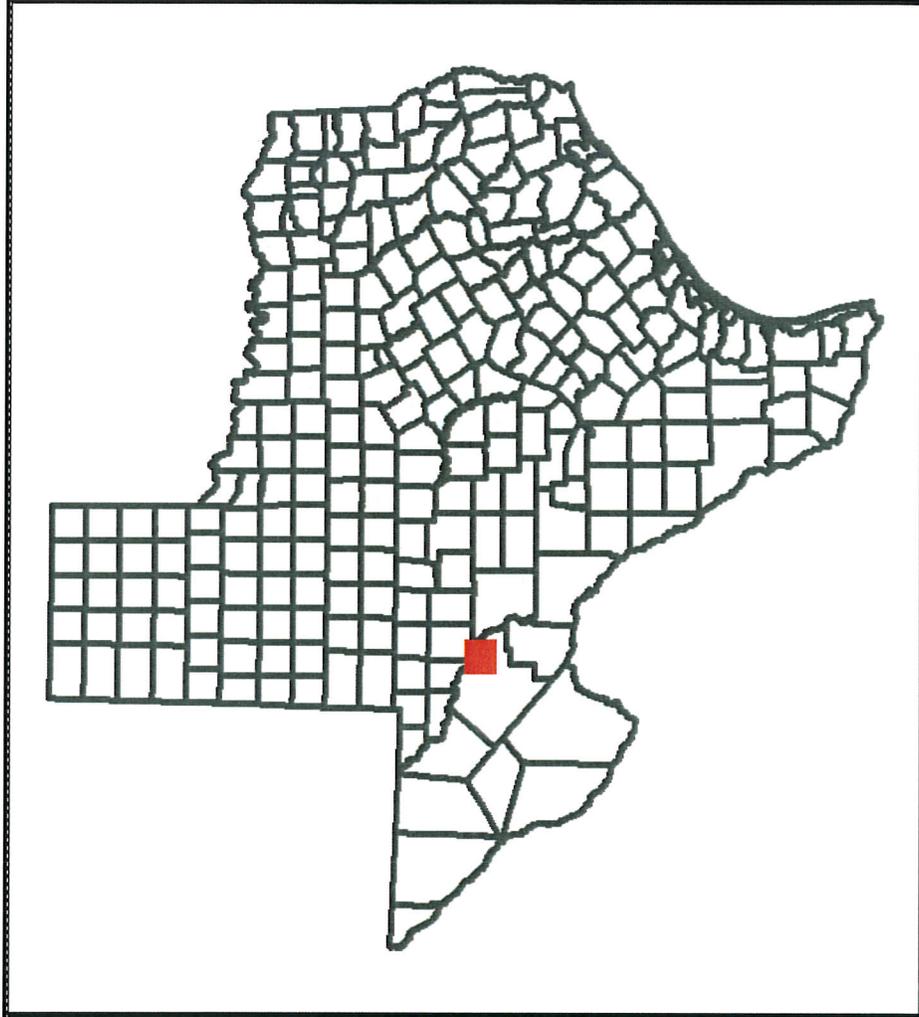
TAB 11

Tab 11 Maps B, C, and D are being submitted under separate cover due to confidential information pursuant to Tex. Admin Code Section 9.1053. and Tex. Gov't Code Section 552.110.

Maps that clearly show:

- *Project vicinity, Qualified investment & property, Existing Property, Land Location, and Reinvestment Zone*

SEE ATTACHED MAPS



TAB 12

Request of waiver of creation requirement

SEE BELOW.

**RECURRENT
ENERGY**

A subsidiary of Canadian Solar

300 California Street, 7th Floor
San Francisco, CA 94104

415.675.1500 (p)
415.675.1501 (f)

www.recurrentenergy.com

Mr. Kevin Allen,
Superintendent Iraan-Sheffield Independent School District
P.O. Box 486
Iraan, Texas 79744

Re: Chapter 313 Job Waiver Request

Dear Mr. Allen,

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

Based upon our knowledge of staffing requirements, RE Maplewood LLC, requests the job creation requirement under Chapter 313 of the Texas Tax Code be waived. In line with solar industry standards for job requirements, RE Maplewood LLC has committed to create two (2) new permanent jobs.

Solar projects create a large number of full-time, temporary jobs during the construction phase (1st year), but require a small number of highly skilled technicians to operate the solar project once construction operations end and commercial operations begin.

These permanent employees of a solar energy project maintain and service solar panels, mounting infrastructure, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition to the onsite employees described above, there also may be asset managers or technicians who supervise, monitor, and support solar project operations from offsite locations.

The waiver request herein is in line with industry standards for the number of jobs specifically relegated to a solar generation facility of this size. This is evidenced by previously filed limitation agreement applications by solar developers who similarly requested a waiver of the job requirements and in addition, by readily available documentation and education materials related to the development of solar generation facilities.

Sincerely,



Helen Kang Shin,
General Counsel and Secretary

TAB 13

Calculation of three possible wage requirements with TWC documentation

AVERAGE WEEKLY WAGES FOR ALL JOBS, ALL INDUSTRIES IN PECOS COUNTY
FOUR MOST RECENT QUARTERS

COUNTY	YEAR	QUARTER	Avg. Weekly Wage	Annualized
Pecos	2016	Q3	\$ 816	\$ 42,432
Pecos	2016	Q4	\$ 843	\$ 43,836
Pecos	2017	Q1	\$ 894	\$ 46,488
Pecos	2017	Q2	\$ 838	\$ 43,576
AVERAGE:			\$ 848	\$44,083

AVERAGE WEEKLY WAGES FOR MANUFACTURING JOBS IN PECOS COUNTY
FOUR MOST RECENT QUARTERS

COUNTY	YEAR	QUARTER	Avg. Weekly Wage	Annualized
Pecos	2016	Q3	\$ 1,423	\$ 73,996
Pecos	2016	Q4	\$ 1,346	\$ 69,992
Pecos	2017	Q1	\$ 1,030	\$ 53,560
Pecos	2017	Q2	\$ 1,019	\$ 52,988
AVERAGE:			\$ 1,280	\$ 62,634
CALCULATION:			\$1,205 * 110% = \$1,407	\$66,534 * 110% = \$73,187

Please refer to the attached TWC documentation below.

Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	3rd Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$816
2016	4th Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$843

Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	1st Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$694
2017	2nd Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$638

Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	3rd Qtr	Pecos County	Total All	31	2	31-33	Manufacturing	\$1,423
2016	4th Qtr	Pecos County	Total All	31	2	31-33	Manufacturing	\$1,346

Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	1st Qtr	Pecos County	Total All	31	2	31-33	Manufacturing	\$1,330
2017	2nd Qtr	Pecos County	Total All	31	2	31-33	Manufacturing	\$1,019

PBRPC Region Average Wages

	<u>Weekly</u>	<u>Yearly</u>
Q2-2017	\$ 952	\$ 49,504
Q1-2017	\$ 1,011	\$ 52,572
Q4-2016	\$ 950	\$ 49,400
Q3-2016	\$ 904	\$ 47,008
Average	\$ 954.25	\$ 49,621.00
110% of wage	\$1,049.68	\$ 54,583.10

Area	Quarterly Establishments	January Employment	February Employment	March Employment	Total Quarterly Wages	Average Weekly Wage
U.S. TOTAL	9,922,383	143,341,607	144,489,559	145,186,369	\$1,913,845,719,413	\$1,020
Texas	671,469	11,960,768	12,019,329	12,059,558	\$160,380,645,571	\$1,027
PBRPC Region	13,808	209,137	211,634	214,285	\$3,135,145,082	\$952
Andrews County, Texas	485	7,081	7,243	7,270	\$106,117,227	\$1,134
Borden County, Texas	62	196	193	190	\$1,773,907	\$707
Crane County, Texas	104	1,249	1,243	1,246	\$16,137,880	\$996
Dawson County, Texas	509	4,293	4,298	4,311	\$40,524,654	\$725
Ector County, Texas	3,867	69,085	69,808	70,446	\$948,969,794	\$1,046
Gaines County, Texas	613	6,084	6,087	6,231	\$71,109,486	\$892
Glasscock County, Texas	112	506	520	514	\$4,702,375	\$705
Howard County, Texas	933	12,579	12,673	12,681	\$161,820,341	\$994
Loving County, Texas	12	80	87	90	\$942,849	\$947
Martin County, Texas	212	1,847	1,892	1,954	\$23,748,616	\$963
Midland County, Texas	5,430	86,775	87,911	89,255	\$1,511,293,286	\$1,321
Pecos County, Texas	416	5,476	5,492	5,594	\$60,080,027	\$837
Reeves County, Texas	344	4,974	5,142	5,394	\$60,952,147	\$907
Terrell County, Texas	50	281	282	280	\$2,819,967	\$772
Upton County, Texas	104	1,506	1,485	1,562	\$23,867,285	\$1,210
Ward County, Texas	353	4,532	4,600	4,585	\$63,706,838	\$1,072
Winkler County, Texas	202	2,593	2,678	2,682	\$36,578,403	\$1,061

Source: Quarterly Census of Employment and Wages - Bureau of Labor Statistics

Q1-2017

Area	Quarterly Establishments	January Employment	February Employment	March Employment	Total Quarterly Wages	Average Weekly Wage
U.S. TOTAL	9,864,197	140,803,178	141,534,347	142,309,185	\$ 2,044,748,205,052	\$ 1,111
Texas	668,046	11,788,365	11,870,862	11,924,528	\$ 173,379,590,533	\$ 1,124
PBRPC Region	13,802	204,167	205,878	207,187	\$ 3,169,229,010	\$ 1,011
Andrews County, Texas	475	6,839	6,974	7,059	\$ 104,694,563	\$ 1,158
Borden County, Texas	65	194	195	199	\$ 1,803,696	\$ 708
Crane County, Texas	103	1,188	1,210	1,203	\$ 17,577,631	\$ 1,126
Dawson County, Texas	513	4,503	4,379	4,352	\$ 42,553,342	\$ 742
Ector County, Texas	3,872	67,019	67,852	68,223	\$ 915,414,845	\$ 1,040
Gaines County, Texas	611	6,192	6,121	6,000	\$ 83,374,452	\$ 1,051
Glasscock County, Texas	114	521	508	507	\$ 5,670,941	\$ 852
Howard County, Texas	940	12,550	12,511	12,661	\$ 145,582,414	\$ 891
Loving County, Texas	14	61	64	71	\$ 839,605	\$ 989
Martin County, Texas	212	1,998	1,921	1,866	\$ 23,717,204	\$ 946
Midland County, Texas	5,427	84,164	84,985	85,596	\$ 1,576,484,636	\$ 1,428
Pecos County, Texas	417	5,487	5,524	5,555	\$ 63,814,566	\$ 889
Reeves County, Texas	337	4,833	4,799	4,940	\$ 54,533,063	\$ 964
Terrell County, Texas	49	260	276	279	\$ 2,890,479	\$ 818
Upton County, Texas	104	1,508	1,507	1,528	\$ 28,008,437	\$ 1,423
Ward County, Texas	348	4,359	4,493	4,552	\$ 63,373,212	\$ 1,091
Winkler County, Texas	201	2,491	2,559	2,596	\$ 38,895,924	\$ 1,174

Source: Quarterly Census of Employment and Wages - Bureau of Labor Statistics

Q4-2016

Area	Quarterly Establishments	January Employment	February Employment	March Employment	Total Quarterly Wages	Average Weekly Wage
U.S. TOTAL	9,828,841	143,443,466	143,932,095	143,798,095	\$ 1,993,782,343,729	\$ 1,067
Texas	664,620	11,892,597	11,959,448	11,972,594	\$ 166,488,985,540	\$ 1,072
PERFC Region	13,779	202,950	204,807	205,677	\$ 2,984,564,320	\$ 950
Andrews County, Texas	466	6,718	6,831	6,881	\$ 102,215,198	\$ 1,155
Borden County, Texas	67	244	261	264	\$ 2,090,320	\$ 627
Crane County, Texas	109	1,339	1,343	1,352	\$ 19,444,100	\$ 1,112
Dawson County, Texas	513	4,467	4,563	4,611	\$ 43,020,668	\$ 728
Ector County, Texas	3,874	66,646	67,087	67,412	\$ 907,603,669	\$ 1,041
Gaines County, Texas	611	5,960	6,124	6,251	\$ 75,996,789	\$ 957
Glasscock County, Texas	116	574	574	583	\$ 6,154,670	\$ 821
Howard County, Texas	933	12,352	12,490	12,451	\$ 146,122,569	\$ 904
Loving County, Texas	12	76	79	79	\$ 724,782	\$ 715
Martin County, Texas	208	2,077	2,077	2,124	\$ 27,225,663	\$ 1,001
Midland County, Texas	5,429	83,670	84,559	84,850	\$ 1,421,892,096	\$ 1,297
Pecos County, Texas	418	5,693	5,682	5,615	\$ 61,996,695	\$ 842
Reeves County, Texas	322	4,496	4,465	4,526	\$ 48,429,603	\$ 829
Terrell County, Texas	48	279	273	263	\$ 2,744,456	\$ 777
Upton County, Texas	106	1,491	1,505	1,518	\$ 23,853,613	\$ 1,219
Ward County, Texas	350	4,387	4,415	4,407	\$ 60,330,372	\$ 1,054
Winkler County, Texas	197	2,481	2,479	2,490	\$ 34,719,057	\$ 1,075

Source: Quarterly Census of Employment and Wages - Bureau of Labor Statistics

Q3-2016

Area	Quarterly Establishments	January Employment	February Employment	March Employment	Total Quarterly Wages	Average Weekly Wage
U.S. TOTAL	9,758,568	141,176,872	141,880,006	143,005,034	\$ 1,896,522,655,754	\$ 1,027
Texas	661,488	11,755,571	11,784,175	11,837,943	\$ 159,707,734,151	\$ 1,042
PERFC Region	13,838	200,532	201,073	202,033	\$ 2,763,375,413	\$ 904
Andrews County, Texas	467	6,605	6,579	6,711	\$ 93,541,752	\$ 1,085
Borden County, Texas	64	242	244	245	\$ 1,975,879	\$ 624
Crane County, Texas	110	1,325	1,323	1,341	\$ 17,684,358	\$ 1,023
Dawson County, Texas	518	4,276	4,300	4,278	\$ 39,868,468	\$ 716
Ector County, Texas	3,893	65,440	66,351	66,902	\$ 879,944,354	\$ 1,022
Gaines County, Texas	609	6,196	6,158	6,105	\$ 69,215,743	\$ 865
Glasscock County, Texas	115	566	561	571	\$ 5,461,672	\$ 742
Howard County, Texas	934	12,503	12,436	12,293	\$ 141,836,257	\$ 879
Loving County, Texas	11	73	70	68	\$ 669,197	\$ 732
Martin County, Texas	208	1,837	1,909	1,931	\$ 22,481,101	\$ 914
Midland County, Texas	5,459	82,559	82,375	82,849	\$ 1,268,765,703	\$ 1,182
Pecos County, Texas	423	5,804	5,730	5,662	\$ 61,001,780	\$ 819
Reeves County, Texas	320	4,486	4,438	4,468	\$ 46,932,100	\$ 809
Terrell County, Texas	50	302	293	298	\$ 3,226,963	\$ 834
Upton County, Texas	106	1,543	1,534	1,508	\$ 21,578,493	\$ 1,086
Ward County, Texas	355	4,341	4,353	4,416	\$ 56,887,948	\$ 1,001
Winkler County, Texas	196	2,434	2,419	2,387	\$ 32,303,645	\$ 1,030

Source: Quarterly Census of Employment and Wages - Bureau of Labor Statistics

TAB 14

Schedules A1, A2, B, C, and D completed and signed Economic Impact

See attached Excel Spreadsheet

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

Date: 1/17/2018
Applicant Name: RE MAPLEWOOD LLC
ISD Name: Iram-Sherfield ISD

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 not 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)		
			Not eligible to become Qualified Property						
		2018	0	0	0	0	0		
			0	0	0	0	\$0		
			\$140,000,000	0	0	0	\$140,000,000		
			\$0	0	0	0	\$0		
Complete tax years of qualifying time period									
	QTP1	2019-2020							
	QTP2	2019-2020							
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]			\$140,000,000	\$0	\$0	\$0	\$0	\$140,000,000	
Total Qualified Investment (sum of green cells)			\$140,000,000					\$140,000,000	

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 that is specifically described in the application. 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 date 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)

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		Column B		Column C		Column D		Column E	
			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 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*			\$140,000,000		\$0		\$0		\$0		\$140,000,000	
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>			0	2017-2018	2018	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>			0	2019-2020	2019	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Value limitation period***			1	2020-2021	2020	\$0	\$0	\$11,859	\$0	\$11,859	\$0	\$11,859
			2	2021-2022	2021	\$0	\$0	\$12,045	\$0	\$12,045	\$0	\$12,045
			3	2022-2023	2022	\$0	\$0	\$17,741	\$0	\$17,741	\$0	\$17,741
			4	2023-2024	2023	\$0	\$0	\$18,045	\$0	\$18,045	\$0	\$18,045
			5	2024-2025	2024	\$0	\$0	\$224,710	\$0	\$224,710	\$0	\$224,710
			6	2025-2026	2025	\$0	\$0	\$178,446	\$0	\$178,446	\$0	\$178,446
			7	2026-2027	2026	\$0	\$0	\$181,964	\$0	\$181,964	\$0	\$181,964
			8	2027-2028	2027	\$0	\$0	\$185,553	\$0	\$185,553	\$0	\$185,553
			9	2028-2029	2028	\$0	\$0	\$189,214	\$0	\$189,214	\$0	\$189,214
			10	2029-2030	2029	\$0	\$0	\$1,080,943	\$0	\$1,080,943	\$0	\$1,080,943
Total investment made through limitation			\$140,000,000		\$0		\$0		\$0		\$142,100,519	
Continue to maintain viable presence			11	2030-2031	2030	\$0	\$0	\$195,756	\$0	\$195,756	\$0	\$195,756
			12	2031-2032	2031	\$0	\$0	\$200,641	\$0	\$200,641	\$0	\$200,641
			13	2032-2033	2032	\$0	\$0	\$204,604	\$0	\$204,604	\$0	\$204,604
			14	2033-2034	2033	\$0	\$0	\$208,645	\$0	\$208,645	\$0	\$208,645
			15	2034-2035	2034	\$0	\$0	\$419,122	\$0	\$419,122	\$0	\$419,122
			16	2035-2036	2035	\$0	\$0	\$216,973	\$0	\$216,973	\$0	\$216,973
			17	2036-2037	2036	\$0	\$0	\$221,262	\$0	\$221,262	\$0	\$221,262
			18	2037-2038	2037	\$0	\$0	\$225,637	\$0	\$225,637	\$0	\$225,637
			19	2038-2039	2038	\$0	\$0	\$230,099	\$0	\$230,099	\$0	\$230,099
			20	2039-2040	2039	\$0	\$0	\$1,270,818	\$0	\$1,270,818	\$0	\$1,270,818
			21	2040-2041	2040	\$0	\$0	\$236,773	\$0	\$236,773	\$0	\$236,773
			22	2041-2042	2041	\$0	\$0	\$241,508	\$0	\$241,508	\$0	\$241,508
			23	2042-2043	2042	\$0	\$0	\$246,339	\$0	\$246,339	\$0	\$246,339
			24	2043-2044	2043	\$0	\$0	\$251,265	\$0	\$251,265	\$0	\$251,265
			25	2044-2045	2044	\$0	\$0	\$462,645	\$0	\$462,645	\$0	\$462,645

* 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.
 Column B: Only tangible personal property that is specifically described in the application can become qualified property.
 Column C: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.
 Column D: 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 E: 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: **1/17/2018**
Applicant Name: **RE MAPLEWOOD LLC**
ISD Name: **Iraan-Sheffield ISD**

	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	2018-2019	2018	\$0	\$0	\$0	\$0	\$0	\$0
	0	2019-2020	2019	\$0	\$0	\$0	\$0	\$0	\$0
	1	2020-2021	2020	\$0	\$140,000,000	\$0	\$140,000,000	\$140,000,000	\$30,000,000
	2	2021-2022	2021	\$0	\$119,000,000	\$0	\$119,000,000	\$119,000,000	\$30,000,000
	3	2022-2023	2022	\$0	\$101,150,000	\$0	\$101,150,000	\$101,150,000	\$30,000,000
Value Limitation Period	4	2023-2024	2023	\$0	\$85,977,500	\$0	\$85,977,500	\$85,977,500	\$30,000,000
	5	2024-2025	2024	\$0	\$73,080,875	\$0	\$73,080,875	\$73,080,875	\$30,000,000
	6	2025-2026	2025	\$0	\$62,118,744	\$0	\$62,118,744	\$62,118,744	\$30,000,000
	7	2026-2027	2026	\$0	\$52,800,932	\$0	\$52,800,932	\$52,800,932	\$30,000,000
	8	2027-2028	2027	\$0	\$44,880,792	\$0	\$44,880,792	\$44,880,792	\$30,000,000
Continue to maintain viable presence	9	2028-2029	2028	\$0	\$38,148,674	\$0	\$38,148,674	\$38,148,674	\$30,000,000
	10	2029-2030	2029	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$30,000,000
	11	2030-2031	2030	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	12	2031-2032	2031	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	13	2032-2033	2032	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
Additional years for 25 year economic impact as required by 313.026(c)(1)	14	2033-2034	2033	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	15	2034-2035	2034	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	16	2035-2036	2035	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	17	2036-2037	2036	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	18	2037-2038	2037	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	19	2038-2039	2038	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	20	2039-2040	2039	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	21	2040-2041	2040	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	22	2041-2042	2041	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	23	2042-2043	2042	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	24	2043-2044	2043	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372
	25	2044-2045	2044	\$0	\$32,426,372	\$0	\$32,426,372	\$32,426,372	\$32,426,372

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: 1/17/2018
Applicant Name: RE MAPLEWOOD LLC
ISD Name: Iraan-Sheffield ISD

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs		Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E 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	2018-2019	2018	0	N/A	0	0	N/A	
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	450,000 man hours and 350 Peak Labor Jobs	\$49,621.00	0	0	N/A	
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2020-2021	2020	0	N/A	0	2	\$54,583.10	
	2	2021-2022	2021	0	N/A	0	2	\$54,583.10	
	3	2022-2023	2022	0	N/A	0	2	\$54,583.10	
	4	2023-2024	2023	0	N/A	0	2	\$54,583.10	
	5	2024-2025	2024	0	N/A	0	2	\$54,583.10	
	6	2025-2026	2025	0	N/A	0	2	\$54,583.10	
	7	2026-2027	2026	0	N/A	0	2	\$54,583.10	
	8	2027-2028	2027	0	N/A	0	2	\$54,583.10	
	9	2028-2029	2028	0	N/A	0	2	\$54,583.10	
	10	2029-2030	2029	0	N/A	0	2	\$54,583.10	
Years Following Value Limitation Period	11 through	25	2030-2045	0	N/A	0	2	\$54,583.10	

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

- 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)?
- C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

Yes No

Yes No

Yes No

Schedule D: Other Incentives (Estimated)

Date: 1/17/2018
 Applicant Name: RE MAPLEWOOD LLC
 ISD Name: Iraan-Sheffield ISD

Form 50-296A
 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: Pecos City: Other:	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A
Tax Code Chapter 312	County: Pecos County/Midland College City: N/A Other: Middle Pecos Groundwater Conservation District Other: Iraan General Hospital District	2019 N/A 2019 2019	10 Years N/A 10 Years 10 Years	Annual Avg. of \$625,078 N/A Annual Avg. of \$18,665 Annual Avg. of \$297,222	Annual Avg. of \$500,062 N/A Annual Avg. of \$5,660 Annual Avg. of \$237,778	Annual Avg. of \$125,156 N/A Annual Avg. of \$13,005 Annual Avg. of \$59,444
Local Government Code Chapters 380/381	County: Pecos City: Other:	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A
Freepport Exemptions	N/A	N/A	N/A	N/A	N/A	N/A
Non-Annexation Agreements	N/A	N/A	N/A	N/A	N/A	N/A
Enterprise Zone/Project	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development Corporation	N/A	N/A	N/A	N/A	N/A	N/A
Texas Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A
Employee Recruitment	N/A	N/A	N/A	N/A	N/A	N/A
Skills Development Fund	N/A	N/A	N/A	N/A	N/A	N/A
Training Facility Space and Equipment	N/A	N/A	N/A	N/A	N/A	N/A
Infrastructure Incentives	N/A	N/A	N/A	N/A	N/A	N/A
Permitting Assistance	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL				\$940,965	\$743,500	\$197,605

Additional information on incentives for this project: RE MAPLEWOOD LLC has executed Chapter 312 tax abatements with Pecos County, Middle Pecos Groundwater Conservation District (MPGCD) and Iraan General Hospital District. All 312 tax abatements are for 10 years at an 80% abatement from Ad Valorem Taxes. MPGCD 312 Agreement has \$50,000,000 project minimum limitation value.

TAB 15

*Economic Impact Analysis, other payments made in the state or other economic information
(if applicable)*

RE Maplewood LLC, will not be including an Economic Impact Report.

TAB 16

Description of Reinvestment Zone, including:

A. Evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Not Applicable)

B. Legal description of the reinvestment zone

TRACT I:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being the East 400 acre(s), more or less, of land out of G.C.& S. F.RR Co. Survey, Block 194, Section 74, Abstract Number 5350, Pecos County, Texas.

TRACT II:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being 640 acre(s), more or less, of land out of the G. C.& S. F.RR Co. Survey, Block 194, Section 75, Abstract Number 6991, Pecos County, Texas.

TRACT III:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being 640 acre(s), more or less, of land out of the G.C.& S. F.RR Co. Survey, Block 194, Section 76, Abstract Number 5349, Pecos County, Texas.

TRACT IV:

The West One half (W/2), and being 48 acres, of Section 80, Block 194 GC&SF RR CO. Survey, Pecos County, Texas.

C. Order, resolution or ordinance establishing the reinvestment zone

RESOLUTION APPROVING AND AUTHORIZING PROPERTY TAX ABATEMENT AGREEMENT
IN THE JURISDICTION OF PECOS COUNTY, TEXAS

WHEREAS, the Commissioners Court of Pecos County, Texas (the "County") has elected to become eligible to participate in tax abatement agreements under the provisions of the Texas Property Redevelopment and Tax Abatement Act (Chapter 312 of the Texas Tax Code) (the "Act"); and

WHEREAS the County has adopted guidelines and criteria governing tax abatement agreements in a resolution dated on or about June 22, 2016 (the "Abatement Guidelines and Criteria"); and,

WHEREAS the County has approved and designated a reinvestment zone known as the EZ Tams Creek Reinvestment Zone in a resolution dated on or about October 24, 2015 (the "Reinvestment Zone"); and,

WHEREAS, a public hearing is required by Chapter 312 of the Texas Tax Code prior to approval of a form of proposed tax abatement agreement between the County and a party seeking to develop a project in an area within the Reinvestment Zone; and

WHEREAS, the County (a) timely published or posted all applicable notices of public hearing regarding the form of a proposed amended and revised tax abatement agreement between the County and RE Maplewood LLC such agreement being in the form of the attached Exhibit A (the "Tax Abatement Agreement"), (b) timely notified all applicable presiding officers of the governing body of each taxing unit that includes in its boundaries real property that may be included in the Reinvestment Zone of the form of the Tax Abatement Agreement, and (c) timely notified all applicable presiding officers of the governing body of each taxing unit that includes in its boundaries real property that may be included in the Reinvestment Zone of the County's intention to enter into such Tax Abatement Agreement with RE Maplewood LLC; and

WHEREAS, all interested members of the public were given an opportunity to make comment at the public hearing.

NOW, THEREFORE, BE IT ORDERED, by the Commissioners Court of Pecos County, that

1. The County finds and determines that: (a) the terms of the proposed Tax Abatement Agreement meet all of the requirements of the Act, the Abatement Guidelines and Criteria and the Reinvestment Zone, will contribute to the retention or expansion of primary employment, will attract major investment in the Reinvestment Zone that would be of benefit to the property that is within the Reinvestment Zone, and will contribute to the economic development of the County; and (b) the property subject to the proposed Tax Abatement Agreement meets all of the requirements of the Act, the Abatement Guidelines and Criteria and the Reinvestment Zone; and, (c) the proposed projects are feasible and the proposed investment of taxes for such projects will meet to the long term benefit of the County.
2. The execution by the County of the Tax Abatement Agreement with RE Maplewood LLC in substantial form as the attached Exhibit A is hereby authorized and approved.
3. The Tax Abatement Agreement shall be applicable to Pecos County and Midland College Williams Regional Technical Training Center (the "Other Taxing Units").
4. The execution by the County on behalf of the Other Taxing Units of the Tax Abatement Agreement with RE Maplewood LLC in substantial form as the attached Exhibit A is hereby authorized and approved.

The foregoing Resolution was lawfully moved by J. H. Kent, duly seconded by George Riggs, and duly adopted by the Pecos County Commissioner's Court, the 10th day of November 2016.

[Signature]
The Honorable Lee Stitzer
Pecos County Judge

[Signature]
George Riggs
Commissioner Precinct 1

[Signature]
Luis Dominguez
Commissioner Precinct 2

[Signature]
Commissioner Precinct 3
J.H. Kent

[Signature]
Commissioner Precinct 4
Santiago Cantu, Jr.

ATTEST:

[Signature]
LIZ CHAPMAN,
PECOS COUNTY CLERK



D. Order, resolution or ordinance establishing the reinvestment zone Guidelines and criteria for creating the zone

PECOS COUNTY

GUIDELINES AND CRITERIA FOR TAX ABATEMENT

I. PURPOSE

Pecos County, herein referred to as “the County,” is committed to the promotion of quality development in all parts of the County and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider recommending tax abatement to stimulate growth and development. Any such incentive shall be provided in accordance with the procedures and criteria outlined in this document. However, nothing in these guidelines shall imply or suggest, or be construed to imply or suggest, that the County is under any obligation to provide any incentive to any applicant. All such applications for tax abatement shall be considered on an individual basis with regard to both the qualification for abatement and the amount of any abatement.

II. DEFINITIONS

The attached Glossary is a list of words with their definitions that are found in this document, and the Glossary is incorporated herein by reference.

III. GUIDELINES AND CRITERIA

Improvements eligible for abatement include the following:

- Aquaculture/agriculture facility,
- Distribution center facility,
- Manufacturing facility,
- Office building,
- Regional entertainment/ tourism facility,
- Renewable power facility and fixtures,

Research facility,

Historic building in a designated area, or

Other basic industry.

Requests for abatement will be evaluated according to factors including, but not limited to, the following:

- (1) Jobs. Projected new jobs created, including the number and type of new jobs, the number and type of jobs retained, the average payroll, and the number of local persons hired.

- (2) Fiscal Impact. The amount of real and personal property value that will be added to the tax roll for both eligible and ineligible property, any County financed infrastructure improvements that will be required by the facility, any infrastructure improvements proposed to be made by the facility, and the compatibility of the project with the County's master plan for development.
- (3) Community Impact. The pollution, if any, as well as other potential negative environmental impact on the health and safety of the community resulting from the proposed project; whether the project will revitalize a depressed area; potential business opportunities for local vendors; alternative development possibilities for the proposed site; the impact on other taxing entities; and/or whether the improvement is expected to solely or primarily have the effect of transferring employment from one part of Pecos County to another.

IV. ABATEMENT AUTHORIZED

- (a) Authorized Date. A facility shall be eligible for tax abatement if it has applied for such abatement prior to the commencement of construction: provided, that such facility meets the criteria for granting tax abatement in reinvestment zones created by Pecos County pursuant to these Guidelines and Criteria. Property may be exempted from taxation under these guidelines for a period not to exceed the statutory limitations.
- (b) Creation of New Value. Abatement may only be granted for the additional value of or increase in value to eligible improvements made subsequent to the filing of an application for tax abatement and specified in the abatement agreement between the County and the property owner or lessee and lessor, subject to such limitations as the Tax Abatement Statute and these Guidelines and Criteria may require.
- (c) New and Existing Facilities. Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion. If the modernization project includes replacement of a facility existing at the time of application, the abated value shall be the value of the new unit(s) less the value of the old unit(s).
- (d) Eligible Property. Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility.

(e) Ineligible Property. The following types of property shall be fully taxable and ineligible for abatement:

land,

animals,

inventories,

supplies,

tools,

furnishings, and other forms of movable personal property (except as provided below),

vehicles,

vessels,

aircraft,

housing or residential property,

hotels/motels,

fauna,

flora,

retail facilities, except when housed in an historic structure, within the designated downtown district,

any improvements including those involved in the production, storage or distribution of natural gas or fluids that are not integral to the operation of the facility, and

Property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas. This provision shall not be interpreted to disallow abatement for property located in the Pecos County Industrial Park. Nor shall this provision be interpreted to disallow abatement where the eligible property to be abated may be located on or affixed to land owned by the State or a subdivision of the State, but is wholly owned by the party seeking the abatement.

Equipment constituting personal property located in the reinvestment zone shall remain eligible for abatement provided the equipment is awaiting installation to become a permanent part of a fixture located or to be constructed in the reinvestment zone that is or will be eligible for property tax abatement, including any replacement parts.

- (f) **Owned/Leased Facilities.** If leased property is granted abatement, the agreement shall be executed with the lessor and lessee. If the eligible property to be abated is located on or affixed to leased land, but is wholly owned by the party seeking the abatement, the agreement shall be executed only with the owner of the property to be abated.
- (g) **Value and Term of Abatement.** Abatement shall be granted effective with the January 1 valuation date immediately following the date of execution of the agreement. The value of new eligible properties shall be abated according to the approved agreement between the applicant and the governing body. The governing body, in its sole discretion, shall determine the amount of any abatement.

The abatement may be extended from the date of the initial agreement by modification provided the statutory requirements for modification are met.

- (h) **Construction in Progress.** If a qualifying facility has not been placed in service as of January 1 following execution of the abatement agreement, the taxpayer may apply for a one-year extension of the term of abatement. Said extension must be applied for prior to the end of the calendar year in which the abatement agreement is executed.
- (i) **Taxability.** From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:
 - (1) The value of ineligible property as provided in Part IV(e) shall be fully taxable.
 - (2) The base year value of existing eligible property, meaning the value of the property for the year in which the abatement agreement is executed, shall be fully taxable.
 - (3) The additional value of eligible property shall be taxable as provided for by the applicable abatement agreement between the owner and the County.

V. APPLICATION FOR TAX ABATEMENT

- (a) Any present or potential owner of taxable property in Pecos County may request the creation of a reinvestment zone and tax abatement by filing a written request with the County.
- (b) The application shall consist of a completed application form accompanied by:
 - (1) a general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken;
 - (2) a descriptive list of the improvements that will be a part of the facility;
 - (3) a map and property description or a site plan;
 - (4) a time schedule for undertaking and completing the planned improvements;
 - (5) for modernized facilities, a statement of the assessed value of the facility, separately stated for real and personal property, for the tax year immediately preceding the application; and,
 - (6) Financial and other information as deemed appropriate for evaluating the financial capacity and other factors of the applicant.
- (c) Upon receipt of a completed application, the County receiving such application shall notify in writing the presiding officer of the legislative body of each affected jurisdiction. Before acting upon the application, the County shall through public hearings as described below afford the applicant and the designated representative of any affected jurisdiction and any member of the public the opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on an agenda of the legislative body of the County to be posted at least twenty (20) days prior to the hearing.
- (d) The County shall approve or deny the application for tax abatement within sixty (60) days after receipt of the application. The presiding officer of the County shall notify the applicant of the approval or disapproval promptly thereafter.
- (e) Statutory Requirements: Not later than the seventh (7th) day before the date of the hearing, notice of the hearing must be: (1) delivered in writing to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, and (2) published in a newspaper of general circulation in the County. At the hearing, the Commissioners Court

evaluates the application against the criteria described in these guidelines and decides by majority vote whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect. An order designating an area as a reinvestment zone is valid for five years from the date of designation. Once the area is designated as a reinvestment zone, the Commissioners Court may then arrange to consider for approval of the tax abatement agreement between the applicant and the county, which it may do at any regularly scheduled meeting, provided notice requirements are met. At least seven days prior to entering into a tax abatement agreement, the County must give written notice of its intent to do so to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or to decline.

- (f) Expedited consideration of application. If the County determines that the application should receive expedited consideration, the Commissioners Court may combine the steps described in the preceding paragraph into a single, regularly scheduled meeting of the Commissioners Court, provided the County meets the procedural prerequisites for each step.
- (g) A request for a reinvestment zone for the purpose of abatement shall not be granted if the County finds that the request for the abatement was filed after commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.
- (h) Variance. Requests for variance from the provisions of Subsections (a) through (e) of Part IV may be made in written form to the County Commissioners Court. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of the request for variance requires a three-fourths (3/4) vote of the County Commissioners Court.

VI. PUBLIC HEARING

- (a) If, after a public hearing, the County Commissioners Court weighs the relevant factors listed in these guidelines and determines that granting the abatement is not in the best interests of the County, the Court shall deny the abatement.
- (b) Neither a reinvestment zone nor an abatement agreement shall be authorized if it is determined that:
 - (1) There would be a substantial and unreasonable adverse affect on the provision of government services or the overall tax base of the County.

- (2) The applicant has insufficient financial capacity.
- (3) Planned or potential use of the property would constitute a hazard to public safety, health, or morals.
- (4) Planned or potential use of the property violates any other governmental codes or any applicable law.

VII. AGREEMENT

- (a) After approval of the tax abatement application, the County shall formally pass a resolution and execute an agreement with the owner of the facility and the lessee involved, if any, which shall include:
 - (1) Estimated value to be abated and the base year value.
 - (2) Percent of value to be abated each year.
 - (3) The commencement date and the termination date of abatement.
 - (4) The proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description, and improvements list.
 - (5) Contractual obligations in the event of default, including a provision for cancellation and recapture of delinquent taxes, provisions for administration and assignment as provided herein, and any other provision that may be required for uniformity or by state law.
 - (6) Performance criteria for continuation of the abatement.
 - (7) Amount of investment and average number of jobs involved for the period of abatement.
 - (8) A provision that the contract shall meet all of the requirements of Texas Tax Code Sec. 312, et. seq.
- (b) Such agreement shall be executed within sixty (60) days after approval of the agreement.
- (c) The County shall make its own determination of abatement which shall not bind any other affected taxing entity.

VIII. RECAPTURE

- (a) In the event that the facility is completed and begins producing product or service, but subsequently discontinues production of product or service for any reason other than fire, explosion, or other casualty or accident or natural disaster for a period of more than one (1) year during the abatement period, then the agreement shall terminate and so shall the abatement of taxes for the calendar year during which the agreement is terminated. The taxes otherwise abated for that calendar year shall be paid to the County within sixty (60) days from the date of termination.
- (b) Should the County determine that the owner is in default of the agreement, the County shall notify the owner of the defect in writing at the address stated in the agreement, and if such defect is not cured within sixty (60) days from the date of such notice ("Cure Period"), then the agreement shall be terminated. Where cure of the proposed defect requires action undertaken over a period of time, the contract will not be considered to be in default if the performing party has undertaken efforts to cure the defect and is diligently pursuing those efforts.
- (c) In the event that the company or individual:
 - (1) allows its ad valorem taxes owed the County to become delinquent, and to remain delinquent for a period of thirty (30) days following notice of the delinquency without instituting proper legal procedures for their protest and/or contest; or
 - (2) violates in a way any of the terms and conditions of the abatement agreement and fails to cure same during the Cure Period;

the agreement shall be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination. A failure to abide by estimated timelines for construction will not be considered to be a material breach of this agreement, provided the owner makes a reasonable effort to meet the estimated timeline.

IX. ADMINISTRATION

- (a) The Chief Appraiser of the Pecos County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year the company or individual receiving the abatement shall furnish the designee of the County with such information as may be necessary to determine continued eligibility for abatement. Once the value has been established, the Chief Appraiser shall notify the County of the amount of assessment. Additionally, the County designee shall notify the County of the number of new or retained employees associated with the facility or generated by

the abatement agreement. Once value has been established, the Chief Appraiser shall notify the affected taxing jurisdictions of the amount of the assessment.

- (b) The agreement shall stipulate that employees and/or designated representatives of the County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to prevent unreasonable interference with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the owner in accordance with its safety standards.
- (c) Upon completion of construction the County shall annually evaluate each facility and report possible violations of the contract and/or agreement to the County.
- (d) All proprietary information acquired by the County for purposes of monitoring compliance with the terms and conditions of an abatement agreement shall be considered confidential.

X. ASSIGNMENT

- (a) Abatement may be transferred and assigned by the owner to a new owner of the same property upon approval by resolution of the County Commissioners Court, subject to the financial capacity of the assignee and provided that the agreement is modified to substitute the assignee as a party to the agreement.
- (b) Any such modification shall not exceed the termination date of the abatement agreement with the original owner.
- (c) No assignment or transfer shall be approved if either the parties to the existing agreement or the proposed assignee is liable to the County for outstanding taxes or other obligations.
- (d) Approval shall not be unreasonably withheld. Upon a finding that the proposed assignee is capable of performing the obligations under the agreement, financially and otherwise, approval of the assignment will not be withheld.

XI. SUNSET PROVISION

- (a) These guidelines are effective upon the date of their adoption and will remain in force for two (2) years, at which time all reinvestment zones and tax abatement contracts created pursuant to its agreements will be reviewed by the County to determine whether the goals of these guidelines and the Tax Abatement Statute

have been achieved. Based on that review, these guidelines may be modified, renewed or eliminated. Such actions shall not affect existing contracts.

- (b) Prior to the date for review, as defined above, these Guidelines may be modified by a two-thirds (2/3) vote of the County Commissioners Court, as provided for by the laws of the State of Texas.

XII. SEVERABILITY AND LIMITATIONS

- (a) In the event that any section, clause, sentence, paragraph, or any part of these guidelines is, for any reason, adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of the guidelines.
- (b) Property that is in a reinvestment zone and that is owned or leased by a member of the County Commissioners Court is excluded from property tax abatement.
- (c) If this Guideline Statement has omitted any mandatory requirement of the applicable tax abatement laws of the State of Texas, then such requirement is hereby incorporated as a part of these guidelines.

XIII. These Guidelines and Criteria do not affect the County's right to enter into abatement agreements for property located within the City of Fort Stockton pursuant to the existing agreement between the County and the City, regardless of whether such abatement agreements meet the criteria announced by these Guidelines.

TAB 17

Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative (applicant)

See attached

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

Michael Meek
Print Name (Authorized School District Representative)

Business Manager
Title

sign here

[Signature]
Signature (Authorized School District Representative)

12-11-2017
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

Helen Kang Shin
Print Name (Authorized Company Representative (Applicant))

Vice President of RE Maplewood LLC
Title

sign here

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

December 5, 2017
Date

GIVEN under my hand and seal of office this, the

See Attached day of

Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires:

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.

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS & COUNSELORS AT LAW
808 WEST AVE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILIE: (512) 494-9919

February 21, 2018

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Application to the Iraan-Sheffield Independent School District from RE
Maplewood LLC.

To the Local Government Assistance & Economic Analysis Division:

I have enclosed for you the Amended Application to the Iraan-Sheffield Independent School District from RE Maplewood LLC. The following changes were placed into amendment 001.

- Tab 10 – was added into the application showing the value of the building.
- Tab 11 – Portion to Remain Confidential
- Tab 14 - Schedules A2, C, D were amended.
 1. A2 was amended to show the beginning limitation 2018-2019 school year and 2018 tax year.
 2. Schedule C: Wages were updated
 3. Schedule D: Beginning Year of Benefit was amended
- Tab 12 - Updated job waiver request
- Tab 13 - Updated Wages and Cog Page
- Tab 16 - Resubmitted a better version of the Reinvestment Zone with the map used to create the reinvestment zone.
- Changes made to the original application
 1. Updated the superintendents name on Page 1.
 2. Page 5, adjusted the time line for the qualifying time period.
 3. Section 13 Question 4 – Added total market value of existing property
 4. Page 7 – Adjusted the wages.

The Applicant has requested that a portion of Tab 11, specifically the detailed layout of the planned solar farm be kept confidential. In accordance with 34 TAC 9.1053, the information that is the

Letter to Local Government Assistance & Economic Analysis Division
February 21, 2018
Page 2 of 2

subject of this request is segregated from the materials submitted contemporaneously with this application, that is, the proprietary commercial information regarding the competitive siting decisions for the possible project and proprietary information regarding the proposed layout of the project. The confidential materials are being submitted separately to protect against unintended disclosure. The maps depicting the planned location of the project display proprietary commercial information regarding the specific location of the possible project and the nature of the business that will be conducted at the site. The materials are protected by the trade secret exception set forth in Texas Government Code §552.110.

A copy of the non-confidential version of the amended application will be submitted to the Pecos County Appraisal District.

Please do not hesitate to call with any questions.

Sincerely,

William Eggleston
Assistant to Kevin O'Hanlon

Cc: Pecos County Appraisal District

RECURR:NT EN:RGY

A subsidiary of Canadian Solar

3000 Oak Road, Ste. 300
Walnut Creek, CA 94597

P + 1 415.675.1500
F + 1 415 .675.1501

1233_iraan-sheffield_remaplewood_amendment001

February 21, 2018
www.recurrentenergy.com

February 12, 2018

Iraan-Sheffield Independent School District
100 S. Farr Street/ P.O. Box 486
Iraan, Texas 79744-0486
Attn: Michael Meek, Superintendent

RE: Amendment 1 to Application #1233 to Iraan-Sheffield Independent School District for Appraised Value Limitation of RE Maplewood LLC (the "Amendment"); Request for Confidentiality

Dear Mr. Meek:

Simultaneously with this letter, RE Maplewood LLC ("the Applicant") is transmitting Amendment #1 to Application #1 233 to the Iraan-Sheffield Independent School District (the "District") as directed by the Texas Comptroller of Public Accounts. At your earliest convenience, please review the amended materials and provide your countersignature if deemed acceptable. In addition, the Applicant hereby requests that the following portion of the Amendment be kept confidential:

Tab 11 (the maps of the proposed project layout and location); and

In accordance with 34 TAC 9.1053, the above information has been segregated from the Amendment submitted simultaneously with this letter, as proprietary commercial information regarding the competitive siting decisions for the possible project and proprietary information regarding the proposed layout of the project and the value of existing property at the project site. The confidential materials are being submitted separately to protect against unintended disclosure.

If you have any questions, please feel free to contact us.

Regards,



Yumin Liu
President
RE Maplewood LLC



Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

Economic Development
and Analysis
Form 50-296-A

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

12/11/2017

Date Application Received by District

Michael

First Name

Superintendent

Title

Iraan-Sheffield Independent School District

School District Name

100 S. Farr Street

Street Address

P.O. Box 486

Mailing Address

Iraan

City

432-639-2512 Ext 223

Phone Number

Mobile Number (optional)

Meek

Last Name

Texas

State

(432) 639-2501

Fax Number

michael.meek@isisd.net

Email Address

79744-0486

ZIP

2. Does the district authorize the consultant to provide and obtain information related to this application? Yes No

Application for Appraised Value Limitation on Qualified Property

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? Yes No
2. The property will be used for one of the following activities:
 - (1) manufacturing Yes No
 - (2) research and development Yes No
 - (3) a clean coal project, as defined by Section 5.001, Water Code Yes No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code Yes No
 - (5) renewable energy electric generation Yes No
 - (6) electric power generation using integrated gasification combined cycle technology Yes No
 - (7) nuclear electric power generation Yes No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) Yes No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 Yes No
3. Are you requesting that any of the land be classified as qualified investment? Yes No
4. Will any of the proposed qualified investment be leased under a capitalized lease? Yes No
5. Will any of the proposed qualified investment be leased under an operating lease? Yes No
6. Are you including property that is owned by a person other than the applicant? Yes No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? Yes No

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:

<input type="checkbox"/> Land has no existing improvements	<input checked="" type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
3. Does the applicant have current business activities at the location where the proposed project will occur? Yes No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? Yes No
5. Has the applicant received any local or state permits for activities on the proposed project site? Yes No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? Yes No
7. Is the applicant evaluating other locations not in Texas for the proposed project? Yes No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? Yes No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? Yes No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? Yes No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

For more information, visit our website: www.TexasAhead.org/tax_programs/chapter313/

Application for Appraised Value Limitation on Qualified Property

SECTION 9: Projected Timeline

1. Application approval by school board December 2017
2. Commencement of construction February 2019
3. Beginning of qualifying time period January 2019
4. First year of limitation January 2020
5. Begin hiring new employees Q4 - 2019
6. Commencement of commercial operations Q4 - 2019
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 - 2019

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Pecos County, Texas
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Pecos 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: Pecos County | 100% | .7990 City: N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: Iraan General Hosp. | 100% | .3730 Water District: Middle Pecos Groundwater | 100% | .0249
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): Midland College | 100% | .0350 Other (describe): N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
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

Economic Development and Analysis
Form 50-296-A

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 2017 (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 848.00
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1,407.00
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,143.96
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? 59,486.90
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 59,486.90
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 §313.021(3)(F)? 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**.

Application for Appraised Value Limitation on Qualified Property

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project vicinity b) Qualified investment including 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 c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

TAB 2

Proof of Payment of Application Fee

SEE ATTACHED

Proof of payment of filing fee received by the
Comptroller of Public Accounts per TAC Rule
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of Public
Accounts)*

TAB 7

Description of Qualified Investment

RE Maplewood LLC, anticipates constructing a solar photovoltaic (PV) electric generating facility with an operating capacity of approximately 100 MW. The exact capacity and the specific technology components will be determined during the development and design process.

A 100 MW solar PV generating facility may include a qualified investment consisting of the following improvements:

- 1) Solar modules/panels
- 2) Steel/aluminum/other metal mounting system with tracking capabilities
- 3) Underground conduit, communication cables, and electrical collection system wiring
- 4) Multiple combiner boxes
- 5) One or multiple project substation(s) including breakers, a transformer, and meters
- 6) Collection substation will be connected to utility interconnection by an above ground transmission line
- 7) Inverter boxes on concrete or gravel pads
- 8) Operations and maintenance facility
- 9) Fencing for safety and security
- 10) Multiprotocol Label Switching Circuit Telephone system
- 11) New or improved access and service roads
- 12) Meteorological equipment to measure solar irradiation and weather conditions

The map in TAB 11 shows the proposed project area with the preliminary solar equipment location with the highlighted areas. The exact placement of the equipment is subject to ongoing planning, soil studies, and engineering and will be determined before construction begins.

TAB 10

Description of all property not eligible to become qualified property (if applicable)

1. The leased land contains existing improvements which are not to become qualified property in the future. The improvements outlined below are not owned or leased by the applicant nor will they be in the future, but they are currently located on the leased land.

Location and value of the existing improvements is described on the following pages.

10/23/2017

Pecos County Appraisal District - Account # 00194-00074-00100-000000

Property ID: 12733

Owner: NEVILL LADONNA LOU

Property ID:
12733

Account Number:
00194-00074-00100-000000

Property Legal Description:
5350 194 GC AND SF SEC 74

Deed Information:

Volume: 657
Page: 783
File Number:
Deed Date: 11/10/1994

Property Location:

FM 1901
BAKERSFIELD TX

Block: 194

Survey / Sub Division Abstract:

GC AND SF
5350

Section / Lot: 74

Owner Information:

NEVILL LADONNA LOU

P O BOX 115

MCCAMEY, TX 79752

Property Detail:

Property Exempt:
Category / SPTB Code: E1
Total Acres: 5.410
Total Living Sqft: See Detail
Owner Interest: 1.000000
Homestead Exemption: **HOMESTEAD**
Homestead Cap Value: 0
Land Ag / Timber Value: 0
Land Market Value: 590
Improvement Value: 132,380
Property Market Value: 132,970

Previous Owner:

NEVILL HEARRELL MRS

Code	Description	Market Value	Exemption	Exempt Value	Total Value
00	PECOS COUNTY APPR DIST	132,970	HOMESTEAD	0	132,970
01	PECOS COUNTY	132,970	HOMESTEAD	36,590	96,380
01R	PECOS COUNTY ROAD	132,970	HOMESTEAD	36,590	96,380
32	IRAAN-SHEFFIELD ISD M&O	132,970	HOMESTEAD	61,590	71,380
32IS	IRAAN-SHEFFIELD ISD I&S	132,970	HOMESTEAD	61,590	71,380
63	MIDDLE PECOS GCD	132,970	HOMESTEAD	36,590	96,380
65	HOSPITAL DISTRICT	132,970	HOMESTEAD	36,590	96,380
65IS	IRAAN HOSPITAL DISTRICT I&S	132,970	HOMESTEAD	36,590	96,380
MCP	MIDLAND COLLEGE	132,970	HOMESTEAD	0	132,970

10/23/2017

Pecos County Appraisal District - Account # 00194-00074-00100-000000

Property ID: 12733

Owner: NEVILL LADONNA LOU

Building Detail

Sequence	Type	Class	Year Built	Homesite Value	Condition	Percent Good	Square Feet	Replacement Value	Total Value
1	RES	M4	0	YES		70%	3,706	210,720	118,000
2	CPM4	1	0	YES		70%	288	2,320	1,300
3	CPM4	1	0	YES		70%	56	450	250
4	CONC	1	0	YES		70%	410	1,130	630
5	DMP2	1	0	YES		70%	1,200	7,870	4,410
6	STG5	1	0	YES		10%	720	4,320	430
7	SH2L	1	0	YES		50%	528	5,350	2,680
8	DMP1	1	0	YES		50%	240	620	310
9	BN3L	1	0	YES		50%	960	5,900	2,950
10	DMP2	1	0	YES		50%	432	2,830	1,420

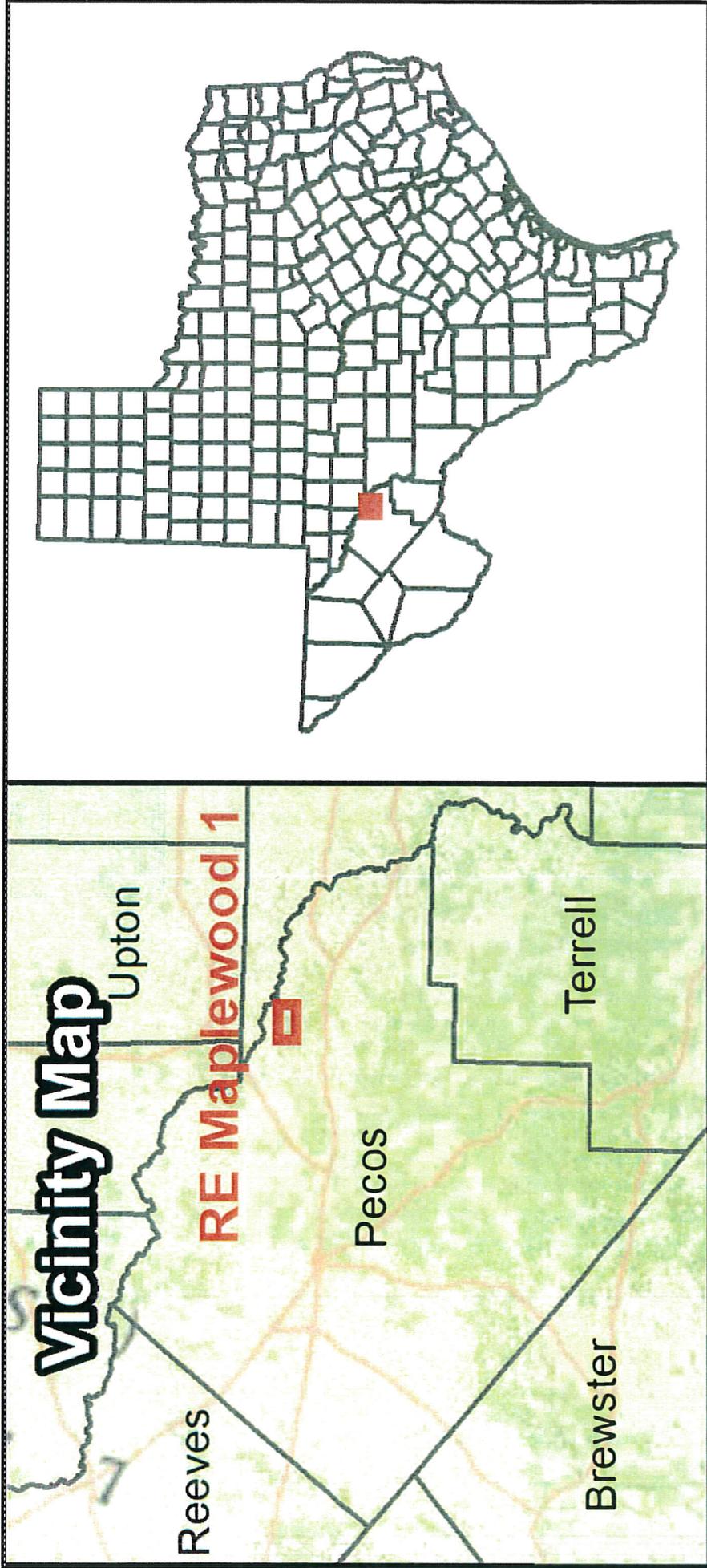
Total Building Value: \$ 132,380

TAB 11

Maps that clearly show:

- *Project vicinity, Qualified investment & property, Existing Property, Land Location, and Reinvestment Zone*

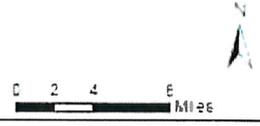
SEE ATTACHED MAPS

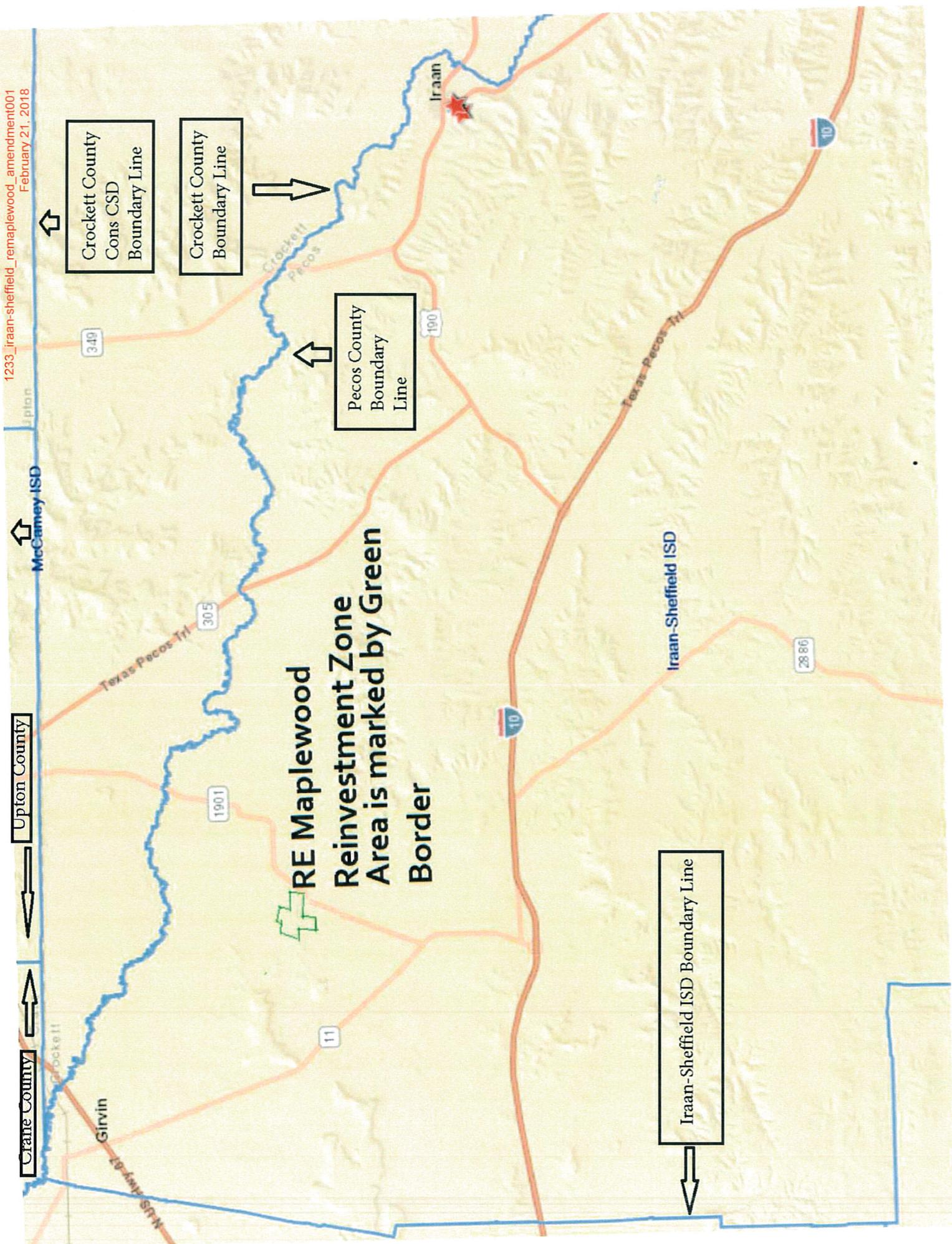




 Tunas Creek Reinvestment Zone

RE Maplewood
Pecos County, TX





**RE Maplewood
Reinvestment Zone
Area is marked by Green
Border**

Crockett County
Cons CSD
Boundary Line

Crockett County
Boundary Line

Pecos County
Boundary
Line

Iraan-Sheffield ISD Boundary Line

Upton County

Crane County

McCamey ISD

Iraan-Sheffield ISD

TAB 12

Request of job waiver of creation requirement

SEE BELOW.

**RECURRENT
ENERGY**
A subsidiary of Canadian Solar

300 California Street, 7th Floor
San Francisco, CA 94104

415.675.1500 (p)
415.675.1501 (f)

www.recurrentenergy.com

February 8, 2018

Mr. Michael Meek
Superintendent Iraan-Sheffield Independent School District
P.O. Box 486
Iraan, Texas 79744

Re: Chapter 313 Job Waiver Request

Dear Mr. Meek,

Please consider this letter to be the formal request of RE Maplewood LLC, a photovoltaic generation project proposed in Pecos County, to waive the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-1). Based upon industry standard staffing requirements for projects up to 150 MW, RE Maplewood LLC has committed to create two (2) new permanent jobs for the project.

The number of jobs committed to in this application is in line with the industry standards for a project of this size and in this location. This is evidenced by previously filed limitation agreement applications by solar developers who also requested a waiver of job requirements. In addition, there are educational materials and other documentation that also suggest that RE Maplewood LLC has the appropriate number of jobs for this project.

Solar projects create a large number of full-time, temporary jobs during the construction phase (1st year), but require a small number of highly skilled technicians to operate the solar project once construction operations end and commercial operations begin. The permanent employees of a solar project maintain and service solar panels, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition to the onsite employees, there may be managers or technicians who support the project from offsite locations.

Your consideration of this request is greatly appreciated.

Sincerely,



Helen Kang Shin
General Counsel and Secretary

TAB 13

Calculation of three possible wage requirements with TWC documentation

AVERAGE WEEKLY WAGES FOR ALL JOBS, ALL INDUSTRIES IN PECOS COUNTY
FOUR MOST RECENT QUARTERS

COUNTY	YEAR	QUARTER	Avg. Weekly Wage	Annualized
Pecos	2016	Q3	\$ 816	\$ 42,432
Pecos	2016	Q4	\$ 843	\$ 43,836
Pecos	2017	Q1	\$ 894	\$ 46,488
Pecos	2017	Q2	\$ 838	\$ 43,576
AVERAGE:			\$ 848	\$44,083
CALCULATION:			\$848 * 110% = \$933	\$44,083 * 110% = \$48,491

AVERAGE WEEKLY WAGES FOR MANUFACTURING JOBS IN PECOS COUNTY
FOUR MOST RECENT QUARTERS

COUNTY	YEAR	QUARTER	Avg. Weekly Wage	Annualized
Pecos	2016	Q3	\$ 1,423	\$ 73,996
Pecos	2016	Q4	\$ 1,346	\$ 69,992
Pecos	2017	Q1	\$ 1,330	\$ 69,160
Pecos	2017	Q2	\$ 1,019	\$ 52,988
AVERAGE:			\$ 1,280	\$ 62,634
CALCULATION:			\$1,280 * 110% = \$1,407	\$66,534 * 110% = \$73,187

Please refer to the attached TWC documentation below.

Quarterly Employment and Wages (QCEW)

Restart Back Print Download

[Help with Download](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	3rd Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$816
2016	4th Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$843

Quarterly Employment and Wages (QCEW)

Restart Back Print Download

[Help with Download](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	1st Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$894
2017	2nd Qtr	Pecos County	Total All	00	0	10	Total, all industries	\$838

Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	3rd Qtr	Pecos County	Total All	31	2	31-33	Manufacturing	\$1,423
2016	4th Qtr	Pecos County	Total All	31	2	31-33	Manufacturing	\$1,346

Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	1st Qtr	Pecos County	Total All	31	2	31-33	Manufacturing	\$1,330
2017	2nd Qtr	Pecos County	Total All	31	2	31-33	Manufacturing	\$1,019

2016 Manufacturing Average Wages by Council of Government Region Wages for All Occupations

COG	Wages	
	Hourly	Annual
Texas	\$25.41	\$52,850
1. Panhandle Regional Planning Commission	\$22.52	\$46,834
2. South Plains Association of Governments	\$18.27	\$38,009
3. NORTEX Regional Planning Commission	\$24.14	\$50,203
4. North Central Texas Council of Governments	\$26.06	\$54,215
5. Ark-Tex Council of Governments	\$19.07	\$39,663
6. East Texas Council of Governments	\$20.52	\$42,677
7. West Central Texas Council of Governments	\$20.31	\$42,242
8. Rio Grande Council of Governments	\$19.32	\$40,188
9. Permian Basin Regional Planning Commission	\$26.00	\$54,079
10. Concho Valley Council of Governments	\$18.78	\$39,066
11. Heart of Texas Council of Governments	\$21.14	\$43,962
12. Capital Area Council of Governments	\$30.06	\$62,522
13. Brazos Valley Council of Governments	\$17.66	\$36,729
14. Deep East Texas Council of Governments	\$18.06	\$37,566
15. South East Texas Regional Planning Commission	\$33.42	\$69,508
16. Houston-Galveston Area Council	\$27.52	\$57,246
17. Golden Crescent Regional Planning Commission	\$26.38	\$54,879
18. Alamo Area Council of Governments	\$21.67	\$45,072
19. South Texas Development Council	\$15.02	\$31,235
20. Coastal Bend Council of Governments	\$27.85	\$57,921
21. Lower Rio Grande Valley Development Council	\$17.55	\$36,503
22. Texoma Council of Governments	\$20.98	\$43,648
23. Central Texas Council of Governments	\$18.65	\$38,783
24. Middle Rio Grande Development Council	\$23.05	\$47,950

<u>Yearly Salary</u> \$54,079 * 110% = \$59,486.90
<u>Weekly Salary</u> \$59,486.90/52 = \$1,143.96

Source: Texas Occupational Employment and Wages

Data published: July 2017

Data published annually, next update will be July 31, 2018

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.

TAB 14

Schedules A1, A2, B, C, and D completed and signed Economic Impact

See attached Excel Spreadsheet

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

Date: 2/7/2018
Applicant Name: RE MAPLEWOOD LLC
ISD Name: Iraan-Sheffield ISD

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 not 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			Not eligible to become Qualified Property						
Investment made after filing complete application with district, but before final board approval of application	--	2018	0	0	0	0	\$0		
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	\$0		
Complete tax years of qualifying time period	QTP1	2019	\$140,000,000	0	0	0	\$140,000,000.00		
	QTP2	2020	0	0	0	0	\$0		
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]			\$140,000,000	\$0	\$0	\$0	\$140,000,000		
Total Qualified Investment (sum of green cells)			\$140,000,000				\$140,000,000		

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 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 C: Employment Information

Date: 2/7/2018

Applicant Name: RE MAPLEWOOD LLC
ISD Name: Iraan-Sheffield ISD

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs		Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E 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	2018-2019	2018	0	N/A	0	0	N/A	
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary.</i>	0	2019-2020	2019	450,000 man hours and 350 Peak Labor Jobs	\$54,079.00	0	2	\$59,486.90	
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2020-2021	2020	0	N/A	0	2	\$59,486.90	
	2	2021-2022	2021	0	N/A	0	2	\$59,486.90	
	3	2022-2023	2022	0	N/A	0	2	\$59,486.90	
	4	2023-2024	2023	0	N/A	0	2	\$59,486.90	
	5	2024-2025	2024	0	N/A	0	2	\$59,486.90	
	6	2025-2026	2025	0	N/A	0	2	\$59,486.90	
	7	2026-2027	2026	0	N/A	0	2	\$59,486.90	
	8	2027-2028	2027	0	N/A	0	2	\$59,486.90	
	9	2028-2029	2028	0	N/A	0	2	\$59,486.90	
	10	2029-2030	2029	0	N/A	0	2	\$59,486.90	
	Years Following Value Limitation Period	11 through 25	2030-2045	2030-2045	0	N/A	0	2	\$59,486.90

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)?
- C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

Yes No

Yes No

Yes No

Schedule D: Other Incentives (Estimated)

Date: 2/7/2018
Applicant Name: RE MAPLEWOOD LLC
ISD Name: Iraan-Sheffield 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: Pecos City: Other:	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A
Tax Code Chapter 312	County: Pecos County/Midland College City: N/A Other: Middle Pecos Groundwater Conservation District Other: Iraan General Hospital District	2020 N/A 2020 2020	10 Years N/A 10 Years 10 Years	Annual Avg. of \$625,078 N/A Annual Avg. of \$18,665 Annual Avg. of \$297,222	Annual Avg. of \$500,062 N/A Annual Avg. of \$5,660 Annual Avg. of \$237,778	Annual Avg. of \$125,156 N/A Annual Avg. of \$13,005 Annual Avg. of \$59,444
Local Government Code Chapters 380/381	County: Pecos City: Other:	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A
Freeport Exemptions	N/A	N/A	N/A	N/A	N/A	N/A
Non-Annexation Agreements	N/A	N/A	N/A	N/A	N/A	N/A
Enterprise Zone/Project	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development Corporation	N/A	N/A	N/A	N/A	N/A	N/A
Texas Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A
Employee Recruitment	N/A	N/A	N/A	N/A	N/A	N/A
Skills Development Fund	N/A	N/A	N/A	N/A	N/A	N/A
Training Facility Space and Equipment	N/A	N/A	N/A	N/A	N/A	N/A
Infrastructure Incentives	N/A	N/A	N/A	N/A	N/A	N/A
Permitting Assistance	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL				\$940,965	\$743,500	\$197,605

Additional information on incentives for this project: RE MAPLEWOOD LLC has executed Chapter 312 tax abatements with Pecos County, Middle Pecos Groundwater Conservation District (MPGCD) and Iraan General Hospital District. All 312 taxabatements are for 10 years at an 80% abatement for Ad Valorem Taxes. MPGCD 312 Agreement has \$50,000,000 project minimum limitation value.

TAB 16

Description of Reinvestment Zone, including:

A. Evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Not Applicable)

B. Legal description of the reinvestment zone

TRACT I:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being the East 400 acre(s), more or less, of land out of G.C.& S. F.RR Co. Survey, Block 194, Section 74, Abstract Number 5350, Pecos County, Texas.

TRACT II:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being 640 acre(s), more or less, of land out of the G. C.& S. F.RR Co. Survey, Block 194, Section 75, Abstract Number 6991, Pecos County, Texas.

TRACT III:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being 640 acre(s), more or less, of land out of the G.C.& S. F.RR Co. Survey, Block 194, Section 76, Abstract Number 5349, Pecos County, Texas.

TRACT IV:

The West One half (W/2), and being 48 acres, of Section 80, Block 194 GC&SF RR CO. Survey, Pecos County, Texas.

C. Order, resolution or ordinance establishing the reinvestment zone

VOL. 59 PG. 225

**RESOLUTION APPROVING AND AUTHORIZING PROPERTY TAX ABATEMENT AGREEMENT
IN THE JURISDICTION OF PECOS COUNTY, TEXAS**

WHEREAS, the Commissioners Court of Pecos County, Texas (the "County") has elected to become eligible to participate in tax abatement agreements under the provisions of the Texas Property Redevelopment and Tax Abatement Act (Chapter 312 of the Texas Tax Code) (the "Act"); and,

WHEREAS, the County has adopted guidelines and criteria governing tax abatement agreements in a resolution dated on or about June 22, 2016 (the "Abatement Guidelines and Criteria"); and,

WHEREAS, the County has approved and designated a reinvestment zone known as the RZ Tunas Creek Reinvestment Zone in a resolution dated on or about October 24, 2016 (the "Reinvestment Zone"); and,

WHEREAS, a public hearing is required by Chapter 312 of the Texas Tax Code prior to approval of a form of proposed tax abatement agreement between the County and a party seeking to develop a project in an area within the Reinvestment Zone; and

WHEREAS, the County (a) timely published or posted all applicable notices of public hearing regarding the form of a proposed amended and restated tax abatement agreement between the County and RE Maplewood LLC such agreement being in the form of the attached Exhibit A (the "Tax Abatement Agreement"), (b) timely notified all applicable presiding officers of the governing body of each taxing unit that includes in its boundaries real property that may be included in the Reinvestment Zone of the form of the Tax Abatement Agreement, and (c) timely notified all applicable presiding officers of the governing body of each taxing unit that includes in its boundaries real property that may be included in the Reinvestment Zone of the County's intention to enter into such Tax Abatement Agreement with RE Maplewood LLC; and

WHEREAS, all interested members of the public were given an opportunity to make comment at the public hearing.

NOW, THEREFORE, BE IT ORDERED, by the Commissioners Court of Pecos County, that

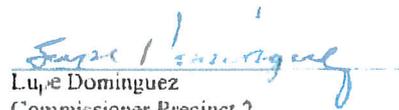
1. The County finds and determines that (a) the terms of the proposed Tax Abatement Agreement meet all of the requirements of the Act, the Abatement Guidelines and Criteria and the Reinvestment Zone, will contribute to the retention or expansion of primary employment or would attract major investment in the Reinvestment Zone that would be of benefit to the property that is within the Reinvestment Zone, and will contribute to the economic development of the County; and (b) the property subject to the proposed Tax Abatement Agreement meets all of the requirements of the Act, the Abatement Guidelines and Criteria and the Reinvestment Zone; and, (c) the proposed projects are feasible and the proposed abatement of taxes for such projects will inure to the long term benefit of the County.
2. The execution by the County of the Tax Abatement Agreement with RE Maplewood LLC in substantial form as the attached Exhibit A is hereby authorized and approved.
3. The Tax Abatement Agreement shall be applicable to Pecos County and Midland College Williams Regional Technical Training Center (the "Other Taxing Units").
4. The execution by the County on behalf of the Other Taxing Units of the Tax Abatement Agreement with RE Maplewood LLC in substantial form as the attached Exhibit A is hereby authorized and approved.

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The foregoing Resolution was lawfully moved by J. H. Kent, duly seconded by George Riggs, and duly adopted by the Pecos County Commissioner's Court, the 14th day of November 2018.


The Honorable Joe Shuster
Pecos County Judge


George Riggs
Commissioner Precinct 1


Lupe Dominguez
Commissioner Precinct 2

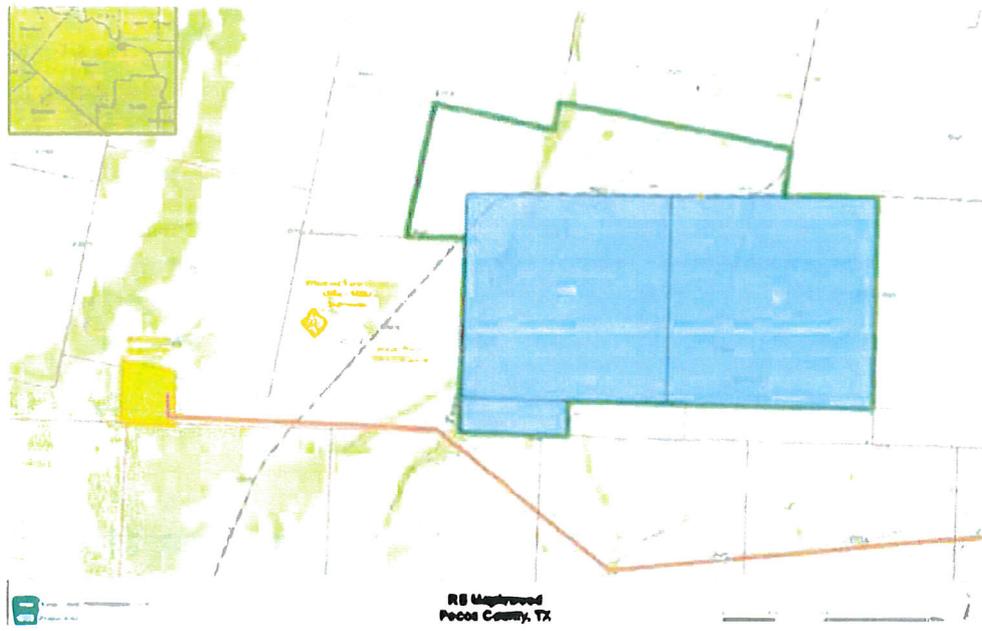

Commissioner Precinct 3
J.H. Kent


Commissioner Precinct 4
Santiago Cantu, Jr

ATTEST:


LIZ CHAPMAN,
PECOS COUNTY CLERK

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D. Order, resolution or ordinance establishing the reinvestment zone Guidelines and criteria for creating the zone

PECOS COUNTY

GUIDELINES AND CRITERIA FOR TAX ABATEMENT

I. PURPOSE

Pecos County, herein referred to as “the County,” is committed to the promotion of quality development in all parts of the County and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider recommending tax abatement to stimulate growth and development. Any such incentive shall be provided in accordance with the procedures and criteria outlined in this document. However, nothing in these guidelines shall imply or suggest, or be construed to imply or suggest, that the County is under any obligation to provide any incentive to any applicant. All such applications for tax abatement shall be considered on an individual basis with regard to both the qualification for abatement and the amount of any abatement.

II. DEFINITIONS

The attached Glossary is a list of words with their definitions that are found in this document, and the Glossary is incorporated herein by reference.

III. GUIDELINES AND CRITERIA

Improvements eligible for abatement include the following:

- Aquaculture/agriculture facility,
- Distribution center facility,
- Manufacturing facility,
- Office building,
- Regional entertainment/ tourism facility,
- Renewable power facility and fixtures,

Research facility,

Historic building in a designated area, or

Other basic industry.

Requests for abatement will be evaluated according to factors including, but not limited to, the following:

- (1) Jobs. Projected new jobs created, including the number and type of new jobs, the number and type of jobs retained, the average payroll, and the number of local persons hired.

- (2) Fiscal Impact. The amount of real and personal property value that will be added to the tax roll for both eligible and ineligible property, any County financed infrastructure improvements that will be required by the facility, any infrastructure improvements proposed to be made by the facility, and the compatibility of the project with the County's master plan for development.
- (3) Community Impact. The pollution, if any, as well as other potential negative environmental impact on the health and safety of the community resulting from the proposed project; whether the project will revitalize a depressed area; potential business opportunities for local vendors; alternative development possibilities for the proposed site; the impact on other taxing entities; and/or whether the improvement is expected to solely or primarily have the effect of transferring employment from one part of Pecos County to another.

IV. ABATEMENT AUTHORIZED

- (a) Authorized Date. A facility shall be eligible for tax abatement if it has applied for such abatement prior to the commencement of construction: provided, that such facility meets the criteria for granting tax abatement in reinvestment zones created by Pecos County pursuant to these Guidelines and Criteria. Property may be exempted from taxation under these guidelines for a period not to exceed the statutory limitations.
- (b) Creation of New Value. Abatement may only be granted for the additional value of or increase in value to eligible improvements made subsequent to the filing of an application for tax abatement and specified in the abatement agreement between the County and the property owner or lessee and lessor, subject to such limitations as the Tax Abatement Statute and these Guidelines and Criteria may require.
- (c) New and Existing Facilities. Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion. If the modernization project includes replacement of a facility existing at the time of application, the abated value shall be the value of the new unit(s) less the value of the old unit(s).
- (d) Eligible Property. Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility.

(e) Ineligible Property. The following types of property shall be fully taxable and ineligible for abatement:

land,

animals,

inventories,

supplies,

tools,

furnishings, and other forms of movable personal property (except as provided below),

vehicles,

vessels,

aircraft,

housing or residential property,

hotels/motels,

fauna,

flora,

retail facilities, except when housed in an historic structure, within the designated downtown district,

any improvements including those involved in the production, storage or distribution of natural gas or fluids that are not integral to the operation of the facility, and

Property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas. This provision shall not be interpreted to disallow abatement for property located in the Pecos County Industrial Park. Nor shall this provision be interpreted to disallow abatement where the eligible property to be abated may be located on or affixed to land owned by the State or a subdivision of the State, but is wholly owned by the party seeking the abatement.

Equipment constituting personal property located in the reinvestment zone shall remain eligible for abatement provided the equipment is awaiting installation to become a permanent part of a fixture located or to be constructed in the reinvestment zone that is or will be eligible for property tax abatement, including any replacement parts.

- (f) **Owned/Leased Facilities.** If leased property is granted abatement, the agreement shall be executed with the lessor and lessee. If the eligible property to be abated is located on or affixed to leased land, but is wholly owned by the party seeking the abatement, the agreement shall be executed only with the owner of the property to be abated.
- (g) **Value and Term of Abatement.** Abatement shall be granted effective with the January 1 valuation date immediately following the date of execution of the agreement. The value of new eligible properties shall be abated according to the approved agreement between the applicant and the governing body. The governing body, in its sole discretion, shall determine the amount of any abatement.

The abatement may be extended from the date of the initial agreement by modification provided the statutory requirements for modification are met.

- (h) **Construction in Progress.** If a qualifying facility has not been placed in service as of January 1 following execution of the abatement agreement, the taxpayer may apply for a one-year extension of the term of abatement. Said extension must be applied for prior to the end of the calendar year in which the abatement agreement is executed.
- (i) **Taxability.** From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:
 - (1) The value of ineligible property as provided in Part IV(e) shall be fully taxable.
 - (2) The base year value of existing eligible property, meaning the value of the property for the year in which the abatement agreement is executed, shall be fully taxable.
 - (3) The additional value of eligible property shall be taxable as provided for by the applicable abatement agreement between the owner and the County.

V. APPLICATION FOR TAX ABATEMENT

- (a) Any present or potential owner of taxable property in Pecos County may request the creation of a reinvestment zone and tax abatement by filing a written request with the County.
- (b) The application shall consist of a completed application form accompanied by:
 - (1) a general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken;
 - (2) a descriptive list of the improvements that will be a part of the facility;
 - (3) a map and property description or a site plan;
 - (4) a time schedule for undertaking and completing the planned improvements;
 - (5) for modernized facilities, a statement of the assessed value of the facility, separately stated for real and personal property, for the tax year immediately preceding the application; and,
 - (6) Financial and other information as deemed appropriate for evaluating the financial capacity and other factors of the applicant.
- (c) Upon receipt of a completed application, the County receiving such application shall notify in writing the presiding officer of the legislative body of each affected jurisdiction. Before acting upon the application, the County shall through public hearings as described below afford the applicant and the designated representative of any affected jurisdiction and any member of the public the opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on an agenda of the legislative body of the County to be posted at least twenty (20) days prior to the hearing.
- (d) The County shall approve or deny the application for tax abatement within sixty (60) days after receipt of the application. The presiding officer of the County shall notify the applicant of the approval or disapproval promptly thereafter.
- (e) Statutory Requirements: Not later than the seventh (7th) day before the date of the hearing, notice of the hearing must be: (1) delivered in writing to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, and (2) published in a newspaper of general circulation in the County. At the hearing, the Commissioners Court

evaluates the application against the criteria described in these guidelines and decides by majority vote whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect. An order designating an area as a reinvestment zone is valid for five years from the date of designation. Once the area is designated as a reinvestment zone, the Commissioners Court may then arrange to consider for approval of the tax abatement agreement between the applicant and the county, which it may do at any regularly scheduled meeting, provided notice requirements are met. At least seven days prior to entering into a tax abatement agreement, the County must give written notice of its intent to do so to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or to decline.

- (f) Expedited consideration of application. If the County determines that the application should receive expedited consideration, the Commissioners Court may combine the steps described in the preceding paragraph into a single, regularly scheduled meeting of the Commissioners Court, provided the County meets the procedural prerequisites for each step.
- (g) A request for a reinvestment zone for the purpose of abatement shall not be granted if the County finds that the request for the abatement was filed after commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.
- (h) Variance. Requests for variance from the provisions of Subsections (a) through (e) of Part IV may be made in written form to the County Commissioners Court. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of the request for variance requires a three-fourths (3/4) vote of the County Commissioners Court.

VI. PUBLIC HEARING

- (a) If, after a public hearing, the County Commissioners Court weighs the relevant factors listed in these guidelines and determines that granting the abatement is not in the best interests of the County, the Court shall deny the abatement.
- (b) Neither a reinvestment zone nor an abatement agreement shall be authorized if it is determined that:
 - (1) There would be a substantial and unreasonable adverse affect on the provision of government services or the overall tax base of the County.

- (2) The applicant has insufficient financial capacity.
- (3) Planned or potential use of the property would constitute a hazard to public safety, health, or morals.
- (4) Planned or potential use of the property violates any other governmental codes or any applicable law.

VII. AGREEMENT

- (a) After approval of the tax abatement application, the County shall formally pass a resolution and execute an agreement with the owner of the facility and the lessee involved, if any, which shall include:
 - (1) Estimated value to be abated and the base year value.
 - (2) Percent of value to be abated each year.
 - (3) The commencement date and the termination date of abatement.
 - (4) The proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description, and improvements list.
 - (5) Contractual obligations in the event of default, including a provision for cancellation and recapture of delinquent taxes, provisions for administration and assignment as provided herein, and any other provision that may be required for uniformity or by state law.
 - (6) Performance criteria for continuation of the abatement.
 - (7) Amount of investment and average number of jobs involved for the period of abatement.
 - (8) A provision that the contract shall meet all of the requirements of Texas Tax Code Sec. 312, et. seq.
- (b) Such agreement shall be executed within sixty (60) days after approval of the agreement.
- (c) The County shall make its own determination of abatement which shall not bind any other affected taxing entity.

VIII. RECAPTURE

- (a) In the event that the facility is completed and begins producing product or service, but subsequently discontinues production of product or service for any reason other than fire, explosion, or other casualty or accident or natural disaster for a period of more than one (1) year during the abatement period, then the agreement shall terminate and so shall the abatement of taxes for the calendar year during which the agreement is terminated. The taxes otherwise abated for that calendar year shall be paid to the County within sixty (60) days from the date of termination.
- (b) Should the County determine that the owner is in default of the agreement, the County shall notify the owner of the defect in writing at the address stated in the agreement, and if such defect is not cured within sixty (60) days from the date of such notice ("Cure Period"), then the agreement shall be terminated. Where cure of the proposed defect requires action undertaken over a period of time, the contract will not be considered to be in default if the performing party has undertaken efforts to cure the defect and is diligently pursuing those efforts.
- (c) In the event that the company or individual:
 - (1) allows its ad valorem taxes owed the County to become delinquent, and to remain delinquent for a period of thirty (30) days following notice of the delinquency without instituting proper legal procedures for their protest and/or contest; or
 - (2) violates in a way any of the terms and conditions of the abatement agreement and fails to cure same during the Cure Period;

the agreement shall be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination. A failure to abide by estimated timelines for construction will not be considered to be a material breach of this agreement, provided the owner makes a reasonable effort to meet the estimated timeline.

IX. ADMINISTRATION

- (a) The Chief Appraiser of the Pecos County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year the company or individual receiving the abatement shall furnish the designee of the County with such information as may be necessary to determine continued eligibility for abatement. Once the value has been established, the Chief Appraiser shall notify the County of the amount of assessment. Additionally, the County designee shall notify the County of the number of new or retained employees associated with the facility or generated by

the abatement agreement. Once value has been established, the Chief Appraiser shall notify the affected taxing jurisdictions of the amount of the assessment.

- (b) The agreement shall stipulate that employees and/or designated representatives of the County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to prevent unreasonable interference with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the owner in accordance with its safety standards.
- (c) Upon completion of construction the County shall annually evaluate each facility and report possible violations of the contract and/or agreement to the County.
- (d) All proprietary information acquired by the County for purposes of monitoring compliance with the terms and conditions of an abatement agreement shall be considered confidential.

X. ASSIGNMENT

- (a) Abatement may be transferred and assigned by the owner to a new owner of the same property upon approval by resolution of the County Commissioners Court, subject to the financial capacity of the assignee and provided that the agreement is modified to substitute the assignee as a party to the agreement.
- (b) Any such modification shall not exceed the termination date of the abatement agreement with the original owner.
- (c) No assignment or transfer shall be approved if either the parties to the existing agreement or the proposed assignee is liable to the County for outstanding taxes or other obligations.
- (d) Approval shall not be unreasonably withheld. Upon a finding that the proposed assignee is capable of performing the obligations under the agreement, financially and otherwise, approval of the assignment will not be withheld.

XI. SUNSET PROVISION

- (a) These guidelines are effective upon the date of their adoption and will remain in force for two (2) years, at which time all reinvestment zones and tax abatement contracts created pursuant to its agreements will be reviewed by the County to determine whether the goals of these guidelines and the Tax Abatement Statute

have been achieved. Based on that review, these guidelines may be modified, renewed or eliminated. Such actions shall not affect existing contracts.

- (b) Prior to the date for review, as defined above, these Guidelines may be modified by a two-thirds (2/3) vote of the County Commissioners Court, as provided for by the laws of the State of Texas.

XII. SEVERABILITY AND LIMITATIONS

- (a) In the event that any section, clause, sentence, paragraph, or any part of these guidelines is, for any reason, adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of the guidelines.
- (b) Property that is in a reinvestment zone and that is owned or leased by a member of the County Commissioners Court is excluded from property tax abatement.
- (c) If this Guideline Statement has omitted any mandatory requirement of the applicable tax abatement laws of the State of Texas, then such requirement is hereby incorporated as a part of these guidelines.

XIII. These Guidelines and Criteria do not affect the County's right to enter into abatement agreements for property located within the City of Fort Stockton pursuant to the existing agreement between the County and the City, regardless of whether such abatement agreements meet the criteria announced by these Guidelines.

TAB 17

*Signature and Certification page, signed and dated by Authorized School District
Representative and Authorized Company Representative (applicant)*

See attached



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 ▶ Michael Meek

Print Name (Authorized School District Representative)

Superintendent

Title

sign here ▶

Michael Meek
Signature (Authorized School District Representative)

2/15/18
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 ▶ Yumin Liu

Print Name (Authorized Company Representative (Applicant))

President

Title

sign here ▶

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

February 14, 2018

Date

GIVEN under my hand and seal of office this, the

day of

See Attached

Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires:

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.

Attachment B

Franchise Tax Account Status



Franchise Tax Account Status

As of : 06/04/2018 08:35:59

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

RE MAPLEWOOD LLC	
Texas Taxpayer Number	32060912451
Mailing Address	300 CALIFORNIA ST FL 7 SAN FRANCISCO, CA 94104-1415
Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	06/29/2016
Texas SOS File Number	0802490692
Registered Agent Name	CORPORATION SERVICE COMPANY DBA CSC - LAWYERS INCO
Registered Office Street Address	211 E. 7TH STREET, SUITE 620 AUSTIN, TX 78701

Attachment C

State Comptroller's Certification



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

April 17, 2018

Michael Meek
Superintendent
Iraan-Sheffield Independent School District
PO Box 486
Iraan, TX 79744-0486

Re: Certificate for Limitation on Appraised Value of Property for School District
Maintenance and Operations taxes by and between Iraan-Sheffield Independent
School District and RE Maplewood LLC, Application 1233

Dear Superintendent Meek:

On March 8, 2018, the Comptroller issued written notice that RE Maplewood LLC (applicant) submitted a completed application (Application 1233) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on December 11, 2017, to the Iraan-Sheffield Independent School District (school district) by the applicant.

This presents the results of the Comptroller's review of the application 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)

Sec. 313.024(a) Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b) Applicant is proposing to use the property for an eligible project.

¹ All Statutory references are to the Texas Tax Code, unless otherwise noted.

- Sec. 313.024(d) Applicant has requested a waiver to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.
- Sec. 313.024(d-2) Not applicable to Application 1233.

Based on the information provided by the applicant, 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.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

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 has 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, see Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

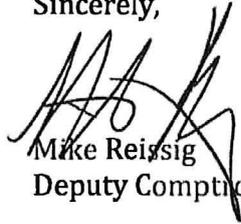
The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed 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 agreement by December 31, 2018.

Note that any building or improvement existing as of the application review start date of March 8, 2018, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at will.counihan@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Reissig". The signature is stylized and overlaps the printed name below it.

Mike Reissig
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of RE Maplewood LLC (project) applying to Iraan-Sheffield 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 RE Maplewood LLC.

Applicant	RE Maplewood LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation
School District	Iraan-Sheffield ISD
Estimated 2016-2017 Average Daily Attendance	471
County	Pecos County
Proposed Total Investment in District	\$142,100,519
Proposed Qualified Investment	\$140,000,000
Limitation Amount	\$30,000,000
Qualifying Time Period (Full Years)	2019-2020
Number of new qualifying jobs committed to by applicant	*2
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,144
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,144
Minimum annual wage committed to by applicant for qualified jobs	\$59,487
Minimum weekly wage required for non-qualifying jobs	\$858
Minimum annual wage required for non-qualifying jobs	\$44,084
Investment per Qualifying Job	\$71,050,260
Estimated M&O levy without any limit (15 years)	\$9,664,187
Estimated M&O levy with Limitation (15 years)	\$4,898,598
Estimated gross M&O tax benefit (15 years)	\$4,765,589

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

Table 2 is the estimated statewide economic impact of RE Maplewood LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2019	218	271	489	\$11,800,038	\$23,047,374	\$34,847,412
2020	2	46	47.9222	\$118,974	\$5,457,924	\$5,576,897
2021	2	24	26	\$118,974	\$3,675,398	\$3,794,372
2022	2	6	8	\$118,974	\$2,130,775	\$2,249,749
2023	2	(4)	-2	\$118,974	\$1,056,916	\$1,175,890
2024	2	(9)	-7	\$118,974	\$377,829	\$496,803
2025	2	(10)	-8	\$118,974	\$36,411	\$155,385
2026	2	(8)	-6	\$118,974	-\$76,281	\$42,693
2027	2	(6)	-4	\$118,974	-\$37,974	\$81,000
2028	2	(4)	-2	\$118,974	\$86,894	\$205,868
2029	2	(1)	1	\$118,974	\$250,976	\$369,950
2030	2	1	3	\$118,974	\$437,589	\$556,563
2031	2	3	5	\$118,974	\$613,724	\$732,697
2032	2	4	6	\$118,974	\$766,449	\$885,423
2033	2	5	7	\$118,974	\$889,525	\$1,008,499
2034	2	5	7	\$118,974	\$981,643	\$1,100,617

Source: CPA REMI, RE Maplewood LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate	Iraan-Sheffield ISD I&S Tax Levy	Iraan-Sheffield ISD M&O Tax Levy	Iraan-Sheffield ISD M&O and I&S Tax Levies	Pecos County Tax Levy	Iraan General Hospital District Tax Levy	Midland College District Tax Levy	Middle Pecos Groundwater Conservation District Tax Levy	Estimated Total Property Taxes
				0.1100	1.0600		0.7990	0.4584	0.0345	0.0249	
2020	\$140,000,000	\$140,000,000		\$154,000	\$1,484,000	\$1,638,000	\$1,118,600	\$641,760	\$48,300	\$34,860	\$3,481,520
2021	\$119,000,000	\$119,000,000		\$130,900	\$1,261,400	\$1,392,300	\$950,810	\$545,496	\$41,055	\$29,631	\$2,959,292
2022	\$101,150,000	\$101,150,000		\$111,265	\$1,072,190	\$1,183,455	\$808,189	\$463,672	\$34,897	\$25,186	\$2,515,398
2023	\$85,977,500	\$85,977,500		\$94,575	\$911,362	\$1,005,937	\$686,960	\$394,121	\$29,662	\$21,408	\$2,138,088
2024	\$73,080,875	\$73,080,875		\$80,389	\$774,657	\$855,046	\$583,916	\$335,003	\$25,213	\$18,197	\$1,817,375
2025	\$62,118,744	\$62,118,744		\$68,331	\$658,459	\$726,789	\$496,329	\$284,752	\$21,431	\$15,468	\$1,544,769
2026	\$52,800,932	\$52,800,932		\$58,081	\$559,690	\$617,771	\$421,879	\$242,039	\$18,216	\$13,147	\$1,313,054
2027	\$44,880,792	\$44,880,792		\$49,369	\$475,736	\$525,105	\$358,598	\$205,734	\$15,484	\$11,175	\$1,116,096
2028	\$38,148,674	\$38,148,674		\$41,964	\$404,376	\$446,339	\$304,808	\$174,874	\$13,161	\$9,499	\$948,681
2029	\$32,426,372	\$32,426,372		\$35,669	\$343,720	\$379,389	\$259,087	\$148,642	\$11,187	\$8,074	\$806,379
2030	\$32,426,372	\$32,426,372		\$35,669	\$343,720	\$379,389	\$259,087	\$148,642	\$11,187	\$8,074	\$806,379
2031	\$32,426,372	\$32,426,372		\$35,669	\$343,720	\$379,389	\$259,087	\$148,642	\$11,187	\$8,074	\$806,379
2032	\$32,426,372	\$32,426,372		\$35,669	\$343,720	\$379,389	\$259,087	\$148,642	\$11,187	\$8,074	\$806,379
2033	\$32,426,372	\$32,426,372		\$35,669	\$343,720	\$379,389	\$259,087	\$148,642	\$11,187	\$8,074	\$806,379
2034	\$32,426,372	\$32,426,372		\$35,669	\$343,720	\$379,389	\$259,087	\$148,642	\$11,187	\$8,074	\$806,379
			Total	\$1,002,887	\$9,664,187	\$10,667,074	\$7,284,609	\$4,179,305	\$314,542	\$227,017	\$22,672,547

Source: CPA, RE Maplewood LLC

*Tax Rate per \$100 Valuation

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller’s determination that RE Maplewood 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 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)
Limitation Pre-Years	2017	\$0	\$0	\$0	\$0
	2018	\$0	\$0	\$0	\$0
	2019	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2020	\$318,000	\$318,000	\$1,166,000	\$1,166,000
	2021	\$318,000	\$636,000	\$943,400	\$2,109,400
	2022	\$318,000	\$954,000	\$754,190	\$2,863,590
	2023	\$318,000	\$1,272,000	\$593,362	\$3,456,952
	2024	\$318,000	\$1,590,000	\$456,657	\$3,913,609
	2025	\$318,000	\$1,908,000	\$340,459	\$4,254,067
	2026	\$318,000	\$2,226,000	\$241,690	\$4,495,757
	2027	\$318,000	\$2,544,000	\$157,736	\$4,653,494
	2028	\$318,000	\$2,862,000	\$86,376	\$4,739,870
	2029	\$318,000	\$3,180,000	\$25,720	\$4,765,589
Maintain Viable Presence (5 Years)	2030	\$343,720	\$3,523,720	\$0	\$4,765,589
	2031	\$343,720	\$3,867,439	\$0	\$4,765,589
	2032	\$343,720	\$4,211,159	\$0	\$4,765,589
	2033	\$343,720	\$4,554,878	\$0	\$4,765,589
	2034	\$343,720	\$4,898,598	\$0	\$4,765,589
Additional Years as Required by 313.026(c)(1) (10 Years)	2035	\$343,720	\$5,242,317	\$0	\$4,765,589
	2036	\$343,720	\$5,586,037	\$0	\$4,765,589
	2037	\$343,720	\$5,929,756	\$0	\$4,765,589
	2038	\$343,720	\$6,273,476	\$0	\$4,765,589
	2039	\$343,720	\$6,617,195	\$0	\$4,765,589
	2040	\$343,720	\$6,960,915	\$0	\$4,765,589
	2041	\$343,720	\$7,304,635	\$0	\$4,765,589
	2042	\$343,720	\$7,648,354	\$0	\$4,765,589
	2043	\$343,720	\$7,992,074	\$0	\$4,765,589
	2044	\$343,720	\$8,335,793	\$0	\$4,765,589

\$8,335,793

 is greater than

 \$4,765,589

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

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, RE Maplewood LLC

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 C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines 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.” This represents the basis for the Comptroller’s determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration:

Determination

The Comptroller **has determined** that the limitation on appraised value is a determining factor in the RE Maplewood LLC’s decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Per RE Maplewood LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “The applicant requires this appraised value limitation in order to move forward with constructing this project in Texas. Specifically, without the available tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project in Texas would be in jeopardy.”
 - B. “The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today’s contracted power rates under a power purchase agreement. As such, the applicant is not able to finance and build its project in Texas even with a signed power purchase agreement with an off take because of the low price in the power purchase agreement. Without the tax incentive, the applicant would be forced to abandon the project, including its executed ERCOT Standard Generation Interconnection Agreement with Electric Transmission Texas LLC, its executed Chapter 312 Tax Abatement Agreements with Pecos County taxing entities and its executed Option-to-Lease Agreements with landowners in Pecos County.”
 - C. “In addition to terminating these agreements, the applicant would look to spend its development capital and prospective investment funds in other states where the rate of return is higher on a project basis. This is because other states have high electricity prices where a developer can obtain a PPA with a much higher contracted rate, combined with state incentives for renewable energy generation, the other states offer a much higher rate of return for the project financiers. Without the tax incentives in Texas, a project with a power purchase agreement becomes unfinanceable.”
- Per RE Maplewood LLC in Tab 4 of their Application for a Limitation on Appraised Value:
 - A. “RE Maplewood LLC is developing a solar photovoltaic facility designed to use solar power to generate electricity. The anticipated generation capacity of the Project is 100 MW.”

- A February 12, 2016 *Generation Hub* article states the following:
 - A. "Electric Transmission Texas LLC on Feb. 11 filed with the Public Utility Commission of Texas an ERCOT Standard Generation Interconnection Agreement, dated Feb. 3, with RE Maplewood LLC for a 500-MW solar project. The agreement has no specific commercial operation date for this project, with that coming a certain number of months after achievement of other project milestones."
 - B. "RE Maplewood's Red Barn Substation will be located in Pecos County approximately eleven miles south of McCamey, Texas. Once the facilities are completed and energized, the Point of Interconnection will be located at RE Maplewood's dead-end structure inside the substation that terminates ETT's 345-kV transmission line from ETT's Bakersfield 345-kV Station."
 - C. "The project size is a maximum 500 MW (net at the Point of Interconnection). It is to be made up of four hundred thirty (430) inverters at 1.25 MW each, to be installed in a phased build out: Phase A (100 MW); Phase B (200 MW); Phase C (100 MW); and Phase D (100 MW). The project will use Canadian Solar photovoltaic modules."
- While the application has not indicated the RE Maplewood, LLC will be multi-phase project, several publications have:
 - A. A December 19, 2016 *Generation Hub* article cites an Electric Reliability Council of Texas (ERCOT) report and confirms what a report of multi-phase project, " ... planned resources that have finalized the necessary agreements and permits to be added to the Dec. 15 edition of the CDR [Capacity, Demand and Reserves (CDR) in the ERCOT Region, 2017-2026] report: ... RE MAPLEWOOD 2A SOLAR, Pecos County, Solar, West Zone, commercial in 2018, 100 MW installed capacity; ... RE MAPLEWOOD 2B SOLAR, Pecos County, Solar, West Zone, commercial in 2019, 200 MW installed capacity; ... RE MAPLEWOOD 2C SOLAR, Pecos County, Solar, West Zone, commercial in 2020, 100 MW installed capacity; ... RE MAPLEWOOD 2D SOLAR, Pecos County, Solar, West Zone, commercial in 2020, 100 MW installed capacity."
 - B. A December 2017 *Generator Interconnection Status Report* issued by ERCOT detailed a five phase planned project that had signed generation interconnection agreements as of December 31, 2017.
 - RE Maplewood 2a Solar, Pecos County, 100 MW, Projected Date: 12/1/2018
 - RE Maplewood 2b Solar, Pecos County, 100 MW, Projected Date: 12/1/2019
 - RE Maplewood 2c Solar, Pecos County, 100 MW, Projected Date: 12/1/2019
 - RE Maplewood 2d Solar, Pecos County, 100 MW, Projected Date: 12/1/2020
 - RE Maplewood 2e Solar, Pecos County, 100 MW, Projected Date: 12/1/2020
 - C. The U.S. Energy Information Administration's *Electric Power Monthly with Data for November 2017*, released January 2018, reported as planned electric generating units:
 - RE Maplewood LLC, 12/2018, IPP (plant producer type), PV1(generator ID) 100 MW, Planned for installation, but regulatory approvals not initiated (status)
 - RE Maplewood LLC, 12/2019, IPP (plant producer type), PV2(generator ID) 100 MW, Planned for installation, but regulatory approvals not initiated (status)
 - RE Maplewood LLC, 12/2019, IPP (plant producer type), PV3(generator ID) 100 MW, Planned for installation, but regulatory approvals not initiated (status)
 - RE Maplewood LLC, 12/2020, IPP (plant producer type), PV4(generator ID) 100 MW, Planned for installation, but regulatory approvals not initiated (status)
 - RE Maplewood LLC, 12/2020, IPP (plant producer type), PV5(generator ID) 100 MW, Planned for installation, but regulatory approvals not initiated (status)
- A review of the legal description of reinvestment zone found in the executed value limitation agreement for #1024 Iraan-Sheffield ISD and RE Palmwood, LLC found the three tracts of land in that agreement are the same as three of four tracts of land found in the legal description in Tab 16 of the application. In early January 2017, the Comptroller's office was informed agreement project #1024 was terminated. In a letter to the school district, the applicant stated it did not expect to be able to make the qualified Investment during the qualifying time period under the agreement and desired to terminate the agreement with the intention of re-applying for a similar agreement.
- A review of the minutes from the January 17, 2017 board meeting of the Middle Pecos Groundwater Conservation District showed the following:

- A. When considering the tax abatement application for RE Maplewood LLC – “On August 19, 2014 a tax abatement was granted to RE Palmwood LLC. The rights and obligations of RE Palmwood LLC have been assigned to and assumed by a related entity, RE Maplewood LLC.”
- B. “The application is for an amended and restated tax abatement.”
- Supplemental information provided by the applicant indicated the following:
 - A. “RE Maplewood LLC is not currently known by another name. There was a similar project that utilized portions of the proposed land and executed a 313 agreement in 2014 which has since been terminated. That project was called RE Palmwood LLC (Application number 1024, Texas Taxpayer ID # 32054020899).”
 - B. “Yes, RE Maplewood LLC has an executed Interconnection Agreement and is referred to by ERCOT as GINR 17INR0020a.”

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
- c) Additional information provided by the Applicant or located by the Comptroller

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.

Supporting Information

**Section 8 of the Application for
a Limitation on Appraised Value**

Application for Appraised Value Limitation on Qualified Property

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? Yes No
2. The property will be used for one of the following activities:
 - (1) manufacturing Yes No
 - (2) research and development Yes No
 - (3) a clean coal project, as defined by Section 5.001, Water Code Yes No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code Yes No
 - (5) renewable energy electric generation Yes No
 - (6) electric power generation using integrated gasification combined cycle technology Yes No
 - (7) nuclear electric power generation Yes No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) Yes No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 Yes No
3. Are you requesting that any of the land be classified as qualified investment? Yes No
4. Will any of the proposed qualified investment be leased under a capitalized lease? Yes No
5. Will any of the proposed qualified investment be leased under an operating lease? Yes No
6. Are you including property that is owned by a person other than the applicant? Yes No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? Yes No

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:

<input type="checkbox"/> Land has no existing improvements	<input checked="" type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
3. Does the applicant have current business activities at the location where the proposed project will occur? Yes No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? Yes No
5. Has the applicant received any local or state permits for activities on the proposed project site? Yes No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? Yes No
7. Is the applicant evaluating other locations not in Texas for the proposed project? Yes No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? Yes No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? Yes No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? Yes No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

Supporting Information

**Attachments provided in Tab 5
of the Application for a
Limitation on Appraised Value**

TAB 5

Documentation to assist in determining if limitation is a determining factor

The applicant's parent company for this project, Recurrent Energy, is a solar project developer who has successfully developed and sold more than 1.9GWp of solar photovoltaic (PV) projects across North America. Based in the U.S. and headquartered in San Francisco, Recurrent Energy is a wholly owned subsidiary of Canadian Solar and functions as the U.S. development arm of Canadian Solar's Energy Group. Recurrent Energy has one of North America's largest solar development portfolios, with a project pipeline across the United States exceeding 4GWp and more than 2.1GWp of contracted projects. The applicant requires this appraised value limitation in order to move forward with constructing this project in Texas. Specifically, without the available tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project in Texas would be in jeopardy.

Property taxes can be the highest operating expense for a solar generation facility, as solar plants do not have any associated fuel costs for the production of electricity. With Texas wholesale electricity prices already below the national average, it is necessary to limit the property tax liabilities for a solar project in order to be able to offer electricity at prices that are marketable to Texas customers at competitive rates, including power sales under a bi-lateral contract. Without the appraised value limitation, Recurrent Energy would look to maximize their investment by building in California, a state that provides many subsidies for renewable energy projects, and which has higher average contracted power rates along with attractive incentives for developers to build projects.

The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates under a power purchase agreement. As such, the applicant is not able to finance and build its project in Texas even with a signed power purchase agreement with an offtaker because of the low price in the power purchase agreement. Without the tax incentive, the applicant would be forced to abandon the project, including its executed ERCOT Standard Generation Interconnection Agreement with Electric Transmission Texas LLC, its executed Chapter 312 Tax Abatement Agreements with Pecos County taxing entities and its executed Option-to-Lease Agreements with landowners in Pecos County. In addition to terminating these agreements, the applicant would look to spend its development capital and prospective investment funds in other states where the rate of return is higher on a project basis. This is because other states have high electricity prices where a developer can obtain a PPA with a much higher contracted rate, combined with state incentives for renewable energy generation, the other states offer a much higher rate of return for the project financiers. Without the tax incentives in Texas, a project with a power purchase agreement becomes unfinanceable.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

TAB 4

Detailed description of the project

RE Maplewood LLC is developing a solar photovoltaic facility designed to use solar power to generate electricity. The anticipated generation capacity of the Project is 100 MW. The qualified investment may include solar modules, mounting system, electrical collection system, combiner boxes, inverters, project substation, meteorological equipment, operations and maintenance facility, transmission facilities, and other ancillary equipment necessary to safely generate and transmit energy. All of the property for which the Applicant is seeking a limitation of appraised value will be owned by the Applicant.

The Applicant anticipates commencing construction activities in the first quarter of 2019 and completing construction by the fourth quarter of 2019. Once complete, the Project may operate for thirty or more years.

The Project will be located entirely within Pecos County and the Iraan-Sheffield Independent School District. It may utilize approximately 1,500 acres of the land within the RZ Tunas Creek Reinvestment Zone. The project design is not finalized at this time thus the exact location of the improvements cannot be specified. The land used for the Project is privately owned land under long-term leases. The land is currently shrub land which is not being actively used for any profitable ventures.



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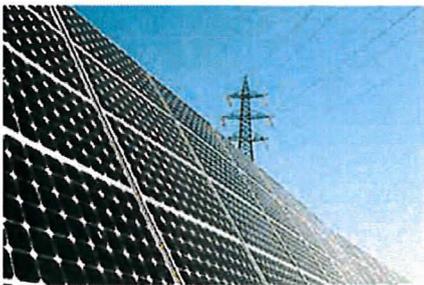
ARTICLE

Electric Transmission Texas does deal for 500-MW solar project of Recurrent Energy

RE Maplewood's project substation will be located in Pecos County

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Electric Transmission Texas LLC on Feb. 11 filed with the Public Utility Commission of Texas an ERCOT Standard Generation Interconnection Agreement, dated Feb. 3, with **RE Maplewood LLC** for a 500-MW solar project.

The agreement has no specific commercial operation date for this project, with that coming a certain number of months after achievement of other project milestones.

RE Maplewood's Red Barn Substation will be located in Pecos County approximately eleven miles south of McCamey, Texas. Once the facilities are completed and energized, the Point of Interconnection will be located at RE Maplewood's dead-end structure inside the substation that terminates ETT's 345-kV transmission line from ETT's Bakersfield 345-kV Station.

The project size is a maximum 500 MW (net at the Point of Interconnection). It is

to be made up of four hundred thirty (430) inverters at 1.25 MW each, to be installed in a phased build out: Phase A (100 MW); Phase B (200 MW); Phase C (100 MW); and Phase D (100 MW). The project will use **Canadian Solar** photovoltaic modules.

A project contact is: **Recurrent Energy Development Holdings LLC**, Attn: Director, Asset Management, 300 California St., 7th Floor, San Francisco, CA 94104, 24 Hour Phone: 415-675-1501, Andrew.Griffiths@recurrentenergy.com.



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ARTICLE

Thousands of MWs of capacity in the works in the ERCOT region

New capacity a mix of gas, wind and solar

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A report issued Dec. 15 by the **Electric Reliability Council of Texas**, called "Capacity, Demand and Reserves (CDR) in the ERCOT Region, 2017-2026," shows thousands of MWs of new capacity that has lately gone into operation or is in development.

Since the release of the May 2016 CDR report, resources totaling 2,684 MW have been approved by ERCOT for commercial operations. Wind and solar resource installed capacity represents 1,652 MW of this total, translating to an expected summer peak capacity contribution of 485 MW. Planned resources that became newly eligible for inclusion in this CDR report total 2,470 MW of installed capacity, including 1,773 MW of wind resources and 698 MW of solar resources.

The following Planned Resources have been moved to Operational Status since the release of the May 2016 version of the CDR report:

- SKY GLOBAL POWER ONE A, Colorado County, Gas, South Zone, 26.7 MW installed capacity;
- SKY GLOBAL POWER ONE B, Colorado County, Gas, South Zone, 26.7

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MW installed capacity;

- ANTELOPE IC 1, Hale County, Gas, West Zone, 56 MW installed capacity;
- ANTELOPE IC 2, Hale County, Gas, West Zone, 56 MW installed capacity;
- ANTELOPE IC 3, Hale County, Gas, West Zone, 56 MW installed capacity;
- ELK STATION CTG 1, Hale County, Gas, West Zone, 195 MW installed capacity;
- ELK STATION CTG 2, Hale County, Gas, West Zone, 195 MW installed capacity;
- ELK STATION CTG 3, Hale County, Gas, West Zone, 195 MW installed capacity;
- REDGATE A, Hidalgo County, Gas, South Zone, 56.3 MW installed capacity;
- REDGATE B, Hidalgo County, Gas, South Zone, 56.3 MW installed capacity;
- REDGATE C, Hidalgo County, Gas, South Zone, 56.3 MW installed capacity;
- REDGATE D, Hidalgo County, Gas, South Zone, 56.3 MW installed capacity;
- DOUG COLBECK'S CORNER (CONWAY) A, Carson County, Wind, Panhandle Zone, 100.2 MW installed capacity;
- DOUG COLBECK'S CORNER (CONWAY) B, Carson County, Wind, Panhandle Zone, 100.2 installed capacity;
- GUNSIGHT MOUNTAIN WIND, Howard County, Wind, West Zone, 119.9 MW installed capacity;
- LOS VIENTOS IV WIND, Starr County, Wind, South Zone, 200 MW installed capacity;
- LOS VIENTOS V WIND, Starr County, Wind, South Zone, 110 MW installed capacity;
- SOUTH PLAINS WIND II A, Floyd County, Wind, Panhandle Zone, 148.5 MW installed capacity;
- SOUTH PLAINS WIND II B, Floyd County, Wind, Panhandle Zone, 151.8 MW installed capacity;
- WAKE WIND 1, Dickens County, Wind, Panhandle Zone, 114.9 MW installed capacity;
- WAKE WIND 2, Dickens County, Wind, Panhandle Zone, 142.3 MW installed capacity;
- BAFFIN WIND UNIT1, Kenedy County, Wind, Coastal Zone, 100 MW installed capacity;

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- BAFFIN WIND UNIT2, Kenedy County, Wind, Coastal Zone, 102 MW installed capacity;
- OCI ALAMO 7 (PAINT CREEK), Haskell County, Solar, West Zone, 104.5 MW installed capacity;
- RE ROSEROCK SOLAR 1, Pecos County, Solar, West Zone, 78.8 MW installed capacity; and
- RE ROSEROCK SOLAR 2, Pecos County, Solar, West Zone, 78.8 MW installed capacity.

The following Planned Resources have finalized the necessary agreements and permits to be added to the Dec. 15 edition of the CDR report:

- CANADIAN BREAKS WIND, Oldham County, Wind, Panhandle Zone, commercial operations in 2017, 201 MW installed capacity;
- SALT FORK WIND EXPANSION, Carson County, Wind, Panhandle Zone, commercial in 2017, 24 MW installed capacity;
- CHOCOLATE BAYOU, Brazoria County, Wind, Coastal Zone, commercial in 2018 150 MW installed capacity;
- GOODNIGHT WIND, Armstrong County, Wind, Panhandle Zone, commercial in 2018, 500 MW installed capacity;
- DERMOTT WIND 1, Scurry County, Wind, West Zone, commercial in 2017, 250 MW installed capacity;
- COYOTE WIND, Scurry County, Wind, West Zone, commercial in 2018, 250 MW installed capacity;
- BEARKAT WIND A, Glasscock County, Wind, West, commercial in 2017, 197 MW installed capacity;
- INFINITY LIVE OAK WIND, Schleicher County, Wind, West Zone, commercial in 2017, 200.6 MW installed capacity;
- BNB LAMESA SOLAR B, Dawson County, Solar, West Zone, commercial in 2018, 97.5 MW installed capacity;
- RE MAPLEWOOD 2A SOLAR, Pecos County, Solar, West Zone, commercial in 2018, 100 MW installed capacity;
- RE MAPLEWOOD 2A SOLAR, Pecos County, Solar, West Zone, commercial in 2018, 100 MW installed capacity;
- RE MAPLEWOOD 2B SOLAR, Pecos County, Solar, West Zone, commercial in 2019, 200 MW installed capacity;

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- RE MAPLEWOOD 2C SOLAR, Pecos County, Solar, West Zone, commercial in 2020, 100 MW installed capacity; and
- RE MAPLEWOOD 2D SOLAR, Pecos County, Solar, West Zone, commercial in 2020, 100 MW installed capacity.



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Generator Interconnection Status Report

December 2017

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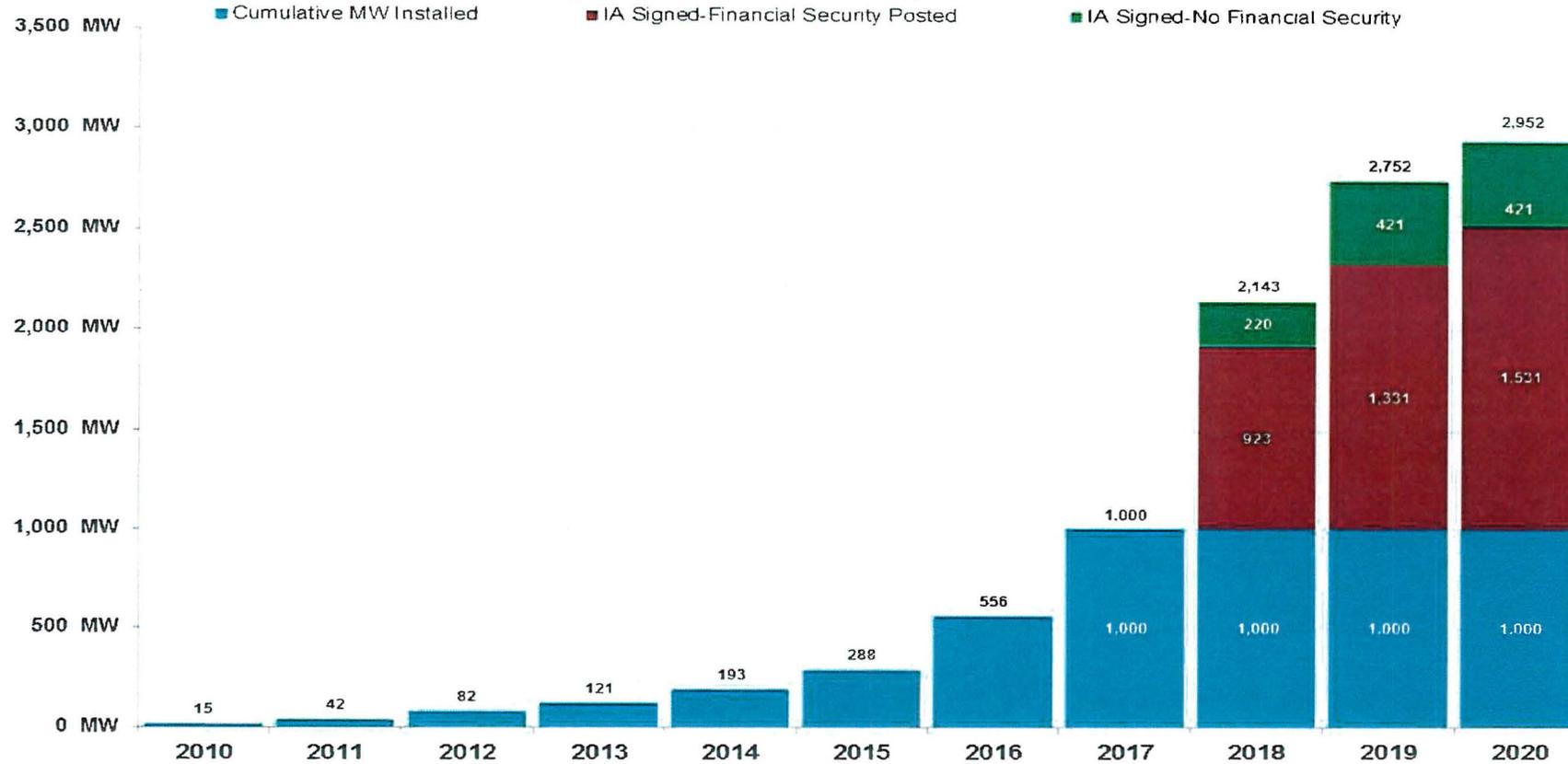
Generation Interconnection Agreements as of December 31, 2017

GINR Reference Number	Project Name*	Interconnecting Entity	County	Projected Date	Fuel	MW For Grid	Changes From Last Report	Planning Guide Section 6.9 Requirements (Other than model data submission)				F/S completion
								Meets Section 6.9 Requirements (1)(b) through (1)(d)	Sufficient Financial Security Received by TSP	Air Permit	Water Rights	
12INR0059b	HOVEY (Barilla Solar 1B)	First Solar	Pecos	12/2017	Solar	7		Yes	Yes	N/A	N/A	Complete
14INR0031	BTE (Baytown Chiller)	Calpine	Chambers	1/2018	Gas	270		Yes	Yes	Yes	N/A	Complete
16INR0023	LMESASLR (BNB Lamesa Solar 1)	Res Americas	Dawson	1/2018	Solar	102	Projected Date	Yes	Yes	N/A	N/A	Complete
15INR0064	NBOHR (BearKat Wind A)	TnGlobal	Glasscock	1/2018	Wind	197	Projected Date	Yes	Yes	N/A	N/A	Complete
15INR0061	LASSO	Solaire Direct	Brewster	1/2018	Solar	50		Yes	Yes	N/A	N/A	Complete
17INR0022	MIRAGE	Net Power	Harris	2/2018	Gas	11		Yes	Yes	Yes	Yes	Complete
16INR0054	NA	NASA	Harris	2/2018	Gas	12		Yes	Yes	N/A	N/A	Complete
15INR0045	RIGGINS	NRG	Pecos	2/2018	Solar	150		Yes	Yes	N/A	N/A	Complete
13INR0049	FEGC	Friendswood Energy Genco	Harris	2/2018	Gas	129	Projected Date	Yes	Yes	Yes	Yes	Complete
16INR0087	RTS Wind Project	Goldwind	McCulloch	3/2018	Wind	160	Project Name	Yes	Yes	N/A	N/A	Complete
15INR0082	FTWIND (Flat Top Wind I)	Alterra Power	Comanche	3/2018	Wind	200		Yes	Yes	N/A	N/A	Complete
16INR0091	HICKMAN	Invenergy	Reagan	4/2018	Wind	300	Projected Date	Yes	Yes	N/A	N/A	Complete
16INR0096	Cactus Flats Wind	Southern Power (RES Americas)	Concho	6/2018	Wind	148	MW For Grid	Yes	Yes	N/A	N/A	Complete
16INR0065	CASL_GAP (Castle Gap Solar)	Vistra Energy/Luminant	Upton	6/2018	Solar	180		Yes	Yes	N/A	N/A	Complete
18INR0013	Denton Energy Center	Denton Municipal Electric	Denton	7/2018	Gas	226		Yes	Yes	Yes	N/A	Complete
13INR0010a	Mariah Del Este	Mariah Acquisition	Parmer	9/2018	Wind	152		Yes	Yes	N/A	N/A	Incomplete
18INR0025	Tahoka Wind	Lincoln Clean	Lynn	10/2018	WIND	505	SFS	Yes	Yes	N/A	N/A	Complete
16INR0076	Brazoria Energy G	Ineos	Brazoria	10/2018	Gas	96	NEW	No	Yes	Yes	No	Complete
18INR0016	Heart of Texas Wind	RES Americas	McCulloch	12/2018	Wind	150		No	No	N/A	N/A	Complete
16INR0112	Loma Pinta Wind	Enerverse	La Salle	12/2018	Wind	200	NEW	Yes	Yes	N/A	N/A	Complete
15INR0090	Pflugerville Solar	RRE Solar	Travis	12/2018	Solar	120		No	No	N/A	N/A	Complete
15INR0064b	BearKat Wind B	TriGlobal	Glasscock	12/2018	Wind	162	Projected Date	Yes	Yes	N/A	N/A	Complete
14INR0038	BAC	PHR Holdings	Galveston	12/2018	Gas	390	Projected Date	Yes	Yes	Yes	N/A	Complete
14INR0033	Goodnight Wind	FGE Power	Armstrong	12/2018	Wind	497		No	No	N/A	N/A	Complete
17INR0020a	RE Maplewood 2a Solar	Recurrent Energy	Pecos	12/2018	Solar	100		Yes	Yes	N/A	N/A	Incomplete
17INR0005	Cabezon Wind	Longroad Energy	Starr	12/2018	Wind	239	Project Name, SFS	Yes	Yes	N/A	N/A	Incomplete
16INR0121	Salt Fork Wind Expansion	Southern Power Company	Carson	12/2018	Wind	54		No	No	N/A	N/A	Incomplete
16INR0115	Waymark Solar	174 Power Global	Pecos	12/2018	Solar	182		Yes	Yes	N/A	N/A	Incomplete
16INR0114	Upton Solar	SunPower	Upton	12/2018	Solar	102		Yes	Yes	N/A	N/A	Incomplete
16INR0037c	Pumpkin Farm Wind	Apex Clean	Floyd	12/2018	Wind	281		Yes	Yes	N/A	N/A	Incomplete
16INR0023b	Lamesa Solar B (Phase II)	BNB Renewables (RES)	Dawson	12/2018	Solar	50	Projected Date, SFS	Yes	Yes	N/A	N/A	Incomplete
16INR0019	Capricorn Ridge Solar	Nextera	Coke	12/2018	Solar	100		No	No	N/A	N/A	Incomplete
15INR0035	Stella 1 Wind	Eon	Kenedy	12/2018	Wind	201		No	No	N/A	N/A	Incomplete
14INR0030c	Panhandle Wind 3	Pattern Energy	Carson	12/2018	Wind	248		Yes	Yes	N/A	N/A	Incomplete
14INR0023b	LHORN (Lorghorn South W)	EDF Renewables	Briscoe	12/2018	Wind	160		Yes	Yes	N/A	N/A	Incomplete
13INR0010c	Mariah Del Sur	Mariah Acquisition	Parmer	12/2018	Wind	218		Yes	Yes	N/A	N/A	Incomplete
15INR0059	Emerald Grove Solar	Cypress Creek Renewables	Pecos	1/2019	Solar	108	Project Name	Yes	Yes	N/A	N/A	Incomplete
15INR0023	Indeck Wharton	Indeck Energy Services	Wharton	2/2019	Gas	654		No	No	Yes	Yes	Complete
16INR0074	Chocolate Bayou W	Map Royalty	Brazoria	3/2019	Wind	150		No	No	N/A	N/A	Incomplete
12INR0055	Little Mountain Wind	Infinity Wind	Baylor	3/2019	Wind	80	NEW	No	No	N/A	N/A	Incomplete
11INR0054	Midway Wind	Apex Clean	San Patricio	3/2019	Wind	163		Yes	Yes	N/A	N/A	Incomplete
16INR0008	Tenaska Roans Prairie	Tenaska	Gnmes	4/2019	Gas	663		No	No	Yes	No	Complete
13INR0026	Canadian Breaks Wind	Macquarie Cap	Oldham	4/2019	Wind	210		No	No	N/A	N/A	Complete
16INR0010	FGE Texas 1	FGE Power	Mitchell	4/2019	Gas	745		No	No	Yes	Yes	Incomplete
11INR0062	Patriot Wind	NRG	Nueces	4/2019	Wind	180	Projected Date	Yes	Yes	N/A	N/A	Incomplete
13INR0010def	Scandia Wind DEF	Scandia Southwest	Parmer	5/2019	Wind	600		No	No	N/A	N/A	Complete
17INR0027b	Coyote Wind	Lincoln Clean	Scurry	5/2019	Wind	242		Yes	Yes	N/A	N/A	Incomplete
16INR0044	Halyard Wharton	Halyard Energy	Wharton	6/2019	Gas	419		No	No	Yes	Yes	Complete
17INR0017	Clear Springs G	Quantum	Guadalupe	6/2019	Gas	592		No	No	Yes	No	Incomplete
17INR0016	Union Valley G	Quantum	Wilson	6/2019	Gas	592		No	No	Yes	No	Incomplete
16INR0062b	Lockett Wind	Lincoln Clean	Wilbarger	6/2019	Wind	184		Yes	Yes	N/A	N/A	Incomplete
16INR0045	Halyard Henderson	Halyard Energy	Henderson	6/2019	Gas	450		No	No	Yes	Yes	Incomplete
16INR0003	LEVEE (Freeport LNG)	Freeport LNG	Brazoria	6/2019	Gas	11		Yes	Yes	Yes	N/A	Incomplete
18INR0001	Rockwood G	Lincoln Clean	Colorado	7/2019	Gas	1122		No	No	Yes	No	Incomplete

GINR Reference Number	Project Name*	Interconnecting Entity	County	Projected Date	Fuel	MW For Grid	Changes From Last Report	Meets Section 6.9 Requirements (1)(b) through (1)(d)	Sufficient Financial Security Received by TSP	Air Permit	Water Rights	FIS completion
18INR0043	Edmondson Ranch Wind	Wind Tex	Glasscock	9/2019	Wind	292	SFS	Yes	Yes	N/A	N/A	Incomplete
17INR0010	FGE Texas II	FGE Power	Mitchell	9/2019	Gas	799		No	No	Yes	No	Incomplete
16INR0049	Nazareth Solar	Lincoln Clean	Castro	10/2019	Solar	201		No	No	N/A	N/A	Complete
15INR0079	Pullman Road Wind	SunEdison	Randall	10/2019	Wind	300		No	No	N/A	N/A	Complete
13INR0038	Wildrose Wind	S Power	Swisher	10/2019	Wind	212		Yes	Yes	N/A	N/A	Complete
18INR0004	Shawnee G	Lincoln Clean	Hill	10/2019	Gas	928		No	No	Yes	No	Incomplete
15INR0050	Unity Wind	Miller Wind	Deaf Smith	10/2019	Wind	203		No	No	N/A	N/A	Incomplete
12INR0002a	Silver Canyon Wind A	EDP Renewables	Briscoe	10/2019	Wind	200		No	No	N/A	N/A	Incomplete
14INR0044	West of Pecos Solar	Eon	Reeves	12/2019	Solar	100	Projected Date	Yes	Yes	N/A	N/A	Complete
18INR0014	Karankawa Wind Alt A	Avangrid	San Patricio	12/2019	Wind	200	NEW	No	No	N/A	N/A	Incomplete
17INR0037	Palmas Altas Wind	Acciona	Cameron	12/2019	Wind	145	NEW	No	No	N/A	N/A	Incomplete
17INR0020c	RE Maplewood 2c Solar	Recurrent Energy	Pecos	12/2019	Solar	100		Yes	Yes	N/A	N/A	Incomplete
17INR0020b	RE Maplewood 2b Solar	Recurrent Energy	Pecos	12/2019	Solar	100		Yes	Yes	N/A	N/A	Incomplete
14INR0045b	Torreillas Wind B	Nextera	Webb	12/2019	Wind	200		Yes	Yes	N/A	N/A	Incomplete
14INR0045a	Torreillas Wind A	Nextera	Webb	12/2019	Wind	200		Yes	Yes	N/A	N/A	Incomplete
13INR0005c	Grandview W 3	Eon	Carson	12/2019	Wind	188		Yes	Yes	N/A	N/A	Incomplete
12INR0060	Infinity Live Oak Wind	Infinity Wind	Schleicher	12/2019	Wind	200		Yes	Yes	N/A	N/A	Incomplete
12INR0029	Comanche Run Wind	Avangrid	Swisher	12/2019	Wind	500		No	No	N/A	N/A	Incomplete
16INR0006	Pinecrest G	Coronado Ventures	Angelina	4/2020	Gas	785		No	No	Yes	Yes	Incomplete
15INR0013	Bethel CAES	Apex CAES	Anderson	11/2020	Gas/CE	324	Fuel	No	No	Yes	Yes	Incomplete
17INR0020e	RE Maplewood 2e Solar	Recurrent Energy	Pecos	12/2020	Solar	100		Yes	Yes	N/A	N/A	Incomplete
17INR0020d	RE Maplewood 2d Solar	Recurrent Energy	Pecos	12/2020	Solar	100		Yes	Yes	N/A	N/A	Incomplete
16INR0005	Brownsville G	Tenaska	Cameron	12/2020	Gas	871		No	No	Yes	No	Incomplete

* The capacities for projects identified as repowering are reported on a net change basis with respect to the original capacity amount, and thus may have zero or negative values

ERCOT Solar Additions by Year (as of 12/31/2017)



Notes:

- The data presented here is based upon the latest information provided to ERCOT by resource owners and developers and can change without notice.
- Installed capacities for the current year account for changes reported by the facility owners during the reporting month, and will be reflected in subsequent years' totals.
- Installed capacities include only solar facilities that have registered with ERCOT (Those larger than one megawatt and supply power to the ERCOT system.)
- This chart reports annual planned units with projected Commercial Operations Dates throughout the calendar year. In contrast, ERCOT's Capacity, Demand and Reserves (CDR) report shows planned capacity projected to be commercially available on or before the start of the Summer and Winter Peak Load seasons.



Independent Statistics & Analysis
U.S. Energy Information
Administration

Electric Power Monthly

with Data for November 2017

January 2018

This report was prepared by the U.S. Energy Information Administration (EIA), the statistical and analytical agency within the U.S. Department of Energy. By law, EIA's data, analyses, and forecasts are independent of approval by any other officer or employee of the United States Government. The views in this report therefore should not be construed as representing those of the Department of Energy or other Federal agencies

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE
OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES**

by and between

IRAAN-SHEFFIELD INDEPENDENT SCHOOL DISTRICT

and

RE PALMWOOD, LLC

(Texas Taxpayer ID # 32054020899)

TEXAS COMPTROLLER APPLICATION NUMBER 1024

Dated

December 8, 2014

EXHIBIT 1

DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE

The Reinvestment Zone was originally created on June 23, 2014, by action of the Pecos County Commissioners Court. As a result of the action, all of the following real property within Pecos County, Texas is located within the boundaries of the *RZ WOLVERINE REINVESTMENT ZONE*. A map of the Reinvestment Zone is attached as the last page of this **EXHIBIT 1**. The legal description of the is as follows:

Agreement for Limitation on Appraised Value
Between Iraan-Sheffield Independent School District and RE Palmwood, LLC
TEXAS COMPTROLLER APPLICATION NUMBER 1024
December 8, 2014

EXHIBIT 1

VOL. 50 PG. 432

EXHIBIT A
LEGAL DESCRIPTION OF "RZ WOLVERINE"
REINVESTMENT ZONE

TRACT I:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being the East 400 acre(s), more or less, of land out of G.C.& S. F.R.R Co. Survey, Section 74, Abstract Number 5350, Pecos County, Texas.

TRACT II:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being 640 acre(s), more or less, of land out of the G. C.& S. F.R.R Co. Survey, Section 75, Abstract Number 6991, Pecos County, Texas.

TRACT III:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being 640 acre(s), more or less, of land out of the G.C.& S. F.R.R Co. Survey, Section 76, Abstract Number 5349, Pecos County, Texas.

TAB 16

Description of Reinvestment Zone, including:

A. Evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Not Applicable)

B. Legal description of the reinvestment zone

TRACT I:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being the East 400 acre(s), more or less, of land out of G.C.& S. F.RR Co. Survey, Block 194, Section 74, Abstract Number 5350, Pecos County, Texas.

TRACT II:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being 640 acre(s), more or less, of land out of the G. C.& S. F.RR Co. Survey, Block 194, Section 75, Abstract Number 6991, Pecos County, Texas.

TRACT III:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being 640 acre(s), more or less, of land out of the G.C.& S. F.RR Co. Survey, Block 194, Section 76, Abstract Number 5349, Pecos County, Texas.

TRACT IV:

The West One half (W/2), and being 48 acres, of Section 80, Block 194 GC&SF RR CO. Survey, Pecos County, Texas.

C. Order, resolution or ordinance establishing the reinvestment zone

RECURRENT ENERGY

A subsidiary of Canadian Solar

RE Palmwood LLC

300 California Street, 7th Floor
San Francisco, CA 94104

415.675.1500 (p)
415.675.1501 (f)

www.recurrentenergy.com

November 28, 2016

Via Hand Delivery

Iraan-Sheffield Independent School District
100 S. Farr Street
P.O. Box 486
Iraan, Texas 79744
Fax: (432) 639-2501
Attention: Kevin Allen, Superintendent
Kevin.allen@isisd.net

RE: Termination of Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, dated December 8, 2014, by and between Iraan-Sheffield Independent School District ("District"), and RE Palmwood, LLC, a Delaware limited liability company ("Applicant") (the "Agreement")

Dear Mr. Allen:

All capitalized terms used in this letter without definition have the meanings ascribed to them in the Agreement. Applicant regrets to inform District that, due to unforeseen and unexpected delays and obstacles, Applicant does not expect to be able to make the Qualified Investment during the Qualifying Time Period under the Agreement. As a result, Applicant desires to terminate the Agreement with the intention of re-applying for a similar agreement and similar tax treatment with a Qualifying Time Period further in the future than that provided by the Agreement. Applicant notes that, because Applicant has not made a Qualified Investment during the Qualifying Time Period as of the date of this letter, Applicant has not received the benefit of any Tax Limitation under the Agreement and District has not lost any ad valorem tax revenue as a result of the Agreement.

Accordingly, Applicant hereby requests District's consent to the immediate termination of the Agreement as of the date of this letter, without further obligation or liability to Applicant. Effective immediately upon such consent, the Agreement shall automatically terminate and be of no further force and effect, without further action by District or Applicant, and neither District nor Applicant shall have any remaining obligations thereunder.

If District agrees to grant the foregoing consent, please evidence such agreement by signing below and returning a signed counterpart of this letter to the Applicant. This letter may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same instrument. Delivery of an executed counterpart of this letter

by facsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this letter.

Please let us know if you have any questions.

Sincerely,

RE Palmwood, LLC,
a Delaware limited liability company

By:  _____

Name: Helen Kang Shin

Title: Vice President

Consented and Agreed to by:

Iraan-Sheffield Independent School District,
a lawfully created independent school district within the State of Texas
operating under and subject to the Texas Education Code

By: _____

Name: _____

Title: _____

MIDDLE PECOS GROUNDWATER CONSERVATION DISTRICT

P.O Box 1644 Fort Stockton, TX 79735 Phone (432)336-0698 Fax#432-336-3407

405 North Spring Drive Fort Stockton, Texas 79735

Email: mpgcd@mpgcd.org

Website: www.mpgcd.org

Directors

Jerry McGuairt, President John D. Dorris, Vice President M. R. Gonzalez, Secretary/Treasurer
Alvaro Mandujano, Jr. Vanessa Cardwell Ronald Cooper Janet Groth
Weldon Blackwelder Allan Childs Jeff Sims

Employees

Paul Weatherby, General Manager (Retired at this Meeting)
Ty Edwards, Assistant Manager (Accepted General Manager Position upon Weatherby's retirement)
Melissa Mills, Office Manager Gail Reeves, Office Assistant

Minutes of January 17, 2017

On this the 17th of January, 2017, a regular board meeting and public hearings were held by the Middle Pecos Groundwater Conservation District at the Pecos County Courthouse, 2nd Floor 103 West Callaghan, Fort Stockton, Texas, with the following members present, to-wit:

Jerry McGuairt	President, Precinct 1
John Dorris	Vice President, Precinct 3
M. R. Gonzalez	Secretary/Treasurer, Precinct 2
Janet Groth	Precinct 1
Open Position	Precinct 2
Weldon Blackwelder	Precinct 3
Ronald Cooper	Precinct 4
Alvaro Mandujano, Jr.	Precinct 4
Vanessa Cardwell	City of Fort Stockton
Jeff Sims	City of Iraan
Allan Childs, Jr.	At Large

Quorum Present.

Board members absent: None

Others present: Paul Weatherby, Mike Gershon, Emily Rogers, Gail Reeves, Ty Edwards, Harvey Gray, Melissa Mills, Joe Shuster, Drew Miller, Joe Chris Alexander, Ernest Woodard, Larry Drgac, Kirby Warnock, Jeff Williams, Brock Thompson, Ed McCarthy, Mike Thornhill, Jimmy Perkins, Scott Courtney, Bob Harden, Marty Jones, Paula McGuairt, Gwen Kennedy Hunnicutt, Jack G. Hunnicutt, Rod Ponton, Ryan Reed, Glenn Honaker, Mark Harral, Oscar Hernandez, Mr. Kincaid, John R. Pitts, Jr., Richard Gruber, Tom Kuster, Sam Grayson, Doug May, Chuck McDonald, Debra Ezell, Elise Sibley Chandler, Elizabeth Lusk/Horizon Court Reporter, and Bob Beal/Fort Stockton Pioneer.

XVI Consider and/or act upon Recurrent Energy: Maplewood, LLC Application for Tax Abatement.

John Pitts was in attendance as the representative for Recurrent Energy: Maplewood, LLC. Doug May was also present to answer questions.

- On August 19, 2014 a tax abatement was granted to RE Palmwood LLC. The rights and obligations of RE Palmwood LLC have been assigned to and assumed by a related entity, RE Maplewood LLC.
- The application is for an amended and restated tax abatement.
- The \$1,000 application fee has been received.
- The abatement begins the first day of January 2019 and ends in 10 full calendar years.
- The District has set a limitation value of FIFTY MILLION DOLLARS (\$50,000,000) on all projects to be considered for a tax abatement; meaning that only that value exceeding the limitation value will be considered as eligible for a tax abatement.
- The abatement is 80% abated and 20% taxed.
- Upon the expiration of the 10th Calendar Year of the Term of Abatement, 100% of the Certified Appraised Value of the property is subject to taxation.
- Mr. Pitts reported the site is located at 1901 Co-Op Rd, 12 miles South of McCamey. It is a 30 year operation. The proposed site will be a solar photovoltaic facility designed to generate electricity. The facility is located on approximately 1,500 acres of usable property, and the anticipated generating capacity is 100MWac.

Janet Groth made a motion to accept the application. Seconded by Alvaro Mandujano, Jr. Motion was unanimous.

XVII Consider and/or act upon Recurrent Energy: Maplewood, LLC Tax Abatement Agreement.

Janet Groth made a motion to accept and execute the Recurrent Energy: Maplewood, LLC Tax Abatement Agreement. Motion seconded by Weldon Blackwelder. Motion passed. The vote was 8 For. 2 Against. 0 Abstention. 1 Vacant Position.

XVIII Consider and/or act upon Midway Solar LLC Application for Tax Abatement.

Richard Gruber was in attendance as the representative for Midway Solar, LLC. Doug May was also present to answer questions.

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
– Iraan-Sheffield ISD – RE Maplewood LLC App. #1233 –

Comptroller Questions (via email on March 6, 2018):

- 1) *Is the RE Maplewood LLC, project currently known by any other project names?*
- 2) *Has this project applied to ERCOT at this time? If so, please provide the project's GINR number.*

Applicant Response (via email on March 6, 2018):

- 1) *RE Maplewood LLC is not currently known by another name. There was a similar project that utilized portions of the proposed land and executed a 313 agreement in 2014 which has since been terminated. That project was called RE Palmwood LLC (Application number 1024, Texas Taxpayer ID # 32054020899).*
- 2) *Yes, RE Maplewood LLC has an executed Interconnection Agreement and is referred to by ERCOT as GINR 17INR0020a*

Attachment D

Summary of Financial Impact

**CHAPTER 313 PROPERTY VALUE LIMITATION
FINANCIAL IMPACT OF THE PROPOSED RE MAPLEWOOD
LLC PROJECT IN THE IRAAN-SHEFFIELD INDEPENDENT
SCHOOL DISTRICT
(PROJECT # 1233)**

PREPARED BY



MAY 31, 2018

Executive Summary

RE Maplewood LLC (Company) has requested that the Iraan-Sheffield Independent School District (I-SISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to I-SISD on December 11, 2017 the Company plans to invest \$140 million to construct a solar renewable energy electric generation facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

The RE Maplewood LLC project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others.

Under the provisions of Chapter 313, I-SISD may offer a minimum value limitation of \$30 million. This value limitation, under the proposed application, will begin in the 2020-21 school year and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement.

MCA's initial school finance analysis is detailed in this report, incorporating the major legislative changes adopted last year. The overall conclusions are as follows, but please read all of the subsequent details in the report below for more information.

Total Revenue Loss Payment owed to I-SISD	\$586,699
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$4.2 million

Application Process

After the school district has submitted an application to the Comptroller's Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. The Completeness Letter for the RE Maplewood LLC project was released on March 8, 2018.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full review of the project and provide its certificate for a limitation on appraised value. The Certification Package for this project was issued on April 17, 2018.

After the Comptroller's certificate was received, O'Hanlon, Demerath & Castillo contacted the school district to discuss the value limitation agreement and began negotiations of the supplemental benefit payment with the Company. A final version of the agreement must be submitted to the Comptroller for review prior to final adoption by the school district's board of trustees.

Prior to final board meeting, O'Hanlon, Demerath & Castillo will provide the district with the necessary agenda language and any additional action items. The school board will review the Value Limitation Agreement and Findings of Fact that detail the project's conformance with state law. The school board will be requested to consider the adoption of a job waiver or create a reinvestment zone during this meeting.

How the 313 Agreement Interacts with Texas School Finance

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of two components: Tier I (based on ADA, special student populations and M&O taxes at the compressed tax rate) and Tier II (based on weighted ADA for each penny of tax effort above a specified level). (For more detailed information on the school finance funding system, please review the Texas Education Agency's website ([Manuals and Presentations](#)) or ([School Finance-One Page Descriptions](#)).

Because the general school finance formula system calculates state aid entitlements using the Comptroller's certified property value for the preceding year, the first year is often problematic financially. The implementation of the value limitation often results in an M&O revenue loss to the school district in the first year of the limitation that would not be reimbursed by the state, but require some type of compensation from the Company under the revenue protection provisions of the agreement. **If the full value of the project increases significantly during the value limitation period, the revenue losses may be greater than originally estimated.**

A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 1-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter).

Future legislative action on school funding could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

Underlying School District Data Assumptions

The agreement between the school district and the applicant calls for a calculation of the revenue impact of the value limitation in years 1-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. The Basic Allotment remained at \$5,140 and the Tier II Austin yield increased to \$106.28 for 2018-19, which is maintained for future years.

Static school district enrollment and property values are used to isolate the effects of the value limitation under the school finance system. Any previously-approved Chapter 313 projects are also factored into the M&O tax bases used. The impact of the Chapter 313 project value returning to the total tax roll for M&O funding purposes is beyond the scope of this revenue report.

ADA: 479
 Local Tax Base: \$961.2 million
 M&O Tax Rate: \$1.06 per \$100
 I&S Tax Rate: \$0.11 per \$100
 Wealth per WADA: \$966,684

Table 1 summarizes the enrollment and property value assumptions for the 15 years that are the subject of this analysis.

Table 1 – Base District Information with RE Maplewood Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	CAD Value with Project	CAD Value with Limitation	CPTD with Project	CPTD With Limitation	CPTD Value with Project per WADA	CPTD Value with Limitation per WADA
QTP0	2018-19	479.35	913.51	\$1.0600	\$0.1100	\$1,043,171,441	\$1,043,171,441	\$963,465,075	\$963,465,075	\$1,054,687	\$1,054,687
QTP1	2019-20	479.35	913.51	\$1.0600	\$0.1100	\$1,069,091,665	\$1,069,091,665	\$1,045,459,469	\$1,045,459,469	\$1,144,445	\$1,144,445
QTP2/VL1	2020-21	479.35	913.51	\$1.0600	\$0.1100	\$1,205,175,081	\$1,095,175,081	\$1,071,379,693	\$1,071,379,693	\$1,172,819	\$1,172,819
VL2	2021-22	479.35	913.51	\$1.0600	\$0.1100	\$1,180,198,193	\$1,091,198,193	\$1,207,463,109	\$1,097,463,109	\$1,321,787	\$1,201,372
VL3	2022-23	479.35	913.51	\$1.0600	\$0.1100	\$1,157,847,136	\$1,086,697,136	\$1,182,486,221	\$1,093,486,221	\$1,294,445	\$1,197,019
VL4	2023-24	479.35	913.51	\$1.0600	\$0.1100	\$1,138,398,631	\$1,082,421,131	\$1,160,135,164	\$1,088,985,164	\$1,269,978	\$1,192,092
VL5	2024-25	479.35	913.51	\$1.0600	\$0.1100	\$1,121,439,802	\$1,078,358,927	\$1,140,686,659	\$1,084,709,159	\$1,248,688	\$1,187,411
VL6	2025-26	479.35	913.51	\$1.0600	\$0.1100	\$1,106,618,577	\$1,074,499,833	\$1,123,727,830	\$1,080,646,955	\$1,230,124	\$1,182,964
VL7	2026-27	479.35	913.51	\$1.0600	\$0.1100	\$1,093,634,626	\$1,070,833,694	\$1,108,906,605	\$1,076,787,861	\$1,213,899	\$1,178,739
VL8	2027-28	479.35	913.51	\$1.0600	\$0.1100	\$1,313,690,928	\$1,298,810,136	\$1,095,922,654	\$1,073,121,722	\$1,199,686	\$1,174,726
VL9	2028-29	479.35	913.51	\$1.0600	\$0.1100	\$1,303,650,120	\$1,295,501,446	\$1,315,978,956	\$1,301,098,164	\$1,440,577	\$1,424,288
VL10	2029-30	479.35	913.51	\$1.0600	\$0.1100	\$1,317,541,589	\$1,317,541,589	\$1,305,938,148	\$1,297,789,474	\$1,429,586	\$1,420,666
VP1	2030-31	479.35	913.51	\$1.0600	\$0.1100	\$1,316,981,868	\$1,316,981,868	\$1,319,829,617	\$1,319,829,617	\$1,444,793	\$1,444,793
VP2	2031-32	479.35	913.51	\$1.0600	\$0.1100	\$1,314,145,079	\$1,314,145,079	\$1,319,269,896	\$1,319,269,896	\$1,444,180	\$1,444,180
VP3	2032-33	479.35	913.51	\$1.0600	\$0.1100	\$1,311,450,130	\$1,311,450,130	\$1,316,433,107	\$1,316,433,107	\$1,441,075	\$1,441,075
VP4	2033-34	479.35	913.51	\$1.0600	\$0.1100	\$1,308,889,928	\$1,308,889,928	\$1,313,738,158	\$1,313,738,158	\$1,438,124	\$1,438,124
VP5	2034-35	479.35	913.51	\$1.0600	\$0.1100	\$1,306,457,736	\$1,306,457,736	\$1,311,177,956	\$1,311,177,956	\$1,435,322	\$1,435,322

*Basic Allotment: \$5,140; AISD Yield: \$106.28; Equalized Wealth: \$514,000 per WADA

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

M&O Impact of the RE Maplewood LLC Project on I-SISD

A model is established to make a calculation of the “Baseline Revenue Model” (Table 2) by adding the total value of the project to the model, without assuming a value limitation is approved. A separate model is established to make a calculation of the “Value Limitation Revenue Model” (Table 3) by adding the project’s limited value of \$30 million to the model. The difference between the two models (Table 4) indicates there will be a total revenue loss of \$586,699 over the course of the Agreement, with all the loss reflected in the first limitation year (2020-21), under the assumptions used here. Nearly all the reduction in M&O taxes under the limitation agreement is offset through a reduction in recapture costs owed to the state under current law.

Table 2- "Baseline Revenue Model" --Project Value Added with No Value Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2018-19	\$10,322,971	\$225,746	\$0	-\$4,796,632	\$619,378	\$4,765	\$0	\$0	\$17,334	\$6,393,561
QTP1	2019-20	\$10,576,989	\$139,463	\$0	-\$5,252,054	\$634,619	\$0	\$0	\$0	\$17,334	\$6,116,350
QTP2/VL1	2020-21	\$11,932,607	\$225,746	\$0	-\$6,192,804	\$715,956	\$0	\$0	\$0	\$17,334	\$6,698,838
VL2	2021-22	\$11,683,633	\$139,463	\$0	-\$6,588,078	\$701,018	\$0	\$0	\$0	\$17,334	\$5,953,369
VL3	2022-23	\$11,461,023	\$225,746	\$0	-\$6,455,082	\$687,661	\$0	\$0	\$0	\$17,334	\$5,936,681
VL4	2023-24	\$11,267,393	\$139,463	\$0	-\$6,152,898	\$676,044	\$0	\$0	\$0	\$17,334	\$5,947,335
VL5	2024-25	\$11,098,617	\$225,746	\$0	-\$6,073,371	\$665,917	\$0	\$0	\$0	\$17,334	\$5,934,242
VL6	2025-26	\$10,951,177	\$139,463	\$0	-\$5,819,192	\$657,071	\$0	\$0	\$0	\$17,334	\$5,945,852
VL7	2026-27	\$10,822,070	\$225,746	\$0	-\$5,781,633	\$649,324	\$0	\$0	\$0	\$17,334	\$5,932,840
VL8	2027-28	\$12,977,038	\$139,463	\$0	-\$6,760,757	\$778,622	\$0	\$0	\$0	\$17,334	\$7,151,699
VL9	2028-29	\$12,877,292	\$225,746	\$0	-\$7,825,048	\$772,637	\$0	\$0	\$0	\$17,334	\$6,067,960
VL10	2029-30	\$13,036,062	\$139,463	\$0	-\$7,782,930	\$782,164	\$0	\$0	\$0	\$17,334	\$6,192,092
VP1	2030-31	\$13,006,313	\$225,746	\$0	-\$7,919,006	\$780,379	\$0	\$0	\$0	\$17,334	\$6,110,765
VP2	2031-32	\$12,978,513	\$139,463	\$0	-\$7,800,179	\$778,711	\$0	\$0	\$0	\$17,334	\$6,113,841
VP3	2032-33	\$12,952,102	\$225,746	\$0	-\$7,872,762	\$777,126	\$0	\$0	\$0	\$17,334	\$6,099,545
VP4	2033-34	\$12,927,012	\$139,463	\$0	-\$7,747,497	\$775,621	\$0	\$0	\$0	\$17,334	\$6,111,932
VP5	2034-35	\$12,903,177	\$225,746	\$0	-\$7,822,732	\$774,191	\$0	\$0	\$0	\$17,334	\$6,097,715

QTP= Qualifying Time Period
 VL= Value Limitation
 VP= Viable Presence

Table 3- "Value Limitation Revenue Model" --Project Value Added with Value Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2018-19	\$10,322,971	\$225,746	\$0	-\$4,796,632	\$619,378	\$4,765	\$0	\$0	\$17,334	\$6,393,561
QTP1	2019-20	\$10,576,989	\$139,463	\$0	-\$5,252,054	\$634,619	\$0	\$0	\$0	\$17,334	\$6,116,350
QTP2/VL1	2020-21	\$10,832,607	\$225,746	\$0	-\$5,613,503	\$649,956	\$0	\$0	\$0	\$17,334	\$6,112,139
VL2	2021-22	\$10,793,633	\$139,463	\$0	-\$5,615,044	\$647,618	\$0	\$0	\$0	\$17,334	\$5,983,003
VL3	2022-23	\$10,749,523	\$225,746	\$0	-\$5,672,810	\$644,971	\$0	\$0	\$0	\$17,334	\$5,964,763
VL4	2023-24	\$10,707,618	\$139,463	\$0	-\$5,530,207	\$642,457	\$0	\$0	\$0	\$17,334	\$5,976,664
VL5	2024-25	\$10,667,808	\$225,746	\$0	-\$5,588,884	\$640,068	\$0	\$0	\$0	\$17,334	\$5,962,071
VL6	2025-26	\$10,629,989	\$139,463	\$0	-\$5,450,419	\$637,799	\$0	\$0	\$0	\$17,334	\$5,974,165
VL7	2026-27	\$10,594,061	\$225,746	\$0	-\$5,513,111	\$635,644	\$0	\$0	\$0	\$17,334	\$5,959,673
VL8	2027-28	\$12,828,230	\$139,463	\$0	-\$6,553,294	\$769,694	\$0	\$0	\$0	\$17,334	\$7,201,426
VL9	2028-29	\$12,795,805	\$225,746	\$0	-\$7,718,486	\$767,748	\$0	\$0	\$0	\$17,334	\$6,088,146
VL10	2029-30	\$13,011,798	\$139,463	\$0	-\$7,735,873	\$780,708	\$0	\$0	\$0	\$17,334	\$6,213,429
VP1	2030-31	\$13,006,313	\$225,746	\$0	-\$7,919,006	\$780,379	\$0	\$0	\$0	\$17,334	\$6,110,765
VP2	2031-32	\$12,978,513	\$139,463	\$0	-\$7,800,179	\$778,711	\$0	\$0	\$0	\$17,334	\$6,113,841
VP3	2032-33	\$12,952,102	\$225,746	\$0	-\$7,872,762	\$777,126	\$0	\$0	\$0	\$17,334	\$6,099,545
VP4	2033-34	\$12,927,012	\$139,463	\$0	-\$7,747,497	\$775,621	\$0	\$0	\$0	\$17,334	\$6,111,932
VP5	2034-35	\$12,903,177	\$225,746	\$0	-\$7,822,732	\$774,191	\$0	\$0	\$0	\$17,334	\$6,097,715

QTP= Qualifying Time Period
 VL= Value Limitation
 VP= Viable Presence

Table 4 – Value Limit less Project Value with No Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2018-19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP1	2019-20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP2/VL1	2020-21	-\$1,100,000	\$0	\$0	\$579,301	-\$66,000	\$0	\$0	\$0	\$0	-\$586,699
	VL2	2021-22	-\$890,000	\$0	\$0	\$973,034	-\$53,400	\$0	\$0	\$0	\$29,634
	VL3	2022-23	-\$711,500	\$0	\$0	\$782,272	-\$42,690	\$0	\$0	\$0	\$28,082
	VL4	2023-24	-\$559,775	\$0	\$0	\$622,691	-\$33,587	\$0	\$0	\$0	\$29,329
	VL5	2024-25	-\$430,809	\$0	\$0	\$484,487	-\$25,849	\$0	\$0	\$0	\$27,829
	VL6	2025-26	-\$321,188	\$0	\$0	\$368,773	-\$19,272	\$0	\$0	\$0	\$28,313
	VL7	2026-27	-\$228,009	\$0	\$0	\$268,523	-\$13,680	\$0	\$0	\$0	\$26,834
	VL8	2027-28	-\$148,808	\$0	\$0	\$207,463	-\$8,928	\$0	\$0	\$0	\$49,727
	VL9	2028-29	-\$81,487	\$0	\$0	\$106,562	-\$4,889	\$0	\$0	\$0	\$20,186
	VL10	2029-30	-\$24,264	\$0	\$0	\$47,057	-\$1,456	\$0	\$0	\$0	\$21,337
	VP1	2030-31	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	VP2	2031-32	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	VP3	2032-33	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	VP4	2033-34	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	VP5	2034-35	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

M&O Impact on the Taxpayer

Under the assumptions used here, the potential tax savings from the value limitation total \$4.8 million over the life of the agreement. (See Table 5.) The I-SISD revenue losses are expected to total approximately \$586,699 under the agreement. In total, the potential net tax benefits (after hold-harmless payments are made) are estimated to total \$4.2 million, prior to any negotiations with RE Maplewood LLC on supplemental payments.

I&S Funding Impact on School District

The project remains fully taxable for debt services taxes, with I-SISD currently levying a \$0.11 per \$100 I&S rate. The project is not expected to affect school district enrollment and is expected to depreciate over the life of the agreement and beyond. Local taxpayers should benefit from the addition of the RE Maplewood LLC project to the local I&S tax roll. Continued expansion of the project and related development could result in additional employment in the area and an increase in the school-age population, but this project is unlikely to have much impact on a stand-alone basis.

Table 5 - Estimated Financial Impact of the RE Maplewood LLC Project Property Value Limitation Request Submitted to I-SISD at \$1.06 per \$100 M&O Tax Rate

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Value Savings	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	School District Revenue Losses	Estimated Net Tax Benefits
QTP0	2018-19	\$0	\$0	\$0	\$1.060	\$0	\$0	\$0	\$0	\$0
QTP1	2019-20	\$0	\$0	\$0	\$1.060	\$0	\$0	\$0	\$0	\$0
QTP2/VL1	2020-21	\$140,000,000	\$30,000,000	\$110,000,000	\$1.060	\$1,484,000	\$318,000	\$1,166,000	-\$586,699	\$579,301
VL2	2021-22	\$119,000,000	\$30,000,000	\$89,000,000	\$1.060	\$1,261,400	\$318,000	\$943,400	\$0	\$943,400
VL3	2022-23	\$101,150,000	\$30,000,000	\$71,150,000	\$1.060	\$1,072,190	\$318,000	\$754,190	\$0	\$754,190
VL4	2023-24	\$85,977,500	\$30,000,000	\$55,977,500	\$1.060	\$911,362	\$318,000	\$593,362	\$0	\$593,362
VL5	2024-25	\$73,080,875	\$30,000,000	\$43,080,875	\$1.060	\$774,657	\$318,000	\$456,657	\$0	\$456,657
VL6	2025-26	\$62,118,744	\$30,000,000	\$32,118,744	\$1.060	\$658,459	\$318,000	\$340,459	\$0	\$340,459
VL7	2026-27	\$52,800,932	\$30,000,000	\$22,800,932	\$1.060	\$559,690	\$318,000	\$241,690	\$0	\$241,690
VL8	2027-28	\$44,880,792	\$30,000,000	\$14,880,792	\$1.060	\$475,736	\$318,000	\$157,736	\$0	\$157,736
VL9	2028-29	\$38,148,674	\$30,000,000	\$8,148,674	\$1.060	\$404,376	\$318,000	\$86,376	\$0	\$86,376
VL10	2029-30	\$32,426,372	\$30,000,000	\$2,426,372	\$1.060	\$343,720	\$318,000	\$25,720	\$0	\$25,720
VP1	2030-31	\$32,426,372	\$32,426,372	\$0	\$1.060	\$343,720	\$343,720	\$0	\$0	\$0
VP2	2031-32	\$32,426,372	\$32,426,372	\$0	\$1.060	\$343,720	\$343,720	\$0	\$0	\$0
VP3	2032-33	\$32,426,372	\$32,426,372	\$0	\$1.060	\$343,720	\$343,720	\$0	\$0	\$0
VP4	2033-34	\$32,426,372	\$32,426,372	\$0	\$1.060	\$343,720	\$343,720	\$0	\$0	\$0
VP5	2034-35	\$32,426,372	\$32,426,372	\$0	\$1.060	\$343,720	\$343,720	\$0	\$0	\$0
						\$9,664,187	\$4,898,598	\$4,765,589	-\$586,699	\$4,178,890

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

Note: School district revenue-loss estimates are subject to change based on numerous factors, including:

- Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations.
- Legislative changes addressing property value appraisals and exemptions.
- Year-to-year appraisals of project values and district taxable values.
- Changes in school district tax rates and student enrollment.

Attachment E

Taxable Value of Property



School and Appraisal Districts Property Value Study 2015 Report

2015 ISD Summary Worksheet

186/Pecos

186-903/Iraan-Sheffield ISD

Category	Local Tax Roll Value	2015 WTD Mean Ratio	2015 PTAD Value Estimate	2015 Value Assigned
A. Single-Family Residences	27,932,310	N/A	27,932,310	27,932,310
B. Multi-Family Residences	49,930	N/A	49,930	49,930
C1. Vacant Lots	273,150	N/A	273,150	273,150
C2. Colonia Lots	42,410	N/A	42,410	42,410
D1. Rural Real (Taxable)	3,774,710	.7154	5,276,050	3,774,710
D2. Real Prop Farm & Ranch	3,516,220	N/A	3,516,220	3,516,220
E. Real Prop NonQual Acres	5,967,150	N/A	5,967,150	5,967,150
F1. Commercial Real	5,671,740	N/A	5,671,740	5,671,740
F2. Industrial Real	67,976,250	N/A	67,976,250	67,976,250
G. Oil, Gas, Minerals	953,489,410	1.0198	934,976,868	953,489,410
J. Utilities	60,961,750	N/A	60,961,750	60,961,750

L1. Commercial Personal	1,889,640	N/A	1,889,640	1,889,640
L2. Industrial Personal	178,029,551	N/A	178,029,551	178,029,551
M. Other Personal	2,672,610	N/A	2,672,610	2,672,610
N. Intangible Personal Prop	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0
S. Special Inventory	0	N/A	0	0
Subtotal	1,312,246,831		1,295,235,629	1,312,246,831
Less Total Deductions	124,180,073		124,180,073	124,180,073
Total Taxable Value	1,188,066,758		1,171,055,556	1,188,066,758 T2

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302 (J) AND (K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation (M&O) tax purposes and for interest and sinking fund (I&S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

Value Taxable For M&O Purposes

T1	T2	T3	T4
1,191,063,718	1,188,066,758	1,189,129,003	1,186,132,043

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
2,996,960	1,934,715

T1 = School district taxable value for M&O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M&O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I&S Purposes

T7	T8	T9	T10
1,304,021,328	1,301,024,368	1,302,086,613	1,299,089,653

T7 = School district taxable value for I&S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I&S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50% of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50% of the loss to the local optional percentage homestead exemption

The PVS found your local value to be valid, and local value was certified

Attachment F

TEA's Facilities Value

Attachment G

Participation Agreement

**AGREEMENT FOR LIMITATION ON APPRAISED
VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES**

by and between

IRAAN-SHEFFIELD INDEPENDENT SCHOOL DISTRICT

and

RE MAPLEWOOD LLC

(Texas Taxpayer ID # 32060912451)

Comptroller Application # 1233

Dated

June 11, 2018

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR
SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES**

STATE OF TEXAS §

COUNTY OF PECOS §

THIS AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, hereinafter referred to as this "Agreement," is executed and delivered by and between the **IRAAN-SHEFFIELD INDEPENDENT SCHOOL DISTRICT**, hereinafter referred to as the "District," a lawfully created independent school district within the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **RE MAPLEWOOD LLC**, Texas Taxpayer Identification Number 32060912451 hereinafter referred to as the "Applicant." The Applicant and the District are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, on December 11, 2017, the Superintendent of Schools of the Iraan-Sheffield Independent School District, acting as agent of the Board of Trustees of the District, received from the Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the TEXAS TAX CODE;

WHEREAS, on December 11, 2017, the Board of Trustees has acknowledged receipt of the Application, and along with the requisite application fee as established pursuant to Section 313.025(a) of the TEXAS TAX CODE and Local District Policy CCG (Local), and agreed to consider the Application;

WHEREAS, the Application was delivered to the Texas Comptroller's Office for review pursuant to Section 313.025 of the TEXAS TAX CODE;

WHEREAS, the District and the Texas Comptroller's Office have determined that the Application is complete and March 8, 2018 is the Application Review Start Date as that term is defined by 34 TEXAS ADMIN. CODE Section 9.1051;

WHEREAS, pursuant to 34 TEXAS ADMIN. CODE Section 9.1054, the Application was delivered to the Pecos Appraisal District established in Pecos County, Texas (the "Pecos County Appraisal District"), pursuant to Section 6.01 of the TEXAS TAX CODE;

WHEREAS, the Texas Comptroller's Office reviewed the Application pursuant to Section 313.025 of the TEXAS TAX CODE, conducted an economic impact evaluation pursuant to Section 313.026 of the TEXAS TAX CODE, and on April 17, 2018, issued a certificate for limitation on appraised value of the property described in the Application and provided the certificate to the District;

WHEREAS, the Board of Trustees has reviewed and carefully considered the economic impact evaluation and certificate for limitation on appraised value submitted by the Texas Comptroller's Office pursuant to Section 313.025 of the TEXAS TAX CODE;

WHEREAS, on June 11, 2018, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District;

WHEREAS, on June 11, 2018, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) the Applicant is eligible for the limitation on appraised value of the Applicant's Qualified Property; (iii) the project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the 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; (iv) the limitation on appraised value is a determining factor in the Applicant's decision to invest capital and construct the project in this State; and (v) this Agreement is in the best interest of the District and the State of Texas;

WHEREAS, on June 11, 2018, pursuant to the provisions of 313.025(f-1) of the TEXAS TAX CODE, the Board of Trustees waived the job creation requirement set forth in Section 313.051(b) of the TEXAS TAX CODE;

WHEREAS, on June 6, 2018, the Texas Comptroller's Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes;

WHEREAS, on June 11, 2018, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary, or in the event the Board President and Secretary are unavailable or have disclosed a conflict of interest, the Board of Trustees has authorized the Board Vice President to execute and deliver such Agreement to the Applicant; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the Parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 DEFINITIONS. Wherever used in this Agreement, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning. Words or terms defined in 34 TEXAS ADMIN. CODE Section 9.1051 and not defined in this Agreement shall have the meanings provided by 34 TEXAS ADMIN. CODE Section 9.1051.

“Act” means the Texas Economic Development Act set forth in Chapter 313 of the TEXAS TAX CODE, as amended.

“Agreement” means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented as approved pursuant to Sections 10.2 and 10.3.

“Applicant” means RE Maplewood LLC, (Texas Taxpayer ID #32060912451) the entity listed in the Preamble of this Agreement and that is listed as the Applicant on the Application as of the Application Approval Date. The term “Applicant” shall also include the Applicant’s assigns and successors-in-interest as approved according to Sections 10.2 and 10.3 of this Agreement.

“Applicant’s Qualified Investment” means the Qualified Investment of the Applicant during the Qualifying Time Period and as more fully described in **EXHIBIT 3** of this Agreement.

“Applicant’s Qualified Property” means the Qualified Property of the Applicant to which the value limitation identified in the Agreement will apply and as more fully described in **EXHIBIT 4** of this Agreement.

“Application” means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C of the TEXAS TAX CODE) filed with the District by the Applicant on December 11, 2017. The term includes all forms required by the Comptroller, the schedules attached thereto, and all other documentation submitted by the Applicant for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant .

“Application Approval Date” means the date that the Application is approved by the Board of Trustees of the District and as further identified in Section 2.3.B of this Agreement.

“Application Review Start Date” means the later date of either the date on which the District issues its written notice that the Applicant has submitted a completed Application or the date on which the Comptroller issues its written notice that the Applicant has submitted a completed Application and as further identified in Section 2.3.A of this Agreement.

“Appraised Value” shall have the meaning assigned to such term in Section 1.04(8) of the TEXAS TAX CODE.

“Appraisal District” means the Pecos Appraisal District.

“Board of Trustees” means the Board of Trustees of the Iraan-Sheffield Independent School District.

“Commercial Operation” means the date on which the project becomes commercially operational, has installed or constructed Qualified Property on the Land having a value that equals or exceeds \$30,000,000, and is able to generate electricity and is connected to the grid with an interconnection agreement.

“Comptroller” means the Texas Comptroller of Public Accounts, or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of the Comptroller.

“Comptroller’s Rules” means the applicable rules and regulations of the Comptroller set forth in Chapter 34 TEXAS ADMIN. CODE Chapter 9, Subchapter F, together with any court or administrative decisions interpreting same.

“County” means Pecos County, Texas.

“District” or “School District” means the Iraan-Sheffield Independent School District, being a duly authorized and operating school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries and to which Subchapter C of the Act applies. The term also includes any successor independent school district or other successor governmental authority having the power to levy and collect ad valorem taxes for school purposes on the Applicant’s Qualified Property or the Applicant’s Qualified Investment.

“Final Termination Date” means the last date of the final year in which the Applicant is required to Maintain Viable Presence and as further identified in Section 2.3.E of this Agreement.

“Force Majeure” means those causes generally recognized under Texas law as constituting impossible conditions. Each Party must inform the other in writing with proof of receipt within sixty (60) business days of the existence of such Force Majeure or otherwise waive this right as a defense.

“Land” means the real property described on **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes.

“Maintain Viable Presence” means (i) the operation during the term of this Agreement of the facility or facilities for which the tax limitation is granted; and (ii) the Applicant’s maintenance of jobs and wages as required by the Act and as set forth in its Application.

“Market Value” shall have the meaning assigned to such term in Section 1.04(7) of the TEXAS TAX CODE.

“New Qualifying Jobs” means the total number of jobs to be created by the Applicant after the Application Approval Date in connection with the project that is the subject of its Application that meet the criteria of Qualifying Job as defined in Section 313.021(3) of the TEXAS TAX CODE and the Comptroller’s Rules.

“New Non-Qualifying Jobs” means the number of Non-Qualifying Jobs, as defined in 34 TEXAS ADMIN. CODE Section 9.1051(14), to be created by the Applicant after the Application Approval Date in connection with the project which is the subject of its Application.

“Qualified Investment” has the meaning set forth in Section 313.021(1) of the TEXAS TAX CODE, as interpreted by the Comptroller’s Rules.

“Qualified Property” has the meaning set forth in Section 313.021(2) of the TEXAS TAX CODE and as interpreted by the Comptroller’s Rules and the Texas Attorney General, as these provisions existed on the Application Review Start Date.

“Qualifying Time Period” means the period defined in Section 2.3.C, during which the Applicant shall make investment on the Land where the Qualified Property is located in the amount required by the Act, the Comptroller’s Rules, and this Agreement.

“State” means the State of Texas.

“Supplemental Payment” means any payments or transfers of things of value made to the District or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the Agreement and that is not authorized pursuant to Sections 313.027(f)(1) or (2) of the TEXAS TAX CODE, and specifically includes any payments required pursuant to Article VI of this Agreement.

“Tax Limitation Amount” means the maximum amount which may be placed as the Appraised Value on the Applicant’s Qualified Property for maintenance and operations tax assessment in each Tax Year of the Tax Limitation Period of this Agreement pursuant to Section 313.054 of the TEXAS TAX CODE.

“Tax Limitation Period” means the Tax Years for which the Applicant’s Qualified Property is subject to the Tax Limitation Amount and as further identified in Section 2.3.D of this Agreement.

“Tax Year” shall have the meaning assigned to such term in Section 1.04(13) of the TEXAS TAX CODE (*i.e.*, the calendar year).

“Taxable Value” shall have the meaning assigned to such term in Section 1.04(10) of the TEXAS TAX CODE.

Section 1.2 NEGOTIATED DEFINITIONS. Wherever used in Articles IV, V, and VI, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning or otherwise; provided however, if there is a conflict between a term defined in this section and a term defined in the Act, the Comptroller’s Rules, or Section 1.1 of Agreement, the conflict shall be resolved by reference to Section 10.9.C.

“Annual Limit” means the maximum annual benefit which can be paid directly to the District as a Supplemental Payment under the provisions of Texas Tax Code § 313.027(i). For purposes of this Agreement, the amount of the Annual Limit shall be calculated for each year by multiplying the District’s average daily attendance in the amount of 535 for the 2017-2018 school year, as calculated pursuant to Texas Education Code §42.005, times the greater of \$100, or any larger amount allowed by Texas Tax Code § 313.027(i), if such limit amount is increased for any future year of this Agreement. The Annual Limit shall first be computed for Tax Year 2018, which, by virtue of the Approval Date is the Tax Year that includes the date on which the Board of Trustees approved the Application and this Agreement.

“Applicable School Finance Law” means Chapters 41 and 42 of the TEXAS EDUCATION CODE, the Texas Economic Development Act (Chapter 313 of the TEXAS TAX CODE), Chapter 403, Subchapter M, of the TEXAS GOVERNMENT CODE applicable to District, and the Constitution and general laws of the State applicable to the school districts of the State for each and every year of this Agreement, including specifically, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term includes any and all amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of Applicant’s ad valorem tax obligation to District, either with or without the limitation of property values made pursuant to this Agreement. For each year of this Agreement, the “Applicable School Finance Law” shall be interpreted to include all provisions made applicable for any calculations made for the specific year for which calculations are being made.

“Maintenance and Operations Revenue” means (i) those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Section 45.002 of the TEXAS EDUCATION CODE and Article VII § 3 of the TEXAS CONSTITUTION, plus (ii) all State revenues to which the District is or may be entitled under Chapter 42 of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, plus (iii) any indemnity payments received by the District under other agreements similar to this Agreement to the extent that such payments are designed to replace the District’s Maintenance and Operations Revenue lost as a result of such similar agreements, minus (iv) any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 41 of the TEXAS EDUCATION CODE, in each case, as any of the items in clauses (i), (ii), and (iv) above may be amended by Applicable School Finance Law from time to time, and plus or minus, as applicable, any other revenues, payments or amounts received or required to be reimbursed by the District from State and local funding for maintenance and operations purposes under Applicable School Finance Law, such that

Maintenance and Operations Revenue shall be the net amount of all such revenues, payments or other amounts which the District is entitled to receive and retain from State and local funding for maintenance and operations purposes under Applicable School Finance Law.

"M&O Amount" means the amount to be paid by Applicant to compensate District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year starting in the year of the Application Review Start Date and ending on the Final Termination Date as set forth in Section 4.2 of this Agreement.

"New M&O Revenue" means the total State and local Maintenance and Operations Revenue that District actually received for such school Year.

"Net Tax Benefit" means, for any subject Tax Year during the term of this Agreement, an amount equal to (but not less than zero): (i) the amount of maintenance and operations ad valorem taxes which the Applicant would have paid to the District during the term of this Agreement if this Agreement had not been entered into by the Parties, for all Tax Years beginning with the Tax Year that includes the Application Review Start Date up to and including the subject Tax Year for which the calculation is being made; *minus*, (ii) an amount equal to the sum of (A) all maintenance and operations ad valorem school taxes actually due to the District or any other governmental entity, including the State of Texas, for the same Tax Years, plus (B) any and all payments due to the District under Articles IV and V, of this Agreement for the same Tax Years, plus (C) any and all payments owed to the District under Article VI of this Agreement for the same Tax Years.

"Original M&O Revenue" means the total State and local Maintenance and Operations Revenue that District would have received for any particular Tax Year, under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Applicant's Qualified Property been subject to the ad valorem maintenance & operations tax at the rate applicable for such Tax Year. For purposes of this calculation, the Third Party will base its calculations upon actual local taxable values for each applicable year as certified by the County Appraisal District for all other taxable accounts in the District, save and except for the Qualified Property subject to this Agreement, *plus* the total appraised value of the Qualified Property subject to this Agreement. In this calculation, the total appraised value of the Qualified Property subject to this Agreement will be used for the Qualified Property in lieu of the property's M&O taxable value. (For clarification, the taxable value used by the District in calculating the taxes payable for Interest and Sinking Fund taxation purposes on Applicant's Qualified Property will be used for the Qualified Property in lieu of the property's M&O taxable value.)

ARTICLE II

AUTHORITY, PURPOSE AND LIMITATION AMOUNTS

Section 2.1. AUTHORITY. This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District in Section 313.027 of the TEXAS TAX CODE.

Section 2.2. PURPOSE. In consideration of the execution and subsequent performance of the terms and obligations by the Applicant pursuant to this Agreement, identified in Sections 2.5 and 2.6 and as more fully specified in this Agreement, the value of the Applicant's Qualified Property listed and assessed by the County Appraiser for the District's maintenance and operation ad valorem property tax shall be the Tax Limitation Amount as set forth in Section 2.4 of this Agreement during the Tax Limitation Period.

Section 2.3. TERM OF THE AGREEMENT.

A. The Application Review Start Date for this Agreement is March 8, 2018, which will be used to determine the eligibility of the Applicant's Qualified Property and all applicable wage standards.

B. The Application Approval Date for this Agreement is June 11, 2018.

C. The Qualifying Time Period for this Agreement:

- i. Starts on June 11, 2018, the Application Approval Date; and
- ii. Ends on December 31, 2020, the last day of the second complete Tax Year following the Qualifying Time Period start date.

D. The Tax Limitation Period for this Agreement:

- i. Starts on January 1, 2020, the first complete Tax Year that begins after the date of the commencement of Commercial Operation;
- ii. Ends on December 31, 2029.

E. The Final Termination Date for this Agreement is December 31, 2034.

F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and become effective on the Application Approval Date identified in Section 2.3.B. This Agreement, and the obligations and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Section 2.3.E, unless extended by the express terms of this Agreement.

Section 2.4. TAX LIMITATION. So long as the Applicant makes the Qualified Investment as required by Section 2.5, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, on January 1 of each Tax Year of the Tax Limitation Period, the Appraised Value of the Applicant's Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

- A. the Market Value of the Applicant's Qualified Property; or
- B. Thirty Million Dollars (\$30,000,000), based on Section 313.054 of the TEXAS TAX CODE

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the Application Approval Date, as set out by Section 313.052 of the TEXAS TAX CODE.

Section 2.5. TAX LIMITATION ELIGIBILITY. In order to be eligible and entitled to receive the value limitation identified in Section 2.4 for the Qualified Property identified in Article III, the Applicant shall:

- A. have completed the Applicant's Qualified Investment in the amount of \$30,000,000 during the Qualifying Time Period;
- B. have created and maintained, subject to the provisions of Section 313.0276 of the TEXAS TAX CODE, New Qualifying Jobs as required by the Act; and
- C. pay an average weekly wage of at least \$849 for all New Non-Qualifying Jobs created by the Applicant.

Section 2.6. TAX LIMITATION OBLIGATIONS. In order to receive and maintain the limitation authorized by Section 2.4, Applicant shall:

- A. provide payments to District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV;
- B. provide payments to the District that protect the District from the payment of extraordinary education-related expenses related to the project, as more fully specified in Article V;
- C. provide such Supplemental Payments as more fully specified in Article VI;
- D. create and Maintain Viable Presence on or with the Qualified Property and perform additional obligations as more fully specified in Article VIII of this Agreement; and
- E. No additional conditions are identified in the certificate for a limitation on appraised value by the Comptroller for this project.

ARTICLE III **QUALIFIED PROPERTY**

Section 3.1. LOCATION WITHIN ENTERPRISE OR REINVESTMENT ZONE. At the time of the Application Approval Date, the Land is within an area designated either as an enterprise zone, pursuant to Chapter 2303 of the TEXAS GOVERNMENT CODE, or a reinvestment zone, pursuant to Chapter 311 or 312 of the TEXAS TAX CODE. The legal description, and information concerning the designation, of such zone is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described in **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY. The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 4**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in **EXHIBIT 4** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for purposes of this Agreement, unless by official action the Board of Trustees provides that such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance

with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's Rules, and Section 10.2 of this Agreement.

Section 3.4. CURRENT INVENTORY OF QUALIFIED PROPERTY. In addition to the requirements of Section 10.2 of this Agreement, if there is a material change in the Qualified Property described in **EXHIBIT 4**, then within 60 days from the date commercial operation begins, the Applicant shall provide to the District, the Comptroller, the Appraisal District or the State Auditor's Office a specific and detailed description of the tangible personal property, buildings, and/or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Land to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such described property on the Land.

Section 3.5. QUALIFYING USE. The Applicant's Qualified Property described in Section 3.3 qualifies for a tax limitation agreement under Section 313.024(b)(5) of the TEXAS TAX CODE as property used for renewable energy electric generation.

ARTICLE IV

PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 4.1. INTENT OF THE PARTIES. Subject only to the limitations contained in Section 7.1 of this Agreement, it is the intent of the Parties that the District shall, in accordance with the provisions of Section 313.027(f)(1) of the TEXAS TAX CODE, be compensated by Applicant for any loss that District incurs in its Maintenance and Operations Revenue in each year of this Agreement for which this Agreement was a sole and direct cause, all as calculated in Section 4.2 below. Such payments shall be independent of, and in addition to such other payments as set forth in Article V and Article VI in this Agreement.

The Parties hereto expressly understand and agree that, for all years to which this Agreement may apply, the calculation of losses that District incurs in its Maintenance and Operations Revenue will be defined for each applicable Tax Year in accordance with the Applicable School Finance Law, as defined in Section 1.2 above, and that such definition specifically contemplates that calculations made under this Agreement may periodically change in accordance with changes made from time to time in the Applicable School Finance Law. The Parties further agree that the printouts and projections produced during the negotiations and approval of this Agreement are: i) for illustrative purposes only, are not intended to be relied upon, and have not been relied upon by the Parties as a prediction of future consequences to either Party to the Agreement; ii) are based upon current School Finance Law, which is subject to change by statute, by administrative regulation, or by judicial decision at any time; and, iii) may change in future years to reflect changes in the Applicable School Finance Law.

Section 4.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT. Subject only to the provisions of Section 7.1 of this Agreement, the amount to be paid by Applicant to compensate District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year starting in the year of the Application Review Start Date and ending on the Final Termination Date, the "M&O

Amount," shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

- A. Notwithstanding any other provision in this Agreement, the M&O Amount owed by Applicant to District for each Tax Year starting in the year of the Application Review Start Date and ending on the Final Termination Date means the Original M&O Revenue *minus* the New M&O Revenue.
- B. In making the calculations required by this Section 4.2 of this Agreement:
 - i. The Taxable Value of property for each school year will be determined under the Applicable School Finance Law as that law exists for each year for which the calculation is made.
 - ii. For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property will be presumed to be one hundred percent (100%).
 - iii. If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue, as calculated under this Section 4.2 of this Agreement, results in a negative number, the negative number will be considered to be zero.

iv. For all calculations made for years during the Tax Limitation Period under Section 4.2 of this Agreement, Subsection *ii* of this subsection will reflect the Tax Limitation Amount for such year.

Section 4.3. CALCULATIONS TO BE MADE BY THIRD PARTY. All calculations under this Agreement shall be made annually by an independent third party (the "Third Party") approved each year by the District. The District agrees that for all Tax Years the Third Party selected by the District shall be either RM School Finance Consulting or Moak Casey & Associates. If the District desires to select a Third Party other than RM School Finance Consulting or Moak Casey & Associates, such selection must receive the Applicant's consent, which consent shall not be unreasonably withheld, delayed, or conditioned. To the extent not inconsistent with a statutory change to Applicable School Finance Law, all calculations made by the Third Party under this Agreement shall be made using a methodology which isolates only the revenue impact caused by this Agreement. Applicant shall not be responsible to reimburse District for other revenue losses created by other agreements or any other factors.

Section 4.4. DATA USED FOR CALCULATIONS. The calculations for payments under this Agreement shall be initially based upon the valuations placed upon the Applicant's Qualified Investment and/or the Applicant's Qualified Property by the Appraisal District in its annual certified tax roll submitted to the District for each Tax Year pursuant to Texas Tax Code § 26.01 on or about July 25 of each year of this Agreement. Immediately upon receipt of the valuation information by the District, the District shall submit the valuation information to the Third Party selected under Section 4.3. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. All other data utilized by the Third Party to make the calculations contemplated by this Agreement shall be based upon the best available current estimates. The data utilized by the Third Party shall be adjusted from time to

time by the Third Party to reflect actual amounts, subsequent adjustments by the Appraisal District to the District's certified tax roll or any other changes in student counts, tax collections, or other data.

Section 4.5. DELIVERY OF CALCULATIONS. On or before November 1 of each year for which this Agreement is effective, the Third Party appointed pursuant to Section 4.3 of this Agreement shall forward to the Parties a certification containing the calculations required under Sections 4.2, Article VI, and/or Section 7.1 of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Third Party shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed, which fee shall be the sole responsibility of the District, subject to the provisions of Section 4.6. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Third Party's calculations, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Third Party shall maintain supporting data consistent with generally accepted accounting practices, and the employees and agents of the Applicant shall have the right to reproduce and retain for purpose of audit, any of these documents. The Third Party shall preserve all documents pertaining to the calculation until the Final Termination Date of this Agreement. The Applicant shall not be liable for any of the Third Party's costs resulting from an audit of the Third Party's books, records, correspondence, or work papers pertaining to the calculations contemplated by this Agreement.

Section 4.6. PAYMENT BY APPLICANT. The Applicant shall pay any amount determined by the Third Party to be due and owing to the District under this Agreement on or before the January 31 next following the tax levy for each year for which this Agreement is effective. By such date, the Applicant shall also pay any amount billed by the Third Party, plus any reasonable and necessary out-of-pocket third party legal expenses incurred by the District to its attorneys, auditors, or financial consultants for the preparation and filing of any financial reports, disclosures, or other reimbursement applications filed with or sent to the State of Texas, for any audits conducted by the State Auditor's Office, or for other legal expenses which are, or may be required under the terms or because of the execution of this Agreement. For no Tax Year during the term of this Agreement shall the Applicant be responsible for the payment of an aggregate amount of fees and expenses under this Section 4.6 which exceeds Fifteen Thousand Dollars (\$15,000.00). For any Tax Year outside of the Tax Limitation Period, Applicant shall not be responsible for the payment of an aggregate amount of fees and expenses under this Section 4.6 which exceeds Eight Thousand Dollars (\$8,000.00).

Section 4.7. RESOLUTION OF DISPUTES. Should the Applicant disagree with the certification containing the calculations, the Applicant may appeal the findings, in writing, to the Third Party within forty-five (45) days following the later of (i) receipt of the certification, or (ii) the date the Applicant is granted access to the books, records and other information in accordance with Section 4.6 for purposes of auditing or reviewing the information in connection with the certification. Within thirty (30) days of receipt of the Applicant's appeal, the Third Party will issue, in writing, a final determination of the certification containing the calculations. Thereafter, the Applicant may appeal the final determination of certification containing the calculations to the District. Any appeal by the Applicant of the final determination of the Third Party may be made, in writing, to the Board of Trustees within thirty (30) days

of the final determination of certification containing the calculations, and shall be without limitation of the Applicant's other rights and remedies available hereunder, at law or in equity.

Section 4.8. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT. If at the time the Third Party selected under Section 4.3 makes its calculations under this Agreement, the Applicant has appealed any matter relating to the valuations placed by the Appraisal District on the Applicant's Qualified Investment, and/or the Applicant's Qualified Property and such appeal remains unresolved, the Third Party shall base its calculations upon the values placed upon the Applicant's Qualified Investment and/or the Applicant's Qualified Property by the Appraisal District.

If as a result of an appeal or for any other reason, the Taxable Value of the Applicant's Qualified Investment and/or the Applicant's Qualified Property is changed, once the determination of the new Taxable Value becomes final, the Parties shall immediately notify the Third Party who shall immediately issue new calculations for the applicable year or years using the new Taxable Value. In the event the new calculations result in a change in any amount paid or payable by the Applicant under this Agreement, the Party from whom the adjustment is payable shall remit such amounts to the other Party within thirty (30) days of the receipt of the new calculations from the Third Party.

Section 4.9. STATUTORY CHANGES AFFECTING M&O REVENUE. Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 7.1 of this Agreement, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State, because of its participation in this Agreement, Applicant shall make payments to District, up to the revenue protection amount limit set forth in Section 7.1, that are necessary to offset any negative impact on District's Maintenance and Operations Revenue, as a result of its participation in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on District.

ARTICLE V

PAYMENT OF EXTRAORDINARY EDUCATION-RELATED EXPENSES

Section 5.1. EXTRAORDINARY EXPENSES. In addition to the amounts determined pursuant to Section 4.2 of this Agreement above, Applicant on an annual basis shall also indemnify and reimburse District for the following: all non-reimbursed costs, certified by District's external auditor to have been incurred by District for extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project.

ARTICLE VI

SUPPLEMENTAL PAYMENTS

Section 6.1. INTENT OF PARTIES WITH RESPECT TO SUPPLEMENTAL PAYMENTS.

A. Amounts Exclusive of Indemnity Amounts. In addition to undertaking the responsibility for the payment of all of the amounts set forth under Articles IV and V, and as further consideration for the execution of this Agreement by the District, the Applicant shall also be responsible for Supplemental Payments to be calculated as set forth in this Article VI. The Applicant shall not be responsible to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on appraised value made pursuant to Chapter 313, Texas Tax Code, unless it is explicitly set forth in this Agreement. It is the express intent of the Parties that the Applicant's obligation to make Supplemental Payments under this Article VI is separate and independent of the obligation of the Applicant to pay the amounts described in Articles IV and V; provided, however, that all payments under Articles IV, V, and VI are subject to the limitations contained in Section 7.1, and that all Supplemental Payments under this Article IV are subject to the separate limitations contained in Section 6.2 and Section 6.3.B.

B. Adherence to Statutory Limits on Supplemental Payments. It is the express intent of the Parties that any Supplemental Payments made to or on behalf of the District by the Applicant under this Article VI shall not exceed the limit imposed by the provisions of Texas Tax Code §313.027(i), as such limit is allowed to be increased by the Legislature for any future year of this Agreement.

Section 6.2. SUPPLEMENTAL PAYMENT LIMITATION. Notwithstanding the foregoing:

A. The total of the Supplemental Payments made pursuant to this Article shall: not exceed for any calendar year of this Agreement an amount equal to the greater of One Hundred Dollars (\$100.00) per student per year in average daily attendance, as defined by Section 42.005 of the TEXAS EDUCATION CODE, or Fifty Thousand Dollars (\$50,000.00) per year times the number of years beginning with the first complete or partial year of the Qualifying Time Period identified in Section 2.3.C and ending with the year for which the Supplemental Payment is being calculated minus all Supplemental Payments previously made by the Application;

B. Supplemental Payments may only be made during the period starting the first year of the Qualifying Time Period and ending December 31 of the third year following the end of the Tax Limitation Period;

C. the limitation in Section 6.2.A does not apply to amounts described by Section 313.027(f)(1)–(2) of the TEXAS TAX CODE as implemented in Articles IV and V of this Agreement; and

D. For purposes of this Agreement, the calculation of the limit of the annual Supplemental Payment shall be the greater of \$50,000 or \$100 multiplied by the District's Average Daily Attendance as calculated pursuant to Section 42.005 of the TEXAS EDUCATION CODE, based upon the District's 2017-2018 Average Daily Attendance of 535, rounded to the nearest whole number.

Section 6.3. SUPPLEMENTAL PAYMENT CALCULATION - SUBJECT TO NET TAX BENEFIT LIMITATION. Beginning with the first year of the Tax Limitation Period, as defined in Section 2.3(D)(1), above, and continuing thereafter until December 31 of the third year following the end of the Tax Limitation Period, the District shall receive from the Applicant each Tax Year an amount equal to the lesser of (i) the amount calculated under Subsection 6.2 of this Agreement and (ii) forty percent (40%) of Applicant's Net Tax Benefit calculated for such Tax Year.

Section 6.4. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS

A. All calculations required by this Article shall be calculated by the Third Party selected pursuant to Section 4.3, above.

B. The calculations made by the Third Party shall be made at the same time and on the same schedule as the calculations made pursuant to Section 4.6, above.

C. All amounts owed by the Applicant to the District for a Tax Year under this Article shall be paid on the same date established by Section 4.6 for such Tax Year.

Section 6.6. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY. At any time during this Agreement, the District's Board of Trustees may, in its sole discretion, so long as such decision does not result in additional costs to the Applicant under this Agreement, direct that the Applicant's payment obligations under Article VI of this agreement be made to its educational foundation, or to a similar entity. The alternative entity may only use such funds received under this Article to support the educational mission of the District and its students. Any designation of an alternative entity must be made by recorded vote of the District's Board of Trustees at a properly posted public Board meeting. Any such designation will become effective after public vote and the delivery of notice of said vote to the Applicant in conformance with the provisions of Section 10.1, below. Such designation may be rescinded, with respect to future payments only, by action of the District's Board of Trustees at any time.

Any designation of a successor beneficiary under this Section shall not alter the Aggregate Limit or the Net Aggregate Limit or the Supplemental Payments calculated as described in Section 6.5, above.

ARTICLE VII
ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

Section 7.1. ANNUAL LIMITATION. Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year of the Tax Limitation Period beginning after the first Tax Year of the Tax Limitation Period, in no event shall (i) the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District for such Tax Year, plus the sum of all payments otherwise due from the Applicant to the District under Articles IV, V, and VI of this Agreement with respect to such Tax Year, exceed (ii) the amount of the maintenance and operations ad valorem taxes that the Applicant would have paid to the District for such Tax Year (determined by using the District's actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The calculation and comparison of the amounts described in clauses (i) and (ii) of the preceding sentence shall be included in all calculations made pursuant to Article IV of this Agreement,

and in the event the sum of the amounts described in said clause (i) exceeds the amount described in said clause (ii), then the payments otherwise due from the Applicant to the District under Articles IV, V, and VI shall be reduced until such excess is eliminated.

Section 7.2. OPTION TO TERMINATE AGREEMENT. In the event that any payment otherwise due from the Applicant to the District under Article IV, Article V, or Article VI of this Agreement with respect to a Tax Year is subject to reduction in accordance with the provisions of Section 7.1, then the Applicant shall have the option to terminate this Agreement. The Applicant may exercise such option to terminate this Agreement by notifying the District of its election in writing not later than the July 31 of the year following the Tax Year with respect to which a reduction under Section 7.1 is applicable. Any termination of this Agreement under the foregoing provisions of this Section 7.2 shall be effective immediately prior to the second Tax Year next following the Tax Year in which the reduction giving rise to the option occurred.

Section 7.3. EFFECT OF OPTIONAL TERMINATION. Upon the exercise of the option to terminate pursuant to Section 7.2, this Agreement shall terminate and be of no further force or effect; provided, however, that:

A. the Parties respective rights and obligations under this Agreement with respect to the Tax Year or Tax Years (as the case may be) through and including the Tax Year during which such notification is delivered to the District, shall not be impaired or modified as a result of such termination and shall survive such termination unless and until satisfied and discharged; and

B. the provisions of this Agreement regarding payments (including liquidated damages and tax payments), records and dispute resolution shall survive the termination or expiration of this Agreement.

ARTICLE VIII

ADDITIONAL OBLIGATIONS OF APPLICANT

Section 8.1. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall Maintain Viable Presence in the District commencing at the start of the Tax Limitation Period through the Final Termination Date of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, the Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure, provided the Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure.

Section 8.2. REPORTS. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall submit all reports required from time to time by the Comptroller, listed in 34 TEXAS ADMIN. CODE Section 9.1052 and as currently located on the Comptroller's website, including all data elements required by such form to the satisfaction of the Comptroller on the dates indicated on the form or the Comptroller's website and starting on the first such due date after the Application Approval Date.

Section 8.3. COMPTROLLER'S REPORT ON CHAPTER 313 AGREEMENTS. During the term of this Agreement, both Parties shall provide the Comptroller with all information reasonably necessary for the Comptroller to assess performance under this Agreement for the purpose of issuing the Comptroller's report, as required by Section 313.032 of the TEXAS TAX CODE.

Section 8.4. DATA REQUESTS. Upon the written request of the District, the State Auditor's Office, the Appraisal District, or the Comptroller during the term of this Agreement, the Applicant, the District or any other entity on behalf of the District shall provide the requesting party with all information reasonably necessary for the requesting party to determine whether the Applicant is in compliance with its rights, obligations or responsibilities, including, but not limited to, any employment obligations which may arise under this Agreement.

Section 8.5. SITE VISITS AND RECORD REVIEW. The Applicant shall allow authorized employees of the District, the Comptroller, the Appraisal District, and the State Auditor's Office to have reasonable access to the Applicant's Qualified Property and business records from the Application Review Start Date through the Final Termination Date, in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property.

A. All inspections will be made at a mutually agreeable time after the giving of not less than forty-eight (48) hours prior written notice, and will be conducted in such a manner so as not to unreasonably interfere with either the construction or operation of the Applicant's Qualified Property.

B. All inspections may be accompanied by one or more representatives of the Applicant, and shall be conducted in accordance with the Applicant's safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the Applicant to provide the District, the Comptroller, or the Appraisal District with any technical or business information that is proprietary, a trade secret, or is subject to a confidentiality agreement with any third party.

Section 8.6. RIGHT TO AUDIT; SUPPORTING DOCUMENTS; AUTHORITY OF STATE AUDITOR.

By executing this Agreement, implementing the authority of, and accepting the benefits provided by Chapter 313 of the TEXAS TAX CODE, the Parties agree that this Agreement and their performance pursuant to its terms are subject to review and audit by the State Auditor as if they are parties to a State contract and subject to the provisions of Section 2262.154 of the TEXAS GOVERNMENT CODE and Section 313.010(a) of the TEXAS TAX CODE. The Parties further agree to comply with the following requirements:

A. The District and the Applicant shall maintain and retain supporting documents adequate to ensure that claims for the Tax Limitation Amount are in accordance with applicable Comptroller and State of Texas requirements. The Applicant and the District shall maintain all such documents and other records relating to this Agreement and the State's property for a period of four (4) years after the latest occurring date of:

- i. date of submission of the final payment;
- ii. Final Termination Date; or

iii. date of resolution of all disputes or payment.

B. During the time period defined under Section 8.6.A, the District and the Applicant shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to this Agreement; the Applicant's Application; and the Applicant's Qualified Property, Qualified Investment, New Qualifying Jobs, and wages paid for New Non- Qualifying Jobs such as work papers, reports, books, data, files, software, records, calculations, spreadsheets and other supporting documents pertaining to this Agreement, for purposes of inspecting, monitoring, auditing, or evaluating by the Comptroller, State Auditor's Office, State of Texas or their authorized representatives. The Applicant and the District shall cooperate with auditors and other authorized Comptroller and State of Texas representatives and shall provide them with prompt access to all of such property as requested by the Comptroller or the State of Texas. By example and not as an exclusion to other breaches or failures, the Applicant's or the District's failure to comply with this Section shall constitute a Material Breach of this Agreement.

C. In addition to and without limitation on the other audit provisions of this Agreement, the acceptance of tax benefits or funds by the Applicant or the District or any other entity or person directly under this Agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Applicant or the District or other entity that is the subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit. The Parties agree that this Agreement shall for its duration be subject to all rules and procedures of the State Auditor acting under the direction of the legislative audit committee.

D. The Applicant shall include the requirements of this Section 8.6 in its subcontract with any entity whose employees or subcontractors are subject to wage requirements under the Act, the Comptroller's Rules, or this Agreement, or any entity whose employees or subcontractors are included in the Applicant's compliance with job creation or wage standard requirement of the Act, the Comptroller's Rules, or this Agreement.

Section 8.7. FALSE STATEMENTS; BREACH OF REPRESENTATIONS. The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application, and any supplements or amendments thereto, without which the Comptroller would not have approved this Agreement and the District would not have executed this Agreement. By signature to this Agreement, the Applicant:

A. represents and warrants that all information, facts, and representations contained in the Application are true and correct to the best of its knowledge;

B. agrees and acknowledges that the Application and all related attachments and schedules are included by reference in this Agreement as if fully set forth herein; and

C. acknowledges that if the Applicant submitted its Application with a false statement, signs this Agreement with a false statement, or submits a report with a false statement, or it is subsequently determined that the Applicant has violated any of the representations, warranties, guarantees, certifications, or affirmations included in the Application or this Agreement, the Applicant shall have materially breached this Agreement and the Agreement shall be invalid and void except for the enforcement of the provisions required by Section 9.2 of this Agreement.

ARTICLE IX
MATERIAL BREACH OR EARLY TERMINATION

Section 9.1. EVENTS CONSTITUTING MATERIAL BREACH OF AGREEMENT. The Applicant shall be in Material Breach of this Agreement if it commits one or more of the following acts or omissions (each a “Material Breach”):

A. The Application, any Application Supplement, or any Application Amendment on which this Agreement is approved is determined to be inaccurate as to any material representation, information, or fact or is not complete as to any material fact or representation or such application;

B. The Applicant failed to complete Qualified Investment as required by Section 2.5.A. of this Agreement during the Qualifying Time Period;

C. The Applicant failed to create and maintain the number of New Qualifying Jobs required by the Act;

D. The Applicant failed to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application;

E. The Applicant failed to pay at least the average weekly wage of all jobs in the county in which the jobs are located for all New Non-Qualifying Jobs created by the Applicant;

F. The Applicant failed to provide payments to the District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV of this Agreement;

G. The Applicant failed to provide the payments to the District that protect the District from the payment of extraordinary education-related expenses related to the project to the extent and in the amounts that the Applicant agreed to provide such payments in Article V of this Agreement;

H. The Applicant failed to provide the Supplemental Payments to the extent and in the amounts that the Applicant agreed to provide such Supplemental Payments in Article VI of this Agreement;

I. The Applicant failed to create and Maintain Viable Presence on or with the Qualified Property as more fully specified in Article VIII of this Agreement;

J. The Applicant failed to submit the reports required to be submitted by Section 8.2 to the satisfaction of the Comptroller;

K. The Applicant failed to provide the District or the Comptroller with all information reasonably necessary for the District or the Comptroller to determine whether the Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement;

L. The Applicant failed to allow authorized employees of the District, the Comptroller, the Appraisal District, or the State Auditor’s Office to have access to the Applicant’s Qualified Property or business records in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant’s Qualified Property under Sections 8.5 and 8.6;

M. The Applicant failed to comply with a request by the State Auditor’s office to review and audit the Applicant’s compliance with this Agreement;

N. The Applicant has made any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on Appraised Value made pursuant to Chapter 313 of the TEXAS TAX CODE, in excess of the amounts set forth in Articles IV, V and VI of this Agreement;

O. The Applicant failed to comply with the conditions included in the certificate for limitation issued by the Comptroller.

Section 9.2. DETERMINATION OF BREACH AND TERMINATION OF AGREEMENT.

A. Prior to making a determination that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the District shall provide the Applicant with a written notice of the facts which it believes have caused the breach of this Agreement, and if cure is possible, the cure proposed by the District. After receipt of the notice, the Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in breach of its obligations under this Agreement, or that it has cured or undertaken to cure any such breach.

B. If the Board of Trustees is not satisfied with such response or that such breach has been cured, then the Board of Trustees shall, after reasonable notice to the Applicant, conduct a hearing called and held for the purpose of determining whether such breach has occurred and, if so, whether such breach has been cured. At any such hearing, the Applicant shall have the opportunity, together with their counsel, to be heard before the Board of Trustees. At the hearing, the Board of Trustees shall make findings as to:

- i. whether or not a breach of this Agreement has occurred;
- ii. whether or not such breach is a Material Breach;
- iii. the date such breach occurred, if any;
- iv. whether or not any such breach has been cured; and

C. In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it shall at that time determine:

- i. the amount of recapture taxes under Section 9.4.C (net of all credits under Section 9.4.C);
- ii. the amount of any penalty or interest under Section 9.4.E that are owed to the District; and
- iii. in the event of a finding of a Material Breach, whether to terminate this Agreement.

D. After making its determination regarding any alleged breach, the Board of Trustees shall cause the Applicant to be notified in writing of its determination (a "Determination of Breach and Notice of Contract Termination") and provide a copy to the Comptroller.

Section 9.3. DISPUTE RESOLUTION.

A. After receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 9.2, the Applicant shall have not greater than sixty (60) days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to the District, in which case the District and the Applicant shall be required to make a

good faith effort to resolve, without resort to litigation and within sixty (60) days after the Applicant initiates mediation, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then presiding in Pecos County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the TEXAS CIVIL PRACTICE AND REMEDIES CODE and such other rules as the mediator shall prescribe. With respect to such mediation, (i) the District shall bear one-half of such mediator's fees and expenses and the Applicant shall bear one-half of such mediator's fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys' fees) incurred in connection with such mediation.

B. In the event that any mediation is not successful in resolving the dispute or that payment is not received within the time period described for mediation in Section 9.3.A, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in a judicial proceeding in a state district court in Pecos County, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any contract, agreement or undertaking made by a Party pursuant to this Agreement.

C. If payments become due under this Agreement and are not received before the expiration of the 60 days provided for such payment in Section 9.3.A, and if the Applicant has not contested such payment calculations under the procedures set forth herein, including judicial proceedings, the District shall have the remedies for the collection of the amounts determined under Section 9.4 as are set forth in Chapter 33, Subchapters B and C, of the TEXAS TAX CODE for the collection of delinquent taxes. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees to the attorneys representing the District pursuant to Section 6.30 of the TEXAS TAX CODE and a tax lien shall attach to the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to Section 33.07 of the TEXAS TAX CODE to secure payment of such fees.

Section 9.4. Consequences of Early Termination or Other Breach by Applicant.

A. In the event that the Applicant terminates this Agreement without the consent of the District, except as provided in Section 7.2 of this Agreement, the Applicant shall pay to the District liquidated damages for such failure within thirty (30) days after receipt of the notice of breach.

B. In the event that the District determines that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the Applicant shall pay to the District liquidated damages, as calculated by Section 9.4.C, prior to, and the District may terminate the Agreement effective on the later of: (i) the expiration of the 60 days provided for in Section 9.3.A, and (ii) thirty (30) days after any mediation and judicial proceedings initiated pursuant to Sections 9.3.A and 9.3.B are resolved in favor of the District.

C. The sum of liquidated damages due and payable shall be the sum total of the District ad valorem taxes for all of the Tax Years for which a tax limitation was granted pursuant to this Agreement prior to the year in which the default occurs that otherwise would have been due and payable by the Applicant to the District without the benefit of this Agreement, including penalty and interest, as calculated in accordance with Section 9.4.E. For purposes of this liquidated damages calculation, the

Applicant shall be entitled to a credit for all payments made to the District pursuant to Articles IV, V, and VI. Upon payment of such liquidated damages, the Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

D. In the event that the District determines that the Applicant has committed a Material Breach identified in Section 9.1, after the notice and mediation periods provided by Sections 9.2 and 9.3, then the District may, in addition to the payment of liquidated damages required pursuant to Section 9.4.C, terminate this Agreement.

E. In determining the amount of penalty or interest, or both, due in the event of a breach of this Agreement, the District shall first determine the base amount of recaptured taxes less all credits under Section 9.4.C owed for each Tax Year during the Tax Limitation Period. The District shall calculate penalty or interest for each Tax Year during the Tax Limitation Period in accordance with the methodology set forth in Chapter 33 of the TEXAS TAX CODE, as if the base amount calculated for such Tax Year less all credits under Section 9.4.C had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(a) of the TEXAS TAX CODE, or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(c) of the TEXAS TAX CODE, or its successor statute.

Section 9.5. LIMITATION OF OTHER DAMAGES. Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the Applicant, the District's damages for such a default shall under no circumstances exceed the amounts calculated under Section 9.4. In addition, the District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement. The Parties further agree that the limitation of damages and remedies set forth in this Section 9.5 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

Section 9.6. STATUTORY PENALTY FOR INADEQUATE QUALIFIED INVESTMENT. Pursuant to Section 313.0275 of the TEXAS TAX CODE, in the event that the Applicant fails to make \$30,000,000 of Qualified Investment, in whole or in part, during the Qualifying Time Period, the Applicant is liable to the State for a penalty. The amount of the penalty is the amount determined by: (i) multiplying the maintenance and operations tax rate of the school district for that tax year that the penalty is due by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the Tax Year the penalty is due. This penalty shall be paid on or before February 1 of the year following the expiration of the Qualifying Time Period and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE. The Comptroller may grant a waiver of this penalty in the event of Force Majeure which prevents compliance with this provision.

Section 9.7. REMEDY FOR FAILURE TO CREATE AND MAINTAIN REQUIRED NEW QUALIFYING JOBS. Pursuant to Section 313.0276 of the TEXAS TAX CODE, for any full Tax Year that commences after the project has become operational, in the event that it has been determined that the Applicant has failed to meet the job creation or retention requirements defined in Sections 9.1.C, the Applicant shall not be deemed to be in Material Breach of this Agreement until such time as the Comptroller has made a

determination to rescind this Agreement under Section 313.0276 of TEXAS TAX CODE, and that determination is final.

Section 9.8. REMEDY FOR FAILURE TO CREATE AND MAINTAIN COMMITTED NEW QUALIFYING JOBS

A. In the event that the Applicant fails to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application, an event constituting a Material Breach as defined in Section 9.1.D, the Applicant and the District may elect to remedy the Material Breach through a penalty payment.

B. Following the notice and mediation periods provided by Sections 9.2 and 9.3, the District may request the Applicant to make a payment to the State in an amount equal to: (i) multiplying the maintenance and operations tax rate of the school district for that Tax Year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the market value of the property identified on the Appraisal District's records for each tax year the Material Breach occurs.

C. In the event that there is no tax limitation in place for the tax year that the Material Breach occurs, the payment to the State shall be in an amount equal to: (i) multiplying the maintenance and operations tax rate of the School District for each tax year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the tax limitation amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the last Tax Year for which the Applicant received a tax limitation.

D. The penalty shall be paid no later than 30 days after the notice of breach and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE.

ARTICLE X.

MISCELLANEOUS PROVISIONS

Section 10.1. INFORMATION AND NOTICES.

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (*e.g.*, by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile or email transmission, with notice of receipt obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile or email transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

B. Notices to the District shall be addressed to the District's Authorized Representative as follows:

Michael Meek, Superintendent
Iraan Sheffield Independent School District
PO Box 486
Iraan, TX 79744

Fax: (432)639-2501
Email: kevin.allen@isisd.net

C. Notices to the Applicant shall be addressed to its Authorized Representative as follows:

Helen Shin
General Counsel and Secretary
Recurrent Energy, LLC
3000 Oak Road, Suite 300
Walnut Creek, CA 92618
Email: helen.shin@recurrentenergy.com

or at such other address or to such other facsimile transmission number and to the attention of such other person as a Party may designate by written notice to the other.

D. A copy of any notice delivered to the Applicant shall also be delivered to any lender for which the Applicant has provided the District notice of collateral assignment information pursuant to Section 10.3.C, below.

Section 10.2. AMENDMENTS TO APPLICATION AND AGREEMENT; WAIVERS.

A. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties and after completing the requirements of Section 10.2.B. Waiver of any term, condition, or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition, or provision, or a waiver of any other term, condition, or provision of this Agreement.

B. By official action of the District's Board of Trustees, the Application and this Agreement may only be amended according to the following:

i. The Applicant shall submit to the District and the Comptroller:

- a. a written request to amend the Application and this Agreement, which shall specify the changes the Applicant requests;
- b. any changes to the information that was provided in the Application that was approved by the District and considered by the Comptroller;
- c. and any additional information requested by the District or the Comptroller necessary to evaluate the amendment or modification;

ii. The Comptroller shall review the request and any additional information for compliance with the Act and the Comptroller's Rules and provide a revised Comptroller certificate for a limitation within 90 days of receiving the revised Application and, if the request to amend the Application has not been approved by the Comptroller by the end of the 90-day period, the request is denied; and

iii. If the Comptroller has not denied the request, the District's Board of Trustees shall approve or disapprove the request before the expiration of 150 days after the request is filed.

C. Any amendment of the Application and this Agreement adding additional or replacement Qualified Property pursuant to this Section 10.2 of this Agreement shall:

i. require that all property added by amendment be eligible property as defined by Section 313.024 of the TEXAS TAX CODE;

ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and

D. The Application and this Agreement may not be amended to extend the value limitation time period beyond its ten-year statutory term.

E. The Comptroller determination made under Section 313.026(c)(2) of the TEXAS TAX CODE in the original certificate for a limitation satisfies the requirement of the Comptroller to make the same determination for any amendment of the Application and this Agreement, provided that the facts upon which the original determination was made have not changed.

Section 10.3. ASSIGNMENT.

A. Any assignment of any rights, benefits, obligations, or interests of the Parties in this Agreement, other than a collateral assignment purely for the benefit of creditors of the project, is considered an amendment to the Agreement and such Party may only assign such rights, benefits, obligations, or interests of this Agreement after complying with the provisions of Section 10.2 regarding amendments to the Agreement. Other than a collateral assignment to a creditor, this Agreement may only be assigned to an entity that is eligible to apply for and execute an agreement for limitation on appraised value pursuant to the provisions of Chapter 313 of the TEXAS TAX CODE and the Comptroller's Rules.

B. In the event of a merger or consolidation of the District with another school district or other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

C. In the event of an assignment to a creditor, the Applicant must notify the District and the Comptroller in writing no later than 30 days after the assignment. This Agreement shall be binding on the assignee.

Section 10.4. MERGER. This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 10.5. Governing Law. This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in a state district court in Pecos County.

Section 10.6. AUTHORITY TO EXECUTE AGREEMENT. Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

Section 10.7. SEVERABILITY. If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal, or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision, or condition cannot be so reformed, then such term, provision, or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality, and enforceability of the remaining terms, provisions, and conditions contained herein (and any other application such term, provision, or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible so that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.7, the term “Law” shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree, or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

Section 10.8. PAYMENT OF EXPENSES. Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement.

Section 10.9. INTERPRETATION.

A. When a reference is made in this Agreement to a Section, Article, or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

B. The words “include,” “includes,” and “including” when used in this Agreement shall be deemed in such case to be followed by the phrase, “but not limited to”. Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require.

C. The provisions of the Act and the Comptroller’s Rules are incorporated by reference as if fully set forth in this Agreement. In the event of a conflict, the conflict will be resolved by reference to the following order of precedence:

- i. The Act;
- ii. The Comptroller’s Rules as they exist at the time the Agreement is executed, except as allowed in the definition of Qualified Property in Section 1.1; and
- iii. This Agreement and its Attachments including the Application as incorporated by reference.

Section 10.10. EXECUTION OF COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

Section 10.11. PUBLICATION OF DOCUMENTS. The Parties acknowledge that the District is required to publish the Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to the District; and the approved and executed copy of this Agreement or any amendment thereto, as follows:

A. Within seven (7) days of receipt of such document, the District shall submit a copy to the Comptroller for publication on the Comptroller's Internet website;

B. The District shall provide on its website a link to the location of those documents posted on the Comptroller's website;

C. This Section does not require the publication of information that is confidential under Section 313.028 of the TEXAS TAX CODE.

Section 10.12. CONTROL; OWNERSHIP; LEGAL PROCEEDINGS. The Applicant shall immediately notify the District in writing of any actual or anticipated change in the control or ownership of the Applicant and of any legal or administrative investigations or proceedings initiated against the Applicant related to the project regardless of the jurisdiction from which such proceedings originate.

Section 10.13. DUTY TO DISCLOSE. If circumstances change or additional information is obtained regarding any of the representations and warranties made by the Applicant in the Application or this Agreement, or any other disclosure requirements, subsequent to the date of this Agreement, the Applicant's duty to disclose continues throughout the term of this Agreement.

Section 10.14. CONFLICTS OF INTEREST.

A. The District represents that, after diligent inquiry, each local public official or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, has disclosed any conflicts of interest in obtaining or performing this Agreement and related activities, appropriately recused from any decisions relating to this Agreement when a disclosure has been made, and the performance of this Agreement will not create any appearance of impropriety. The District represents that it, the District's local public officials or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

B. The Applicant represents that, after diligent inquiry, each of its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, involved in the representation of the Applicant with the District has complied with the provisions of Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE. The Applicant represents that it and its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

C. The District and the Applicant each separately agree to notify the other Party and the Comptroller immediately upon learning of any conflicts of interest.

Section 10.15. PROVISIONS SURVIVING EXPIRATION OR TERMINATION. Notwithstanding the expiration or termination (by agreement, breach, or operation of time) of this Agreement, the provisions of this Agreement regarding payments (including liquidated damages and tax payments), reports, records, and dispute resolution of the Agreement shall survive the termination or expiration dates of this Agreement until the following occurs:

- A. all payments, including liquidated damage and tax payments, have been made;
- B. all reports have been submitted;
- C. all records have been maintained in accordance with Section 8.6.A; and
- D. all disputes in controversy have been resolved.

Section 10.16. FACSIMILE OR ELECTRONIC DELIVERY.

A. This Agreement may be duly executed and delivered in person, by mail, or by facsimile or other electronic format (including portable document format (pdf) transmitted by e-mail). The executing Party must promptly deliver a complete, executed original or counterpart of this Agreement to the other executing Parties. This Agreement shall be binding on and enforceable against the executing Party whether or not it delivers such original or counterpart.

B. Delivery is deemed complete as follows:

- i. When delivered if delivered personally or sent by express courier service;
- ii. Three (3) business days after the date of mailing if sent by registered or certified U.S. mail, postage prepaid, with return receipt requested;
- iii. When transmitted if sent by facsimile, provided a confirmation of transmission is produced by the sending machine; or
- iv. When the recipient, by an e-mail sent to the e-mail address for the executing Parties acknowledges having received that e-mail (an automatic “read receipt” does not constitute acknowledgment of an e-mail for delivery purposes).

v.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 11th day of June, 2017.

RE MAPLEWOOD LLC

By: 

Helen Kang Shin
Vice President

IRAAN-SHEFFIELD INDEPENDENT SCHOOL DISTRICT

By: _____
PRESIDENT, BOARD OF TRUSTEES

ATTEST:

By: _____
SECRETARY, BOARD OF TRUSTEES

v.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 11th day of June, 2017.

RE MAPLEWOOD LLC

IRAAN-SHEFFIELD INDEPENDENT SCHOOL DISTRICT

By: _____

[INSERT NAME]

[INSERT TITLE]

By: _____



PRESIDENT, BOARD OF TRUSTEES

ATTEST:

By: _____



SECRETARY, BOARD OF TRUSTEES

EXHIBIT 1

DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE

At the time of the Application Approval Date, pursuant to Chapter 312 of the Texas Tax Code, the Iraan Sheffield Independent School District had created the RZ Tunas Creek Reinvestment Zone. A map of this Reinvestment Zone is attached as the last page of this **EXHIBIT 1**, and the legal description of the zone is set forth below. All of the Applicant's Qualified Property and Applicant's Qualified Investment that is subject to this Agreement will be located within the boundaries of the RZ Tunas Creek Reinvestment Zone and the boundaries of the District.

TRACT I:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being the East 400 acre(s), more or less, of land out of G. C. & S. F. RR Co. Survey, Block 194, Section 74, Abstract Number 5350, Pecos County, Texas.

TRACT II:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being 640 acre(s), more or less, of land out of the G. C. & S. F. RR Co. Survey, Block 194, Section 75, Abstract Number 6991, Pecos County, Texas.

TRACT III:

All that certain Lot, Tract or Parcel of land located in Pecos County, Texas, and being 640 acre(s), more or less, of land out of the G. C. & S. F. RR Co. Survey, Block 194, Section 76, Abstract Number 5349, Pecos County, Texas.

TRACT IV:

The West One half (W/2), and being 48 acres, of Section 80, Block 194 G.C. & S. F. RR CO. Survey, Pecos County, Texas.

EXHIBIT 2

DESCRIPTION AND LOCATION OF LAND

The Land on which the Qualified Property that is subject to this Agreement shall be located and on which the Qualified Investment that is subject to this Agreement shall be made is described by the map attached to **Exhibit 1**, which is within the boundaries of the District.

EXHIBIT 3

APPLICANT'S QUALIFIED INVESTMENT

Applicant's Qualified Investment that is subject to this Agreement shall be all tangible personal property first placed in service after March 8, 2018, owned by the Applicant, as more fully described in Tab 7 of the Application and **EXHIBIT 4** below, and located within the boundaries of the Iraan-Sheffield Independent School District and the reinvestment zone and project boundaries depicted on the map attached to **EXHIBIT 1**.

RE Maplewood LLC, anticipates constructing a solar photovoltaic (PV) electric generating facility with an operating capacity of approximately 100 MW. The exact capacity and the specific technology components will be determined during the development and design process.

A 100 MW solar PV generating facility may include a qualified investment consisting of the following improvements:

- 1) Solar modules/panels
- 2) Steel/aluminum/other metal mounting system with tracking capabilities
- 3) Underground conduit, communication cables, and electrical collection system wiring
- 4) Multiple combiner boxes
- 5) One or multiple project substation(s) including breakers, a transformer, and meters
- 6) Collection substation will be connected to utility interconnection by an above ground transmission line
- 7) Inverter boxes on concrete or gravel pads
- 8) Operations and maintenance facility
- 9) Fencing for safety and security
- 10) Multiprotocol Label Switching Circuit Telephone system
- 11) New or improved access and service roads
- 12) Meteorological equipment to measure solar irradiation and weather conditions

EXHIBIT 4

DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

This Agreement covers all qualified property within Iraan-Sheffield ISD and the reinvestment zone and project boundaries depicted on the map attached to this **EXHIBIT 4** necessary for the commercial operations of a solar photovoltaic (PV) electric generating facility with an operating capacity of approximately 100 MW. The exact capacity and the specific technology components will be determined during the development and design process.

A 100 MW solar PV generating facility may include a qualified investment consisting of the following improvements:

- 1) Solar modules/panels
- 2) Steel/aluminum/other metal mounting system with tracking capabilities
- 3) Underground conduit, communication cables, and electrical collection system wiring
- 4) Multiple combiner boxes
- 5) One or multiple project substation(s) including breakers, a transformer, and meters
- 6) Collection substation will be connected to utility interconnection by an above ground transmission line
- 7) Inverter boxes on concrete or gravel pads
- 8) Operations and maintenance facility
- 9) Fencing for safety and security
- 10) Multiprotocol Label Switching Circuit Telephone system
- 11) New or improved access and service roads
- 12) Meteorological equipment to measure solar irradiation and weather conditions

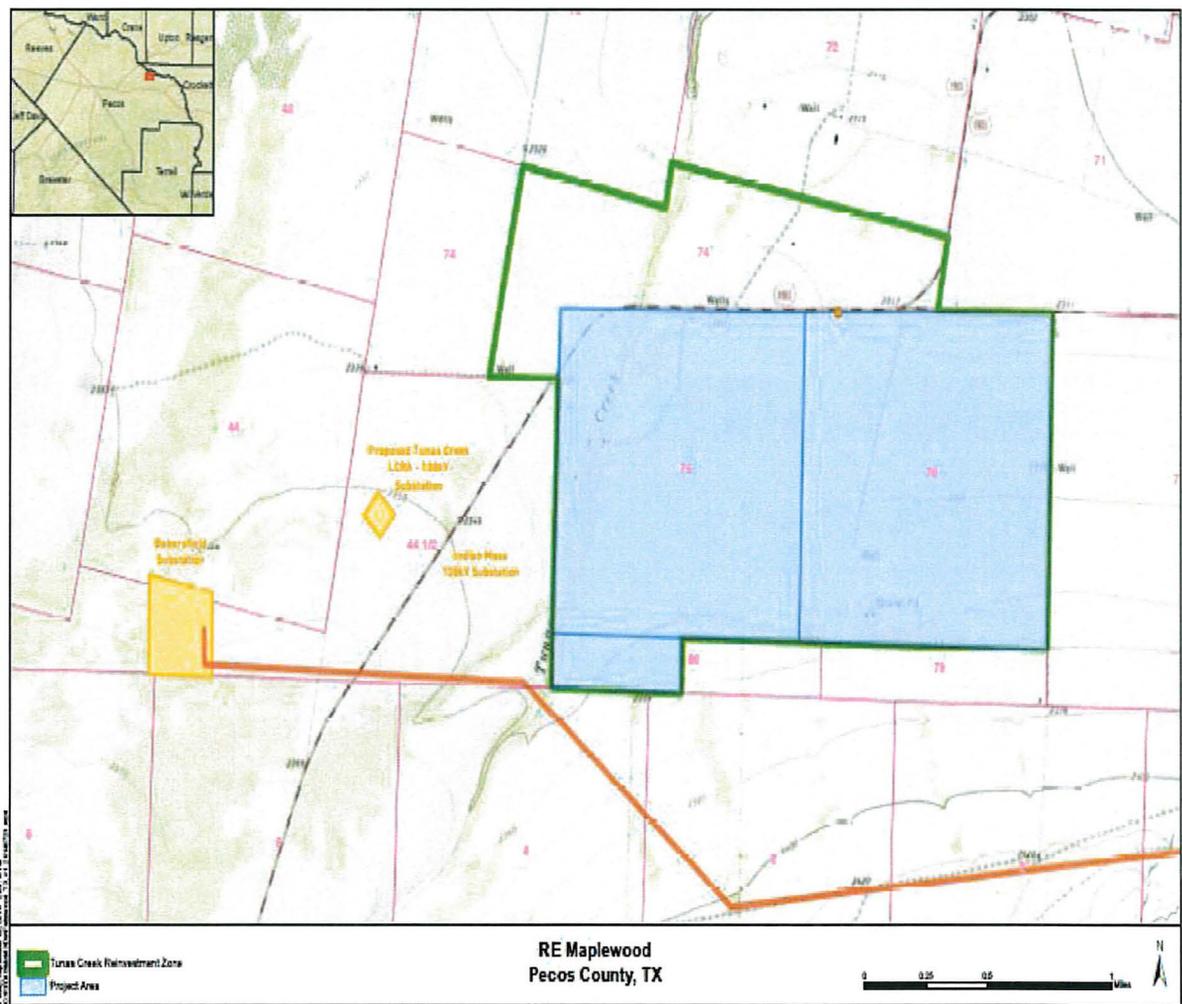


EXHIBIT 5
AGREEMENT SCHEDULE

	Year	Date of Appraisal	School Year	Tax Year	Summary Description
Qualifying Time Period	Partial Year Beginning on the Application Approval Date (6/11/18)	January 1, 2018	2018-2019	2018	Start of Qualifying Time Period beginning with the Application Approval Date (6/11/18). No limitation on appraised value. First year for computation of Annual Limit.
	1	January 1, 2019	2019-2020	2019	Qualifying Time Period. No limitation on appraised value.
	2	January 1, 2020	2020-2021	2020	Qualifying Time Period. No limitation on appraised value.
Limitation Period (10 Years)	1	January 1, 2020	2020-2021	2020	\$30 million appraised value limitation.
	2	January 1, 2021	2021-2022	2021	\$30 million appraised value limitation.
	3	January 1, 2022	2022-2023	2022	\$30 million appraised value limitation.
	4	January 1, 2023	2023-2024	2023	\$30 million appraised value limitation.
	5	January 1, 2024	2024-2025	2024	\$30 million appraised value limitation.
	6	January 1, 2025	2025-2026	2025	\$30 million appraised value limitation.
	7	January 1, 2026	2026-2027	2026	\$30 million appraised value limitation.
	8	January 1, 2027	2027-2028	2027	\$30 million appraised value limitation.
	9	January 1, 2028	2028-2029	2028	\$30 million appraised value limitation.
	10	January 1, 2029	2029-2030	2029	\$30 million appraised value limitation.
Maintain Viable Presence (5 Years)	11	January 1, 2030	2030-2031	2030	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	12	January 1, 2031	2031-2032	2031	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	13	January 1, 2032	2032-2033	2032	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	14	January 1, 2033	2033-2034	2033	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	15	January 1, 2034	2034-2035	2034	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.

Attachment H

Consultant Verification Letter



LYNN M. MOAK, PARTNER

DANIEL T. CASEY, PARTNER

June 11, 2018

President and Members
Board of Trustees
Iraan-Sheffield Independent School District
100 S. Farr Street
P.O. Box 486
Iraan, Texas 79744

Re: Recommendations and Findings of the firm Concerning Application of RE Maplewood LLC for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes

Dear President and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Iraan-Sheffield Independent School District, with respect to the pending Application of RE Maplewood LLC for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. Based upon our review, we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.
4. All applicable school finance implications arising from the contemplated Agreement have been explored.
5. The proposed Agreement contains adequate revenue protection provisions to protect the interests of the District over the course of the Agreement.

As a result of the foregoing it is our recommendation that the Board of Trustees approve the Application of RE Maplewood LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

Daniel T. Casey

www.moakcasey.com

Phone 512-485-7878

400 W. 15th Street★Suite 1410★Austin, TX 78701-1648

Fax 512-485-7888

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS & COUNSELORS AT LAW

808 WEST AVE

AUSTIN, TEXAS 78701

TELEPHONE: (512) 494-9949

FACSIMILE: (512) 494-9919

KEVIN O'HANLON
CERTIFIED, CIVIL APPELLATE
CERTIFIED, CIVIL TRIAL

JUSTIN DEMERATH

BENJAMIN CASTILLO

June 11, 2018

President and Members
Of the Board of Trustees
Iraan-Sheffield Independent School District
100 S. Farr Street
P.O. Box 486
Iraan, Texas 79744

*Re: Recommendations and Findings of the Firm Concerning Application of RE
Maplewood LLC for Limitation on Appraised Value of Property for School District
Maintenance and Operations Taxes*

Dear President and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Iraan-Sheffield Independent School District, with respect to the pending Application of RE Maplewood LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. We have also negotiated an Agreement between the District and RE Maplewood LLC. Based upon our review we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.
4. All applicable school finance implications arising from the contemplated Agreement have been explored.

5. The proposed Agreement contains adequate legal provisions so as to protect the interests of the District.

As a result of the foregoing conclusions it is our recommendation that the Board of Trustees approve the Application of RE Maplewood LLC for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin O'Hanlon', written in a cursive style.

Kevin O'Hanlon
For the Firm

Attachment I

Agreement Review Letter



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

June 6, 2018

Michael Meek
Superintendent
Iraan-Sheffield Independent School District
P.O. Box 486
Iraan, Texas 79744-0486

Re: Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Iraan-Sheffield Independent School District and RE Maplewood LLC, Application 1233

Dear Superintendent Meek:

This office has been provided with the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Iraan-Sheffield Independent School District and RE Maplewood LLC (Agreement). As requested, the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1).

Based on our review, this office concludes that the agreement complies with the provisions of Tax Code, Chapter 313 and 34 TAC Chapter 9, Subchapter F.

Should you have any questions, please contact Michelle Luera with our office. She can be reached by email at michelle.luera@cpa.texas.gov or by phone at 1-800-531-5441, ext. 3-6053, or at 512-463-6053.

Sincerely,

A handwritten signature in black ink, which appears to read "Will Counihan".

Will Counihan
Director
Data Analysis & Transparency Division

cc: Bob Popinski, Moak, Casey & Associates LLP
Helen Shin, Recurrent Energy, LLC
Daniel Uminski, Recurrent Energy, LLC
John Pitts, Texas Star Alliance

Attachment J

Conflict Of Interest Disclosure

Conflicts of Interest Disclosure Procedure

In its recent audits of Chapter 313 Agreements, The Texas State Auditor's Office has required documentation of inquiries concerning Board Member conflicts of interest at critical junctions in the Chapter 313 approval process. A local public official or a person related to a local public official in the first degree by either affinity or consanguinity has a substantial interest in a business entity or in real property, the local public official, before a vote or decision on any matter involving the business entity or the real property, is required to file an affidavit with an official Board record keeper stating the nature and extent of the interest and shall abstain from further participation in the matter if:

1. In the case of a substantial interest in a business entity, the action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or
2. In the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.
3. A person has a substantial interest in a business entity if:
The person owns at least:
 - a. Ten percent of the voting stock or shares of the business entity, or
 - b. Either ten percent or \$15,000 of the fair market value of the business entity; or
 - c. Funds received by the person from the business entity exceed ten percent of the person's gross income for the previous year.
4. In the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.

The Board may contract with a business entity in which a Trustee has a substantial interest if the Trustee follows the disclosure and abstention procedure set out above.

Does any Board Member have a conflict of interest as defined above?

If so, has the required Affidavit, set forth at District Policy BBFA (Exhibit) been filed?

Please have the answers to the foregoing 2 questions and a copy of this Procedure included in the minutes of this meeting.