

UNDERWOOD

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December 3, 2018

Tabita Collazo, Research Analystist
Economic Development and Analysis Division
Texas Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774

Via Email and Federal Express

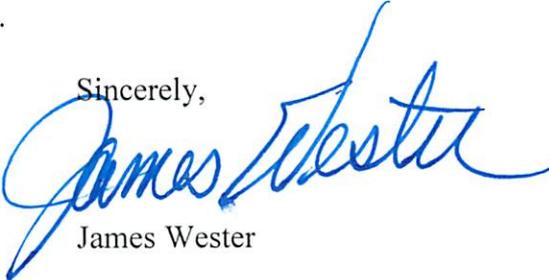
Re: App No. 1280 – Childress ISD – Excel Advantage Services, LLC

Dear Tabita:

Enclosed please find amended application pages from applicant comprising Amendment No. 3 to the application, along with the revised schedules in Excel format. Please note that applicant advises the only change in this amendment is to change the amount of value limitation to \$89,798,600 in Section 11, question no. 2 and Schedule B.

A CD containing this Amendment and the schedules is also enclosed. Please let me know if you require any additional information.

Sincerely,



James Wester

Encl.
NJMIP31M0D79X8
cc: Phillip DeHart

via email: philip@dehartpllc.com

Texas Comptroller of Public Accounts

Data Analysis and
 Transparency
 Form 50-296-A

SECTION 9: Projected Timeline

1. Application approval by school board Q1 2019
2. Commencement of construction July 2019
3. Beginning of qualifying time period January 2019
4. First year of limitation 2021
5. Begin hiring new employees December 2020
6. Commencement of commercial operations December 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)? Yes No
Note: Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? December 2020

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Childress
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Childress County Appraisal District
3. Will this CAD be acting on behalf of another CAD to appraise this property? Yes No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 County: Childress County; 0.59; 100% City: N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: Childress Co. Hosp. Dist.; 0.2; 100% Water District: Gateway Ground Water Cons. Dist.; 0.01; 100%
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): Clarendon Jr. Coll. Dist.; 0.05; 100% Other (describe): N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? Yes No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at comptroller.texas.gov/economy/local/ch313/.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 10,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 89,798,600.00
Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? Yes No

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

1280-Excel Advantage Services, LLC
Amendment 3 (November 30, 2018)

Date

11/30/2018

Applicant Name

Excel Advantage Services, LLC

Form 50-296A

ISD Name

Childress ISD

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
	0	2019-2020	2019	0	0	0	0	0	0
	0	2020-2021	2020	0	500,000	26,315,000	26,815,000	26,815,000	26,815,000
Value Limitation Period	1	2021-2022	2021	0	483,333	535,800,000	536,283,333	536,283,333	89,798,600
	2	2022-2023	2022	0	466,667	492,936,000	493,402,667	493,402,667	89,798,600
	3	2023-2024	2023	0	450,000	450,072,000	450,522,000	450,522,000	89,798,600
	4	2024-2025	2024	0	433,333	407,208,000	407,641,333	407,641,333	89,798,600
	5	2025-2026	2025	0	416,667	364,344,000	364,760,667	364,760,667	89,798,600
	6	2026-2027	2026	0	400,000	321,480,000	321,880,000	321,880,000	89,798,600
	7	2027-2028	2027	0	383,333	278,616,000	278,999,333	278,999,333	89,798,600
	8	2028-2029	2028	0	366,667	235,752,000	236,118,667	236,118,667	89,798,600
	9	2029-2030	2029	0	350,000	192,888,000	193,238,000	193,238,000	89,798,600
	10	2030-2031	2030	0	333,333	150,024,000	150,357,333	150,357,333	89,798,600
Continue to maintain viable presence	11	2031-2032	2031	0	316,667	107,160,000	107,476,667	107,476,667	107,476,667
	12	2032-2033	2032	0	300,000	107,160,000	107,460,000	107,460,000	107,460,000
	13	2033-2034	2033	0	283,333	107,160,000	107,443,333	107,443,333	107,443,333
	14	2034-2035	2034	0	266,667	107,160,000	107,426,667	107,426,667	107,426,667
	15	2035-2036	2035	0	250,000	107,160,000	107,410,000	107,410,000	107,410,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036	0	233,333	107,160,000	107,393,333	107,393,333	107,393,333
	17	2037-2038	2037	0	216,667	107,160,000	107,376,667	107,376,667	107,376,667
	18	2038-2039	2038	0	200,000	107,160,000	107,360,000	107,360,000	107,360,000
	19	2039-2040	2039	0	183,333	107,160,000	107,343,333	107,343,333	107,343,333
	20	2040-2041	2040	0	166,667	107,160,000	107,326,667	107,326,667	107,326,667
	21	2041-2042	2041	0	150,000	107,160,000	107,310,000	107,310,000	107,310,000
	22	2042-2043	2042	0	133,333	107,160,000	107,293,333	107,293,333	107,293,333
	23	2043-2044	2043	0	116,667	107,160,000	107,276,667	107,276,667	107,276,667
	24	2044-2045	2044	0	100,000	107,160,000	107,260,000	107,260,000	107,260,000
	25	2045-2046	2045	0	100,000	107,160,000	107,260,000	107,260,000	107,260,000

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

1280-Excel Advantage Services, LLC
Amendment No. 3 (December 4, 2018)

Form 50-296A

Revised May 2014

Date 11/30/2018
Applicant Name Excel Advantage Services, LLC
ISD Name Childress ISD

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
				Column A	Column B	Column C	Column D	Column E	
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (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)	2018	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				\$0	\$0	0		0	
Complete tax years of qualifying time period	QTP1	2019-2020	2019	\$26,315,000	\$500,000	0		26,815,000	
Complete tax years of qualifying time period	QTP2	2020-2021	2020	\$509,485,000	\$0	0		509,485,000	
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$535,800,000	\$500,000			536,300,000	
				Enter amounts from TOTAL row above in Schedule A2					
Total Qualified Investment (sum of green cells)				536,300,000					

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

Column A: This represents the total dollar amount of planned investment in tangible personal property. 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.

Date 11/30/2018
 Applicant Name Excel Advantage Services, LLC
 ISD Name Childress ISD

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

1280-Excel Advantage Services, LLC
 Amendment No. 3 (December 4, 2018)

Form 50-296A
 Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will not become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		535,800,000	500,000	-	-	536,300,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2020-2021	2020					
Value limitation period***	1	2021-2022	2021					-
	2	2022-2023	2022					0
	3	2023-2024	2023					0
	4	2024-2025	2024					0
	5	2025-2026	2025					0
	6	2026-2027	2026					0
	7	2027-2028	2027					0
	8	2028-2029	2028					0
	9	2029-2030	2029					0
	10	2030-2031	2030					0
Total Investment made through limitation				535,800,000	500,000	-	-	536,300,000
Continue to maintain viable presence	11	2031-2032	2031					
	12	2032-2033	2032					
	13	2033-2034	2033					
	14	2034-2035	2034					
	15	2035-2036	2035					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036					
	17	2037-2038	2037					
	18	2038-2039	2038					
	19	2039-2040	2039					
	20	2029-2030	2029					
	21	2030-2031	2030					
	22	2031-2032	2031					
	23	2032-2033	2032					
	24	2033-2034	2033					
	25	2034-2035	2034					

* 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.

SECTION 16: Authorized Signatures and Applicant Certification

If the application and schedules are complete, an authorized representative from the school district and the business should review the application 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.

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 RICK TERAN
Print Name (Authorized School District Representative)

superintendent
Title

sign here [Signature]
Signature (Authorized School District Representative)

12-3-18
Date

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 Miguel Oneto
Print Name (Authorized Company Representative (Applicant))

Manager
Title

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

11-19-2018
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

19 day of November 2018

[Signature]
Notary Public in and for the State of Texas Florida

My Commission expires: 5-15-2020

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.