

**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

November 16, 2020

AMENDED CERTIFICATION

Jay Baccus
Superintendent
Anson Independent School District
1431 Commercial Ave.
Anson, TX 79501

Re: Amended Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Anson Independent School District and Anson Solar Center 3, LLC, Application 1258

Dear Superintendent Baccus:

This application (Application 1258) was originally submitted on April 16, 2018, to the Anson Independent School District (school district) by Anson Solar Center 3, LLC (applicant) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ On August 14, 2018, the Comptroller issued written notice that the applicant submitted a completed application; and later issued a certificate for a limitation on appraised value on September 14, 2018. The applicant and school district executed an agreement for a limitation on appraised value (agreement) on December 10, 2018.

On October 28, 2020, the Comptroller received an amendment to the agreement to change the qualifying time period from 2021 to 2022, limitation from 2022 to 2024 and updated company representative. This presents the Comptroller's review of that amendment per Section 10.2 of the agreement and determinations required:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

The information provided by the applicant related to eligibility has not changed and therefore, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

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

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

Based on the amended information provided by the applicant, the Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem tax* revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller previously determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.


Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value for the amendment.

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the amendment to the agreement by December 31, 2020.

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,

DocuSigned by:

11EA6DEF0EC441E...
LISA CRAVEN

Deputy Comptroller

Enclosure

cc: Will Counihan

Amended Attachment A - Economic Impact Analysis

The following tables summarize the Comptroller's economic impact analysis of Anson Solar Center 3, LLC (project) applying to Anson 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 Anson Solar Center 3, LLC.

	Original	Amendment No. 1
Applicant	Anson Solar Center 3, LLC	Anson Solar Center 3, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation	Renewable Energy Electric Generation
School District	Anson ISD	Anson ISD
2016-2017 Average Daily Attendance	694	694
County	Jones	Jones
Proposed Total Investment in District	\$219,300,000	\$219,300,000
Proposed Qualified Investment	\$219,300,000	\$219,300,000
Limitation Amount	\$20,000,000	\$20,000,000
Qualifying Time Period (Full Years)	2021-2022	2022-2023
Number of new qualifying jobs committed to by applicant	2*	2*
Number of new non-qualifying jobs estimated by applicant	0	0
Average weekly wage of qualifying jobs committed to by applicant	\$804	\$804
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(A)	\$41,785	\$41,785
Minimum annual wage committed to by applicant for qualified jobs	\$41,785	\$41,785
Minimum weekly wage required for non-qualifying jobs	\$735	\$735
Minimum annual wage required for non-qualifying jobs	\$38,195	\$38,195
Investment per Qualifying Job	\$109,650,000	\$109,650,000
Estimated M&O levy without any limit (15 years)	\$11,584,632	\$11,584,632
Estimated M&O levy with Limitation (15 years)	\$4,225,870	\$4,225,870
Estimated gross M&O tax benefit (15 years)	\$7,358,762	\$7,358,762

* 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 Anson Solar Center 3, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2023	300	344	644	\$15,000,000	\$36,000,000	\$51,000,000
2024	2	29	31	\$83,570	\$5,916,430	\$6,000,000
2025	2	21	23	\$83,570	\$4,916,430	\$5,000,000
2026	2	5	7	\$83,570	\$2,916,430	\$3,000,000
2027	2	(3)	-1	\$83,570	\$1,916,430	\$2,000,000
2028	2	(6)	-4	\$83,570	\$916,430	\$1,000,000
2029	2	(6)	-4	\$83,570	\$916,430	\$1,000,000
2030	2	(4)	-2	\$83,570	\$916,430	\$1,000,000
2031	2	(2)	0	\$83,570	\$916,430	\$1,000,000
2032	2	0	2	\$83,570	\$916,430	\$1,000,000
2033	2	2	4	\$83,570	\$916,430	\$1,000,000
2034	2	4	6	\$83,570	\$916,430	\$1,000,000
2035	2	5	7	\$83,570	\$916,430	\$1,000,000
2036	2	6	8	\$83,570	\$916,430	\$1,000,000
2037	2	6	8	\$83,570	\$1,916,430	\$2,000,000
2038	2	7	9	\$83,570	\$1,916,430	\$2,000,000

Source: CPA REMI, Anson Solar Center 3, 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*	Anson ISD I&S Tax Levy	Anson ISD M&O Tax Levy	Anson ISD M&O and I&S Tax Levies	Jones County Tax Levy	Anson Hospital Tax Levy	Estimated Total Property Taxes
			0.2239	0.2239	1.1700		0.7000	0.3840	
2024	\$141,229,200	\$141,229,200		\$316,212	\$1,652,382	\$1,968,594	\$988,604	\$542,371	\$3,499,569
2025	\$128,948,400	\$128,948,400		\$288,715	\$1,508,696	\$1,797,412	\$902,639	\$495,208	\$3,195,259
2026	\$116,667,600	\$116,667,600		\$261,219	\$1,365,011	\$1,626,230	\$816,673	\$448,046	\$2,890,948
2027	\$102,851,700	\$102,851,700		\$230,285	\$1,203,365	\$1,433,650	\$719,962	\$394,988	\$2,548,599
2028	\$89,035,800	\$89,035,800		\$199,351	\$1,041,719	\$1,241,070	\$623,251	\$341,930	\$2,206,250
2029	\$75,219,900	\$75,219,900		\$168,417	\$880,073	\$1,048,490	\$526,539	\$288,871	\$1,863,901
2030	\$59,868,900	\$59,868,900		\$134,046	\$700,466	\$834,513	\$419,082	\$229,918	\$1,483,513
2031	\$46,053,000	\$46,053,000		\$103,113	\$538,820	\$641,933	\$322,371	\$176,860	\$1,141,164
2032	\$36,842,400	\$36,842,400		\$82,490	\$431,056	\$513,546	\$257,897	\$141,488	\$912,931
2033	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
2034	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
2035	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
2036	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
2037	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
2038	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
			Total	\$2,216,922	\$11,584,632	\$13,801,554	\$6,930,977	\$3,802,492	\$24,535,023

Source: CPA, Anson Solar Center 3, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Jones County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Anson ISD I&S Tax Levy	Anson ISD M&O Tax Levy	Anson ISD M&O and I&S Tax Levies	Jones County Tax Levy	Anson Hospital Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2239	1.1700		0.7000	0.3840	
2024	\$141,229,200	\$20,000,000		\$316,212	\$234,000	\$550,212	\$247,151	\$542,371	\$1,339,734
2025	\$128,948,400	\$20,000,000		\$288,715	\$234,000	\$522,715	\$225,660	\$495,208	\$1,243,583
2026	\$116,667,600	\$20,000,000		\$261,219	\$234,000	\$495,219	\$204,168	\$448,046	\$1,147,433
2027	\$102,851,700	\$20,000,000		\$230,285	\$234,000	\$464,285	\$179,990	\$394,988	\$1,039,263
2028	\$89,035,800	\$20,000,000		\$199,351	\$234,000	\$433,351	\$155,813	\$341,930	\$931,093
2029	\$75,219,900	\$20,000,000		\$168,417	\$234,000	\$402,417	\$131,635	\$288,871	\$822,924
2030	\$59,868,900	\$20,000,000		\$134,046	\$234,000	\$368,046	\$104,771	\$229,918	\$702,735
2031	\$46,053,000	\$20,000,000		\$103,113	\$234,000	\$337,113	\$80,593	\$176,860	\$594,566
2032	\$36,842,400	\$20,000,000		\$82,490	\$234,000	\$316,490	\$64,474	\$141,488	\$522,452
2033	\$32,237,100	\$20,000,000		\$72,179	\$234,000	\$306,179	\$225,660	\$123,802	\$655,641
2034	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
2035	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
2036	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
2037	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
2038	\$32,237,100	\$32,237,100		\$72,179	\$377,174	\$449,353	\$225,660	\$123,802	\$798,815
			Total	\$2,216,922	\$4,225,870	\$6,442,793	\$2,748,213	\$3,802,492	\$12,993,498
			Diff	\$0	\$7,358,762	\$7,358,762	\$4,182,764	\$0	\$11,541,526

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Anson Solar Center 3, LLC

*Tax Rate per \$100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

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

This represents the Comptroller’s determination that Anson Solar Center 3, 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	2021	\$0	\$0	\$0	\$0
	2022	\$0	\$0	\$0	\$0
	2023	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2024	\$234,000	\$234,000	\$1,418,382	\$1,418,382
	2025	\$234,000	\$468,000	\$1,274,696	\$2,693,078
	2026	\$234,000	\$702,000	\$1,131,011	\$3,824,089
	2027	\$234,000	\$936,000	\$969,365	\$4,793,454
	2028	\$234,000	\$1,170,000	\$807,719	\$5,601,173
	2029	\$234,000	\$1,404,000	\$646,073	\$6,247,245
	2030	\$234,000	\$1,638,000	\$466,466	\$6,713,712
	2031	\$234,000	\$1,872,000	\$304,820	\$7,018,532
	2032	\$234,000	\$2,106,000	\$197,056	\$7,215,588
	2033	\$234,000	\$2,340,000	\$143,174	\$7,358,762
Maintain Viable Presence (5 Years)	2034	\$377,174	\$2,717,174	\$0	\$7,358,762
	2035	\$377,174	\$3,094,348	\$0	\$7,358,762
	2036	\$377,174	\$3,471,522	\$0	\$7,358,762
	2037	\$377,174	\$3,848,696	\$0	\$7,358,762
	2038	\$377,174	\$4,225,870	\$0	\$7,358,762
Additional Years as Required by 313.026(c)(1) (10 Years)	2039	\$377,174	\$4,603,044	\$0	\$7,358,762
	2040	\$377,174	\$4,980,218	\$0	\$7,358,762
	2041	\$377,174	\$5,357,393	\$0	\$7,358,762
	2042	\$377,174	\$5,734,567	\$0	\$7,358,762
	2043	\$377,174	\$6,111,741	\$0	\$7,358,762
	2044	\$377,174	\$6,488,915	\$0	\$7,358,762
	2045	\$377,174	\$6,866,089	\$0	\$7,358,762
	2046	\$377,174	\$7,243,263	\$0	\$7,358,762
	2047	\$377,174	\$7,620,437	\$0	\$7,358,762
	2048	\$377,174	\$7,997,611	\$0	\$7,358,762
		\$7,997,611	is greater than	\$7,358,762	
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

Source: CPA, Anson Solar Center 3, 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.