

# O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

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July 30, 2018

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

RE: Application to the Ector County Independent School District from Oberon Solar LLC

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Ector County Independent School District is notifying Oberon Solar LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. The Applicant submitted the Application to the school district on July 24, 2018. The Board voted to accept the application on July 24, 2018. The application has been determined complete as of July 30, 2018. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered.

The Applicant has requested that a portion of Tab 11, specifically the detailed layout of the planned solar farm, be kept confidential until such time the Board votes to approve the application. In accordance with 34 TAC 9.1053, the information that is the 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 application will be submitted to the Ector County Appraisal District.

Sincerely,



Kevin O'Hanlon  
School District Consultant

Cc: Ector County Appraisal District  
Oberon Solar LLC



## MEMORANDUM

TO: David Harwell, CFO  
FROM: Kirk Glasby  
DATE: 7/20/2018  
CC:  
RE: Oberon Solar LLC – Chapter 313 Application

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Enclosed is the original and three copies of the Chapter 313 Application for Oberon Solar LLC. Application contains confidential information. Application fee to follow.



AN EXTENSION OF YOUR TAX DEPARTMENT

July 20, 2018

**Via Electronic Mail:**  
**And Via U.S. First Class Mail**

Mr. Tom Crowe  
Ector County ISD  
802 North Sam Houston  
Odessa, Texas 79761

Re: **Oberon Solar, LLC - Application For Appraised Value Limitation**

Dear Mr. Crowe:

Please find enclosed our formal application for the Chapter 313, Appraised Value Limitation. Electronic copy has been provided via email as well.

As first presented to the Ector County ISD board on February 13, 2018, 174 Power Global Corporation, on behalf of Oberon Solar, LLC., is considering a location in Ector County for a potential solar energy project. The scope and scale of such a project depends very much upon the commitments obtained in advance to contract the power generated by the project. As described in our overview, property taxes are the most significant operating expense once a project is completed and, thus, incentives play a crucial role in our ability to price contracts competitively.

We sincerely appreciate the opportunity to partner with the Ector County ISD and look forward to working together to advance this application.

Respectfully submitted,

S. Kirk Glasby  
DuCharme, McMillen & Assoc., Inc.

cc: *Via Electronic Mail: matkins@odessalawfirm.com*  
Mr. Mike Atkins

cc: *Via Electronic Mail: WBurnett@odessaecodev.com*  
Mr. Wesley Burnett

DMA - DUCHARME, McMILLEN & ASSOCIATES, INC. | DMAINC.COM

12710 Research Blvd., Suite 305 | Austin, TX 78759 | 512-335-5900 | Fax: 512-335-5825

## 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"> <li>a) Project vicinity</li> <li>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</li> <li>c) Qualified property including location of new buildings or new improvements</li> <li>d) Existing property</li> <li>e) Land location within vicinity map</li> <li>f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size</li> </ul> <p><b>Note:</b> 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"> <li>a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office</li> <li>b) legal description of reinvestment zone*</li> <li>c) order, resolution or ordinance establishing the reinvestment zone*</li> <li>d) guidelines and criteria for creating the zone*</li> </ul>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

**Tab 1**  
**Application**



# 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 [comptroller.texas.gov/economy/local/ch313/](http://comptroller.texas.gov/economy/local/ch313/). 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

July 24, 2018

Date Application Received by District

Tom \_\_\_\_\_ Crowe \_\_\_\_\_

First Name

Last Name

Superintendent

Title \_\_\_\_\_

Ector County ISD

School District Name

802 N. Sam Houston \_\_\_\_\_

Street Address

Mailing Address

Odessa \_\_\_\_\_ Texas \_\_\_\_\_ 79761 \_\_\_\_\_

City

State

ZIP

432-456-0000

Phone Number

Fax Number

thomas.crowe@ectorcountyisd.org

Email Address

Mobile Number (optional)

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)

Mali	Hanley
First Name	Last Name
Consultant	
Title	
O'Hanlon Demerath & Castillo	
Firm Name	
512-494-9949	512-494-9919
Phone Number	Fax Number
	mhanley@808west.com
	Email Address
Mobile Number (optional)	

4. On what date did the district determine this application complete? ..... July 30, 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)

Jason	Kim	
First Name	Last Name	
President	174 Power Global Corp.	
Title	Organization	
300 Spectrum Center Drive. #1220		
Street Address		
Mailing Address		
Irvine	CA	92618
City	State	ZIP
949-748-5996		
Phone Number	Fax Number	
Mobile Number (optional)	Business Email Address	

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.

Jason	Garewell	
First Name	Last Name	
Director of Project Development	174 Power Global Corp.	
Title	Organization	
300 Spectrum Center Drive. #1220		
Street Address		
Mailing Address		
Irvine	CA	92618
City	State	ZIP
949-748-5996		
Phone Number	Fax Number	
	jason.garewal@174powerglobal.com	
Mobile Number (optional)	Business Email Address	

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Kirk \_\_\_\_\_ Glasby \_\_\_\_\_  
 First Name Last Name  
 Director, Property Tax \_\_\_\_\_  
 Title \_\_\_\_\_  
 DuCharme McMillen and Associates, Inc. \_\_\_\_\_  
 Firm Name \_\_\_\_\_  
 512-335-5900, ext #1312 \_\_\_\_\_  
 Phone Number Fax Number  
 kglasby@dmainc.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? Oberon Solar LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32063848157
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 Corporation
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)

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

**SECTION 9: Projected Timeline**

- |   |   |
|---|---|
| 1. Application approval by school board .....   | December 2018   |
| 2. Commencement of construction .....   | December 2018   |
| 3. Beginning of qualifying time period .....  | 4th QTR 2018  |
| 4. First year of limitation .....   | 2020  |
| 5. Begin hiring new employees .....   | 2019  |
| 6. Commencement of commercial operations .....  | 2020  |
| 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)? ..... | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>Note:</b> 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? .....  | 2020  |

**SECTION 10: The Property**

1. Identify county or counties in which the proposed project will be located Ector
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Ector CAD
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>Ector / 100% / \$.3872</u><br><i>(Name, tax rate and percent of project)</i>                    | City: <u>N/A</u><br><i>(Name, tax rate and percent of project)</i>             |
| Hospital District: <u>Ector County / 100% / \$.1179</u><br><i>(Name, tax rate and percent of project)</i>  | Water District: <u>N/A</u><br><i>(Name, tax rate and percent of project)</i>   |
| Other (describe): <u>Odessa College / 100% / \$.2064</u><br><i>(Name, tax rate and percent of project)</i> | Other (describe): <u>N/A</u><br><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 [comptroller.texas.gov/economy/local/ch313/](http://comptroller.texas.gov/economy/local/ch313/).

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 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);
  - 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
  - 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.

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**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 2018  
(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 ..... 1,210.00
  - b. 110% of the average weekly wage for manufacturing jobs in the county is ..... 1,476.00
  - c. 110% of the average weekly wage for manufacturing jobs in the region is ..... 1,144.00
  
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? ..... 59,487.00
  
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 59,487.00
  
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**.

**Tab 2**  
**Proof of Application Filing Fee Payment**

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)**

**Not applicable**

**Tab 4**

**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.**

Oberon Solar LLC proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant, which will be located entirely within the Ector County Independent School District.

The project is estimated to be of 50 megawatt (MW) minimum and potentially larger as feasibility is improved via economic development incentives. The project is to be constructed on approximately 6,000 acres, which is part of a long-term lease agreement with local landowners.

The proposed project will include, but is not limited to, the following:

- Minimum, nominal 50 MW-AC in size;
- Hanwha Q CELLS PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Single axis tracking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA equipment, among other things;
- High-voltage transmission line connecting the project to the grid (gen tie);
- Operations and maintenance (O&M) building including telecommunications and computing equipment, among other things;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain and deliver electricity to the grid; and a
- Security fence.

The project construction is estimated to begin in December of 2018 and be completed in December 2019

174 Power Global is the vertically integrated subsidiary of the \$100 billion, Fortune Global 500 Hanwha Group. As the 2<sup>nd</sup> largest global manufacturer of solar cells and modules, and a leading developer, financier and owner of U.S. and international solar projects, 174 Power Global is uniquely motivated to execute on project opportunities. 174 Power Global/Hanwha Q-CELLS has developed more than 35 utility-scale projects, totaling >500MW completed and >450MW in final development.



# OBERON SOLAR

The **Oberon Solar Project** is a utility scale solar project being developed by **174 Power Global** in west Texas.

**Location:** project site is situated on 5,000 acres in the southwest corner of Ector County near Interstate 20.

**Size:** 50 Megawatts of solar capacity will provide thousands of Texas homes with clean, renewable energy.

The **Oberon Solar Project** will bring significant investment to the Permian Basin.

**Investment:** More than 50 million dollars will be invested in design, development, equipment and construction.

**Local Jobs:** The **Oberon Solar Project** will support more than one hundred jobs during construction and several permanent local jobs during its 20+ year operating life.

**174 Power Global** is the vertically integrated subsidiary of the \$100 billion, Fortune Global 500 **Hanwha Group**.

As the 2<sup>nd</sup> largest global manufacturer of solar cells and modules, and a leading developer, financier and owner of U.S. and international solar projects, **174 Power Global** is uniquely motivated to execute on project opportunities.

**174 Power Global** brings all essential project variables under singular control – from products and pricing, to financing and construction – to guarantee project completion and performance.

## Hanwha Group



**\$117 billion in assets**  
Backed by Hanwha Group, one of South Korea's 10 largest corporations, Hanwha Q CELLS provides optimal business stability and reliability.



**2.6 GW capacity**  
The synergies between Hanwha Q CELLS and Hanwha SolarOne have helped Hanwha Group become the third-largest solar manufacturer in the world.



**700 MW track record**  
Hanwha Q CELLS and its predecessor company Q-Cells SE have installed over 700 MW in solar power plants with outputs > 1 MWp.



**Global manufacturing**  
Hanwha Q CELLS' global manufacturing set-up in Germany, Malaysia, Poland and China allows us to rapidly respond to changing tariff regulation.



**Years of O&M experience**  
Hanwha Q CELLS has extensive and long-term experience in the field of O&M.

**174 Power Global/Hanwha Q-CELLS** has developed more than 35 utility-scale projects, totaling >500MW completed and >450MW in final development.

**174 Power Global** Under construction or Completed Projects:

- 230MW Midway Energy 1,200 Acres; TX
- 200MW Techren Energy 1,000 Acres, NV
- 108MW Grand View 500 Acres, ID
- 79MW Starwood Energy 400 Acres, CN
- 40MW Blackhills Energy 200 Acres, SD
- 11MW Maywood Energy 75 Acres, IN\*

\* First solar facility ever constructed on an active, EPA-monitored Superfund Site



**Tab 5**  
**Documentation to assist in determining if limitation is a determining factor**

The applicant's parent company for this project is a national solar developer with the ability to locate projects of this type in other countries and states in the US with strong solar characteristics. The applicant is actively developing and constructing other projects throughout the US and internationally. 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 becomes unlikely.

Property taxes are the highest operating expense for a solar generation facility as solar plants do not have any associated fuel costs for the production of electricity, and with Texas wholesale electricity prices already below the national average in Texas, it is necessary to limit the property tax liabilities for a solar project 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. Markets such as California that have state wide available subsidies for renewable energy projects, and which have higher average contracted power rates, offer an attractive incentive for developers to build projects in those markets over Texas.

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 because of the low price in the power purchase agreement. Without the tax incentive, the applicant would be forced to abandon the project and spend its development capital and prospective investment funds in other states where the rate of return is higher on a project basis.

This is true even if the entity is able to contract with an off-taker under a power purchase agreement because the low rate contracted for is not financeable without the tax incentives. More specifically, a signed power purchase agreement in the Texas market is at a much lower rate than other states because of competitively low electricity prices. Other states have high electricity prices where a developer can obtain a PPA with a much higher contracted rate, combined with state subsidies, 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 would lose its ability to be financed.

**Tab 6**  
**Location in a single ISD**

The proposed project is located entirely within the boundaries of Ector County ISD

**Tab 7**

**Specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation, including a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment**

Oberon Solar LLC proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant, which will be located entirely within the Ector County Independent School District.

The project is estimated to be of 50 megawatt (MW) minimum and potentially larger as feasibility is improved via economic development incentives. The project is to be constructed on approximately 6,000 acres, which is part of a long-term lease agreement with local landowners.

The proposed project will include, but is not limited to, the following:

- Minimum, nominal 50 MW-AC in size;
- Hanwha Q CELLS PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Single axis tracking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA equipment, among other things;
- High-voltage transmission line connecting the project to the grid (gen tie);
- Operations and maintenance (O&M) building including telecommunications and computing equipment, among other things;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain and deliver electricity to the grid; and a
- Security fence.

The project construction is estimated to begin in December of 2018 and be completed in December 2019

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**Tab 8**

**Specific and detailed description of the qualified property you propose to make on the property for which you are requesting an appraised value limitation, including a description of any new buildings, proposed new improvements or personal property.**

Oberon Solar LLC proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant, which will be located entirely within the Ector County Independent School District.

The project is estimated to be of 50 megawatt (MW) minimum and potentially larger as feasibility is improved via economic development incentives. The project is to be constructed on approximately 6,000 acres, which is part of a long-term lease agreement with local landowners.

The proposed project will include, but is not limited to, the following:

- Minimum, nominal 50 MW-AC in size;
- Hanwha Q CELLS PV modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Single axis tracking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA equipment, among other things;
- High-voltage transmission line connecting the project to the grid (gen tie);
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- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain and deliver electricity to the grid; and a
- Security fence.

The project construction is estimated to begin in December of 2018 and be completed in December 2019

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**Tab 9**

Land on which this project is to be developed is not to be consider part of the Qualified Investment

**Tab 10**

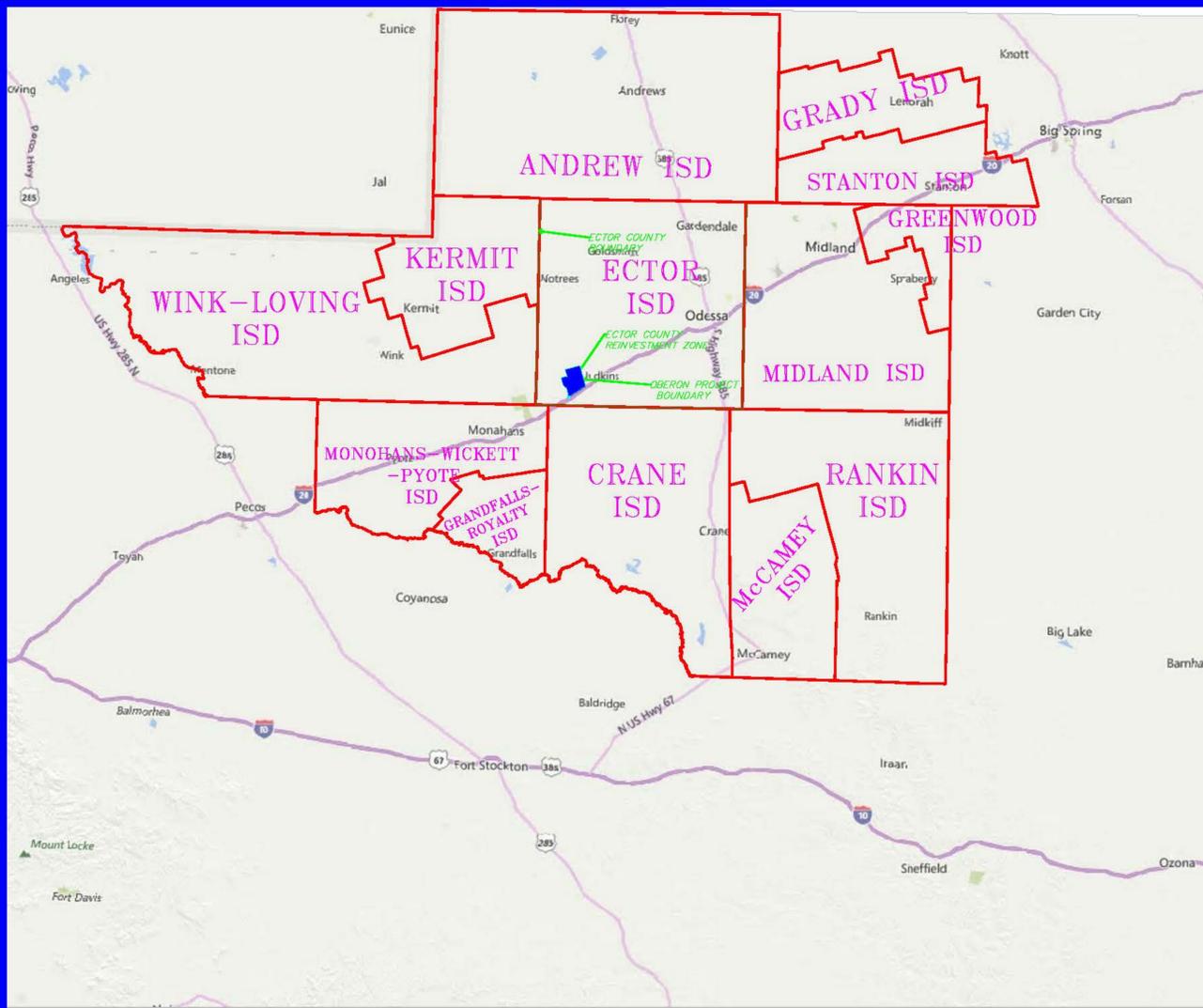
**Property Not Eligible To Become Qualified Property**

There is currently no existing property at the location of the proposed project.

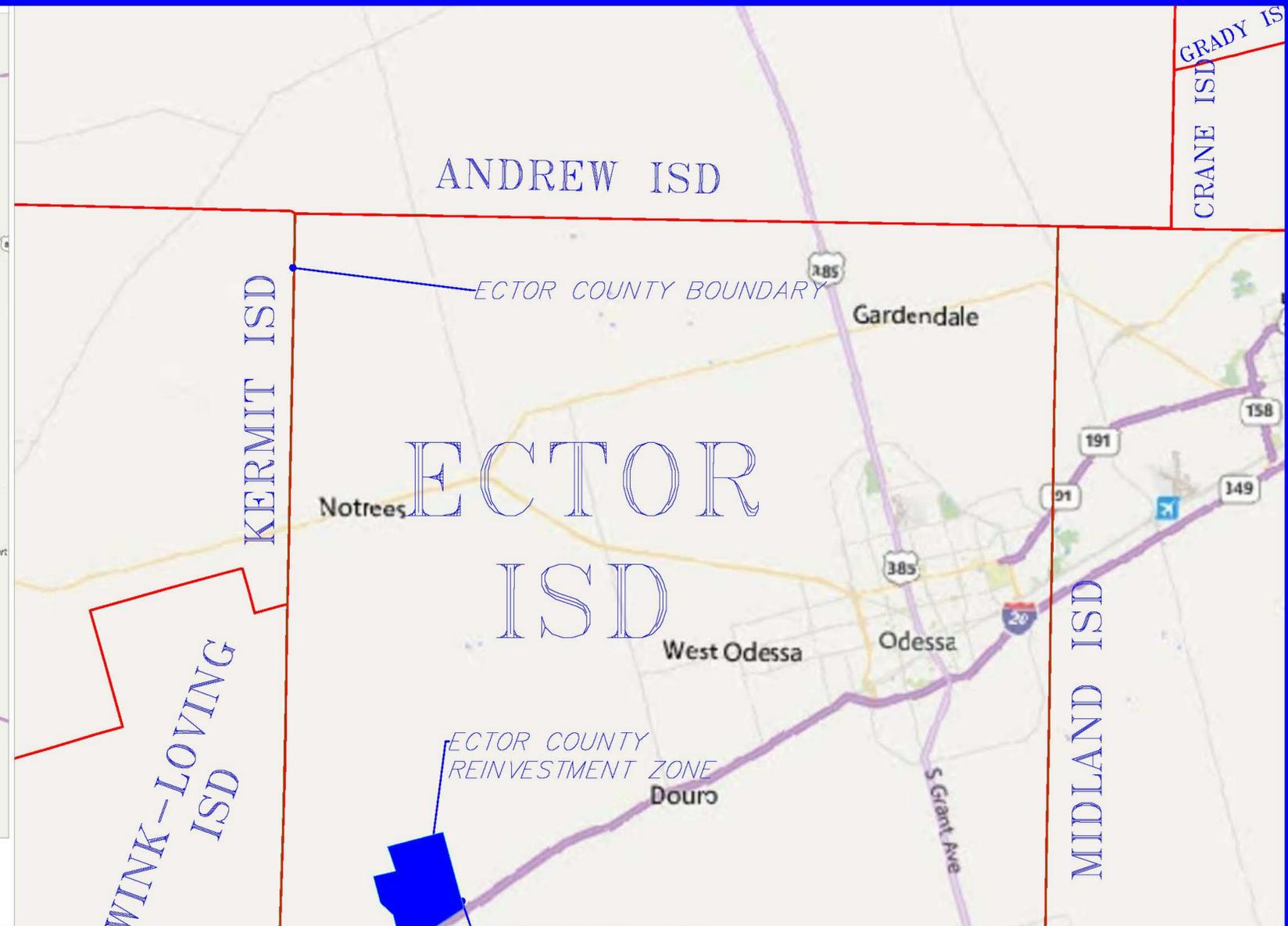
**Tab 11**

**Detailed maps of "Qualified Investment" depicting locations of proposed buildings and process improvements**

Site Overview Map

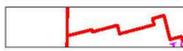


**VIEW #1: OBERON SOLAR PROJECT/ISDs**



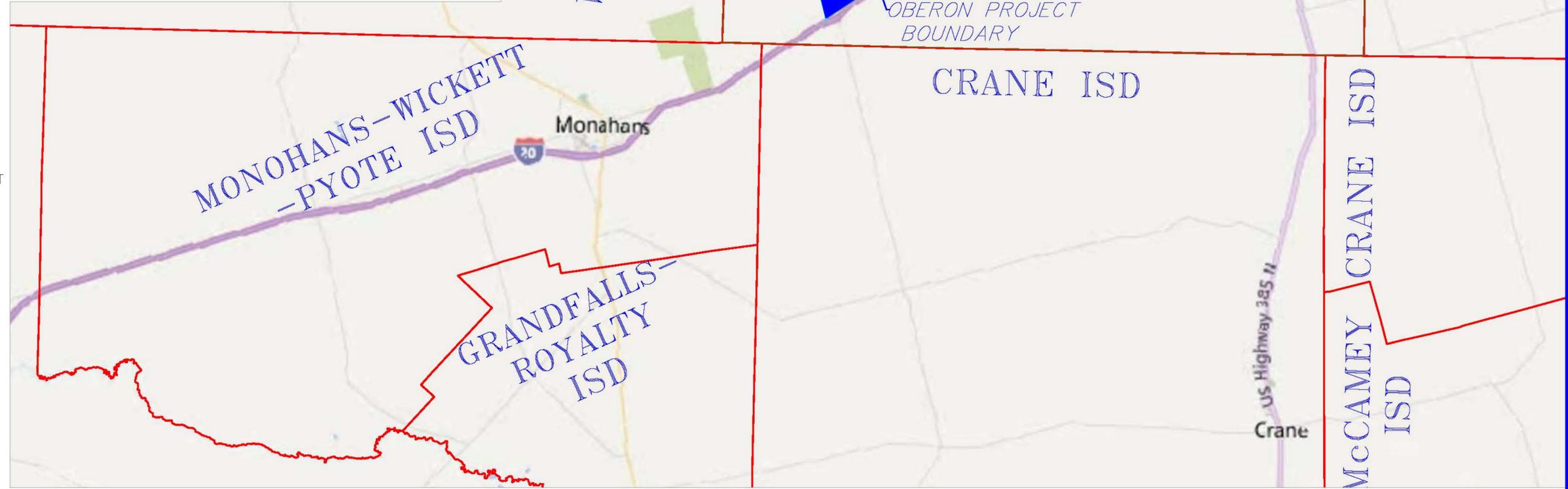
**VIEW #2: OBERON SOLAR PROJECT/ECTOR COUNTY**

**LEGEND**

-  ISD BOUNDARY LINE, TYPICAL
-  ECTOR COUNTY ISD BOUNDARY LINE OVERLAPS WITH ECTOR COUNTY BOUNDARY LINE
-  ECTOR COUNTY REINVESTMENT ZONE BOUNDARY/ OVERLAPS WITH OBERON PROJECT BOUNDARY
-  OBERON PROJECT SITE AREA

**OBERON SOLAR PROJECT**  
 CONTACT: JASON G. / 858 204 7896

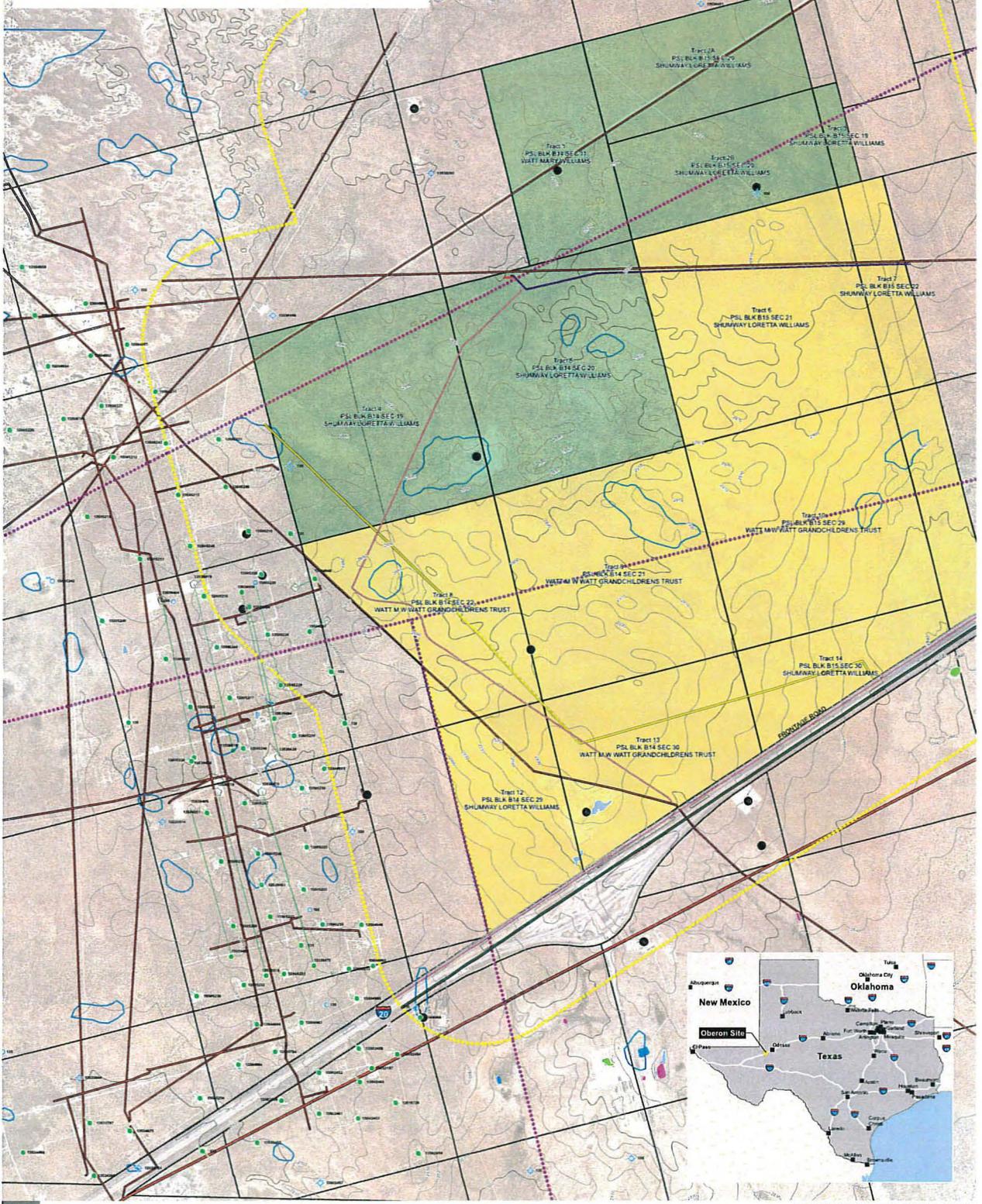




**LEGEND**

Parcels Covered Under Link Lease	O/G Facility	Horizontal/Directional Lines
Parcels Not Covered Under Link Lease	Rock Quarry	Contour, Depression
CIA Analysis Boundary	Stock Tank	Index Contour
Parcel	Windmill & Tank	Intermediate Contour
FEMA Flood Zone A	Permitted Location	Pipeline
Freshwater Emergent Wetland	Dry Hole	Distribution Line
Freshwater Forested/Shrub Wetland	Oil	Transmission Line
Freshwater Pond	Plugged Oil	UPRR
NHD/Waterbody	Injection/Disposal from Oil	Texas Pecos Trail
15 ft Access Road Easement	Bore Mining	Proposed Pipeline
30 ft Powerline Easement	Horizontal Well	
50 ft Pipeline Easement	Directional Well	

0 Feet 2,000



OBERON PROJECT SITE

**Tab 12**

**Minimum "new job" creation waiver request**

Oberon Solar LLC  
Ector County ISD  
CH 313 Application  
July 3, 2018

Oberon Solar LLC  
330 Spectrum Center Drive, Suite 1250  
Irvine, CA 92618

July 3, 2018

Mr. Tom Crowe, Superintendent  
Ector County Independent School District  
802 N. Sam Houston  
Odessa, TX 79761

Re: Chapter 313 Job Waiver Request

Dear Mr. Allen:

Oberon Solar LLC ("Oberon") hereby requests the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-1), be waived. The jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

Oberon has committed to create not less than 2 FTE year-round and 2-3 FTE equivalent seasonal local jobs for preventative and corrective maintenance of the improvements once commercial operation begins for the 30 or more-year operating life.

Large scale solar projects generally require 200 or more direct jobs during the one-year construction timeline. However, once the construction phase ends and commercial operations begin, only a few highly skilled technicians are required. These permanent employees and seasonal employees will maintain and service installed equipment including solar panels, inverters, mounting systems, electrical connections, project substation, etc. to support safe and reliable operation of the project.

The waiver request herein is in line with general industry practice for the number of jobs being created for solar energy generation facility of a similar size. Due to the automated nature of the planned facility, the number of employees needed to operate the facility does not vary significantly with the size of the project. This is also evidenced by previously filed limitation agreement applications by other developers who similarly requested a waiver of the job requirements.

Sincerely,



Jason Garewal  
Director of Project Development  
Oberon Solar LLC

**Tab 13**

**Four most recent quarters of data for each wage calculation, including documentation from the TWC website.**

**Oberon Solar LLC**  
**Attachment to Ch 313 Application**  
**Ch 313 Wage Calculation**  
**Ector County ISD/Ector County**

**All Jobs / All Industries Ector County**

Quarter	Year	Average Weekly	
		Wages	Annualized
1st	2017	\$ 1,072	\$ 55,744
2nd	2017	\$ 1,058	\$ 55,016
3rd	2017	\$ 1,104	\$ 57,408
4th	2017	\$ 1,167	\$ 60,684
Average =		\$ 1,100	\$ 57,213
Avg. @ 110%		\$ 1,210	\$ 62,934

**Manufacturing Jobs (31-33) - Ector County**

Quarter	Year	Average Weekly	
		Wages	Annualized
1st	2017	\$ 1,275	\$ 66,300
2nd	2017	\$ 1,320	\$ 68,640
3rd	2017	\$ 1,292	\$ 67,184
4th	2017	\$ 1,479	\$ 76,908
Average =		\$ 1,342	\$ 69,758
Avg. @ 110%		\$ 1,476	\$ 76,734

**Regional Wage Rate**

Council of Government Region 9	Year	Average Weekly	
		Wages (all occupations)	Annualized
Permian Basin	2016	\$ 1,040	\$ 54,079
Wage @ 110%		\$ 1,144	\$ 59,487

### Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	1st Qtr	Ector County	Private	00	0	10	Total, all industries	\$1,072
2017	2nd Qtr	Ector County	Private	00	0	10	Total, all industries	\$1,058
2017	3rd Qtr	Ector County	Private	00	0	10	Total, all industries	\$1,104
2017	4th Qtr	Ector County	Private	00	0	10	Total, all industries	\$1,167

### Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	1st Qtr	Ector County	Private	31	2	31-33	Manufacturing	\$1,275
2017	2nd Qtr	Ector County	Private	31	2	31-33	Manufacturing	\$1,320
2017	3rd Qtr	Ector County	Private	31	2	31-33	Manufacturing	\$1,292
2017	4th Qtr	Ector County	Private	31	2	31-33	Manufacturing	\$1,479

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

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

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**

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

Date **3-Jul-18**  
 Applicant Name **Oberon Solar, LLC**  
 ISD Name **Ector County ISD**

Form 50-296A

Revised May 2014

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in <b>tangible personal property</b> placed in service during this year that will become Qualified Property	Column B New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Column C Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E <b>Total Investment</b> (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district		Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)		Not eligible to become Qualified Property				[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application	--								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period					\$ -	\$ -	\$ -		\$ -
Complete tax years of qualifying time period	QTP1		2018	\$ -	\$ -	\$ -		\$ -	
	QTP2		2019	\$ 150,000,000.00	\$ -	\$ -		\$ 150,000,000.00	
<b>Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]</b>				\$ 150,000,000.00	\$ -	\$ -		\$ 150,000,000.00	
				Enter amounts from TOTAL row above in Schedule A2					
<b>Total Qualified Investment (sum of green cells)</b>				\$ 150,000,000.00					

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application. Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

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

Date **3-Jul-18**  
 Applicant Name **Oberon Solar, LLC**  
 ISD Name **Ector County ISD**

Form 50-296A  
 Revised May 2014

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in <b>tangible personal property</b> placed in service during this year that will become Qualified Property	Column B New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Column C Other investment made during this year that will <u>not</u> become Qualified Property (SEE NOTE)	Column D Other investment made during this year that will become Qualified Property (SEE NOTE)	Column E Total Investment (A+B+C+D)	
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1			\$ 150,000,000.00	\$ -			\$ 150,000,000.00
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2018-2019	2018						
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2019-2020	2019	\$ 150,000,000					
Value limitation period***	1	2020-2021	2020						
	2	2021-2022	2021						
	3	2022-2023	2022						
	4	2023-2024	2023						
	5	2024-2025	2024						
	6	2025-2026	2025						
	7	2026-2027	2026						
	8	2027-2028	2027						
	9	2028-2029	2028						
	10	2029-2030	2029						
Total Investment made through limitation				\$ 150,000,000				\$ 150,000,000	
Continue to maintain viable presence	11	2030-2031	2030						
	12	2031-2032	2031						
	13	2032-2033	2032						
	14	2033-2034	2033						
	15	2034-2035	2034						
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2035						
	17	2036-2037	2036						
	18	2037-2038	2037						
	19	2038-2039	2038						
	20	2039-2040	2039						
	21	2040-2041	2040						
	22	2041-2042	2041						
	23	2042-2043	2042						
	24	2043-2044	2043						
	25	2044-2045	2044						

\* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row**.

\*\* Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

\*\*\* If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.

Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

### Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Date: July 3, 2018

Applicant Name: Oberon Solar LLC

ISD Name: Ector County ISD

Form 50-296A

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2018-2019	2018	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	\$ -		\$ -	\$ -	\$ -
Value Limitation Period	1	2020-2021	2020	0	\$ 138,000,000		\$ 138,000,000	\$ 138,000,000	\$ 30,000,000
	2	2021-2022	2021	0	\$ 126,000,000		\$ 126,000,000	\$ 126,000,000	\$ 30,000,000
	3	2022-2023	2022	0	\$ 114,000,000		\$ 114,000,000	\$ 114,000,000	\$ 30,000,000
	4	2023-2024	2023	0	\$ 100,500,000		\$ 100,500,000	\$ 100,500,000	\$ 30,000,000
	5	2024-2025	2024	0	\$ 87,000,000		\$ 87,000,000	\$ 87,000,000	\$ 30,000,000
	6	2025-2026	2025	0	\$ 73,500,000		\$ 73,500,000	\$ 73,500,000	\$ 30,000,000
	7	2026-2027	2026	0	\$ 58,500,000		\$ 58,500,000	\$ 58,500,000	\$ 30,000,000
	8	2027-2028	2027	0	\$ 45,000,000		\$ 45,000,000	\$ 45,000,000	\$ 30,000,000
	9	2028-2029	2028	0	\$ 36,000,000		\$ 36,000,000	\$ 36,000,000	\$ 30,000,000
	10	2029-2030	2029	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 30,000,000
Continue to maintain viable presence	11	2030-2031	2030	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	12	2031-2032	2031	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	13	2032-2033	2032	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	14	2033-2034	2033	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	15	2034-2035	2034	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2035	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	17	2036-2037	2036	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	18	2037-2038	2037	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	19	2038-2039	2038	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	20	2039-2040	2039	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	21	2040-2041	2040	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	22	2041-2042	2041	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	23	2042-2043	2042	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	24	2043-2044	2043	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000
	25	2044-2045	2044	0	\$ 31,500,000		\$ 31,500,000	\$ 31,500,000	\$ 31,500,000

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: July 3, 2018  
 Applicant Name: Oberon  
 Solar LLC

Form 50-296A

ISD Name: Ector County ISD

Revised May 2014

	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		2019	90	\$ 45,000	88	0	\$ -
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1		2020	90	\$ 45,000	88	2	\$ 59,487
	2		2021				2	\$ 59,487
	3		2022				2	\$ 59,487
	4		2023				2	\$ 59,487
	5		2024				2	\$ 59,487
	6		2025				2	\$ 59,487
	7		2026				2	\$ 59,487
	8		2027				2	\$ 59,487
	9		2028				2	\$ 59,487
	10		2029				2	\$ 59,487
Years Following Value Limitation Period	11 through 25		2030-2044				2	\$ 59,487

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

- C1.** Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25  Yes  No  
 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)  
 If yes, answer the following two questions:
- C1a.** Will the applicant request a job waiver, as provided under 313.025(f-1)?  Yes  No
- C1b.** Will the applicant avail itself of the provision in 313.021(3)(F)?  Yes  No

**Schedule D: Other Incentives (Estimated)**

Date 7/3/2018  
 Applicant Name Oberon Solar, LLC  
 ISD Name Ector County 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:					
	City:					
	Other:					
Tax Code Chapter 312	Ector County	2020	10-years	\$ 154,200	\$ 130,900	\$ 23,300
	Ector County Hospital	2020	10-years	\$ 82,200	\$ 69,400	\$ 12,800
	Odessa College	2020	10-years	\$ 46,900	\$ 39,600	\$ 7,300
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freepoint Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
<b>TOTAL</b>				<b>\$ 283,300</b>	<b>\$ 239,900</b>	<b>\$ 43,400</b>

Additional information on incentives for this project:

Formal agreements not in-place at time of filing. Estimates based on proposed terms

**Tab 15**  
**Economic Impact Analysis,**  
**Other payments made in the**  
**state or other economic**  
**information (if applicable)**

**N/A**

**Tab 16**  
**Description of Reinvestment**  
**or Enterprise Zone**

- a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office: N/A
- b) legal description of reinvestment zone - See attached
- c) order, resolution or ordinance establishing the reinvestment zone: See attached
- d) guidelines and criteria for creating the zone

**Resolution to Create Economic Investment Zone**

Be it resolved on this the 25<sup>th</sup> day of June, 2018 that the Ector County Commissioners Court hereby creates a reinvestment zone for economic development for Oberon Solar LLC concerning the property described in Exhibit A.

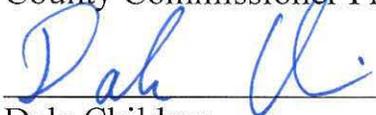
This zone is created to encourage Oberon Solar LLC to invest in Ector County.

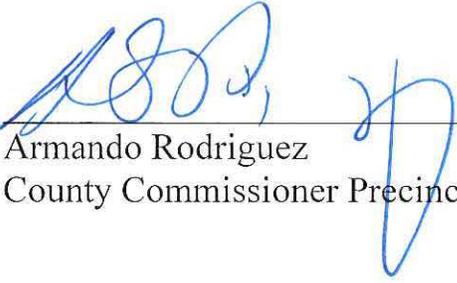
Signed on this the 25<sup>th</sup> day of June, 2018.

  
\_\_\_\_\_  
Debi Hays  
Ector County Judge

  
\_\_\_\_\_  
Eddy Shelton  
County Commissioner Precinct 1

  
\_\_\_\_\_  
Greg Simmons  
County Commissioner Precinct 2

  
\_\_\_\_\_  
Dale Childers  
County Commissioner Precinct 3

  
\_\_\_\_\_  
Armando Rodriguez  
County Commissioner Precinct 4

OBERON SOLAR LEGAL DECRPTION

The East half of Section 11, Block 14, PSL, Ector County, Texas, more particularly described by metes and bounds description recorded as an exhibit to that certain Warranty Deed dated December 31, 1991, recorded in Volume 1102, Page 568, Deed Records, Ector County, Texas, further described as follows:

The East half of Section 11, Block 14, PSL, more particularly described by metes and bounds description attached as follows:

BEGINNING at a 2-inch iron pipe in the Northeast corner of Section 11, Block B-14, P.S.L Ector County, Texas, and being patented Southeast corner of Section 10 this block, for the Northeast corner of this tract;

THENCE S 15°15'58" E, with the East line of Section 11, 5281.26 feet to a 2-inch iron pipe, being the patented Northeast corner of Section 20 this block and being the Southeast corner of Section 11, for the Southeast corner of this tract;

THENCE S 74° 50'58" W, with the North line of Section 20 and the South line of Section 11, 2704.4 feet to a 3/4-inch iron pipe set for the Southwest corner of this tract, from which point a 1-inch Iron pipe at the Southwest corner of Section 11, being the patented Southeast corner of Section 12 bears S 74° 50'58" W, 2704.4 feet;

THENCE N 15°16'02" W, 5279.7 feet to a 1/2-inch iron pipe set in the North line of Section 11 and the South line of Section 10 for the Northwest corner of this tract, from which point a 1-1/4-inch iron pipe at the Northwest corner of Section 11 and being the patented Southwest corner of Section 10 bears S 74° 49' W, 2704.5 feet;

THENCE N 74° 49' E, 2704.5 feet.to the PLACE OF BEGINNING and containing 327.84 acres of land, more or less.

Sections 20, 21 and 30, Block-14, PSL, Ector County, Texas; Sections 21, 29 and 30, Block-15, PSL, Ector County, Texas; and the West one-quarter (W/4) of Section 22, and the West one-quarter (W/4) of Section 28, Block-15 PSL, Ector County Texas.

Sections 19, 22, and 29, Block 14, PSL, Ector County, Texas, to the extent that they lie East of the boundary line shown on the survey plat and the metes and bounds as follows:

Field note description of the survey of a boundary agreement dividing Tracts "A" and "B" of a partition deed of properties included in an Exhibit "A" between Helen Ann and McDaniel and Allen Lee Williams, as Co-Trustees of the Trust created by Helen Allen Williams and F.L. Williams, Jr. on May 1, 1972 (hereinafter referred to as the 'Grandchildren's Trust'), Helen Allen Williams and Nations Bank of Texas, N.A., Midland, Texas, as Co-Trustees of the Glenn Allen Trust (hereinafter referred to as the "Glenn Allen Trust"), and Madeline Williams McLain, situated in Public School Land Survey, Sections 12, 19, 22 and 29, Block B-14, Ector County, Texas, and being described more fully by metes and bounds as follows:

BEGINNING at a point in the North right-of-way line of Texas & Pacific Railroad in the South part of Section 29 of said Block B-14, said point located 5773.33 feet S.05°01'04"W of the NE corner of said Section 29;

THENCE N.15°25'53"W, at 5415.00 feet cross the North line of said Section 29, same being the South line of Section 22, at a point dividing the East 1/2 and the West 1/2 of said Section 22, continuing for a total distance of 7502.00 to a point in an existing fence line running diagonally Northwesterly/Southeasterly;

THENCE N.47°57'33"W. 3520.95 feet along the existing fence to a deflection to the right, continuing

Exhibit A

N.16°05'33"W. 5507.09 feet along an existing fence to its intersection with the North line of Section 19, same being the South line of Section 12;

THENCE N.74°44'27"E. 4596.85 feet along above said common section line to an iron rod marked "X", the common corner, SW11-SE12-NE19-NW20 in said Block B-14;

THENCE N.15°25'34"W. 4999.00 feet along the East line of said Section 12, same being the west line of Section 11 to a point for the end of this survey in an existing fence running generally east and west, said point located 278.86 feet S.15°25'34"E. from the common corner SE9-SW10-NW11-NE12 in said Block B-14.

The South half (S/2) of the West one-eight (W/8) of Section 19 and All of Section 20, Block 15, PSL, Ector County, Texas

# ADOPTED ECTOR COUNTY GUIDELINES AND CRITERIA FOR TAX ABATEMENT

## I. PURPOSE

Ector 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

As used within these guidelines and criteria, the following words or phrases shall have the following meaning:

1. **Abatement of Taxes:** To exempt from ad valorem taxation all or part of the value of certain Improvements placed on land located in the Zone for commercial/industrial development purposes for a period of time not to exceed ten (10) years.
2. **Affected Jurisdictions:** The City of Odessa, the County of Ector, the Ector County Independents School District, the Ector County Hospital District, Odessa Junior College.
3. **Abatement Agreement:** A contract between a property owner and the Affected Jurisdictions for the abatement of taxes on property located within the Zone as authorized V.T.C.A., Tax Code, Section 312.204(a).
4. **Base Year Value:** The assessed value of the property eligible for tax abatement as of January 1 preceding the execution of an Abatement Agreement as herein defined.
5. **Commercial Facilities:** Facilities classified as commercial include office, service, or retail.
6. **Distribution Facility:** A building or structure including Tangible Personal Property used or to be used primarily to receive, store, service or distribute goods or materials.

7. **Existing Facility or Structure:** A Facility as of the date of execution of the Tax Abatement Agreement, located in or on Real Property eligible for tax abatement.
8. **Facility:** The commercial or industrial improvements made to Real Property eligible for tax abatement and including the building or structure erected on such Real Property and/or any Tangible Personal Property to be located in or on such property.
9. **Improvements to Real Property:** Shall mean the construction, addition to, structural upgrading of, replacement of, or completion of any Facility to be located upon Real Property, as herein defined or any Tangible Personal Property to be placed in or on said Real Property.
10. **Job:** Means a new permanent job that has provided at least 1820 hours of employment a year to an employee and is intended to exist during the period of a contract. Except for tax abatement purposes, it must be for a qualified employee provided for a qualified business.
11. **Manufacturing Facility:** A facility which is or will be used for the primary purpose of the production of goods or materials or the processing or change of goods or materials to a finished product.
12. **New Facility:** The construction of a new facility on previously undeveloped Real Property eligible for tax abatement in the Reinvestment Zone.
13. **Other Basic Industry:** A facility other than a distribution center facility, a research facility, a regional service facility, or a manufacturing facility which produces goods or services or which creates new or expanded job opportunities and services a market either within or outside of Ector County, Texas.
14. **Owner:** The record title owner of Real Property or the legal owner of Tangible Personal Property. In the case of land leased from an Affected Jurisdiction, the lessee shall be deemed the owner of such leased property together with all improvements and Tangible Personal Property located thereon. In the case of land leased from private property owner, both the owner and lessee shall be deemed subject to execution of the Tax Abatement Agreement.
15. **Productive Life:** The number of years a commercial or industrial facility is expected to be in service.
16. **Qualified Business:** A business that is located in or committed to location in the Zone. The business must retain this qualified status throughout the specified period.
17. **Real Property:** Land on which improvements are to be made or fixtures placed.

18. **Regional Services Facility:** A facility, the primary purpose of which is to service or repair goods or materials and which creates job opportunities within the Affected Jurisdictions.
19. **Reinvestment Zone:** Real property designated as a Reinvestment Zone under the provisions of V.T.C.A. Tax Code, Section 312.202.
20. **Renovation of Existing Facilities or Structures:** The addition of buildings, structure, machinery or equipment to a facility after the date of execution of an Abatement Agreement.
21. **Tangible Personal Property:** Any Personal Property, not otherwise defined herein, and which is necessary for the property operation of any type of commercial or industrial facility.

### 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 Ector 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 Ector 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 that leads to additional job creation expansion that leads to additional job creation. 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:
  - (1) land,
  - (2) animals,
  - (3) inventories,
  - (4) supplies,
  - (5) tools,
  - (6) furnishings, and other forms of movable personal property (except as provided below),
  - (7) vehicles,

- (8) vessels,
- (9) aircraft,
- (10) housing or residential property,
- (11) hotels/motels, restaurants
- (12) fauna,
- (13) flora,
- (14) retail facilities,
- (15) 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
- (16) 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 Odessa 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 Ector 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 Ector 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 Ector 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 not be transferred or assigned by the owner to a new owner of the same property.

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 Ector 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 Ector 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. RESERVATION OF RIGHTS

These Guidelines and Criteria do not affect the County's right to enter into abatement agreements for property located within the City of Odessa 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**

**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** Tom Crowe  
Print Name (Authorized School District Representative)

Superintendent  
Title

**sign here**   
Signature (Authorized School District Representative)

7/24/18  
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** Jason Kim  
Print Name (Authorized Company Representative (Applicant))

Secretary  
Title

**sign here**   
Signature (Authorized Company Representative (Applicant))

7/19/2018  
Date

GIVEN under my hand and seal of office this, the

\_\_\_\_\_ day of \_\_\_\_\_,

\_\_\_\_\_  
Notary Public in and for the State of Texas

My Commission expires: \_\_\_\_\_

*See attached*

(Notary Seal)

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.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

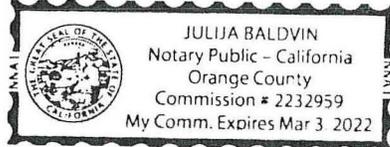
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }  
County of Orange }

On July 19, 2018 before me, Julija Baldwin, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Jason Kim  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal and/or Stamp Above

Signature Baldwin  
Signature of Notary Public

**OPTIONAL**

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer – Title(s): \_\_\_\_\_

Corporate Officer – Title(s): \_\_\_\_\_

Partner –  Limited  General

Partner –  Limited  General

Individual  Attorney in Fact

Individual  Attorney in Fact

Trustee  Guardian of Conservator

Trustee  Guardian of Conservator

Other: \_\_\_\_\_

Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_