

# UNDERWOOD

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September 6, 2018

John Villarreal  
Stephanie Jones  
Michelle Luera  
Economic Development and Analysis Division  
Texas Comptroller of Public Accounts  
111 E. 17th St.  
Austin, TX 78774

*Via Email and Federal Express*

Re: 313 Application – TREX US Green Holly LLC

Dear John, Stephanie and Michelle:

Enclosed please find an application for appraised value limitation on qualified property submitted to O'Donnell ISD by TREX US Green Holly LLC on August 23, 2018, along with the schedules in Excel format. A CD containing these documents is also enclosed.

The O'Donnell ISD Board elected to accept the application on August 23, 2018. The application was determined to be complete on September 6, 2018. We ask that the Comptroller's Office prepare the economic impact report for this development.

A copy of the application will also be submitted to the Dawson County Appraisal District in accordance with 34 Tex. Admin. Code §9.1054. Please feel free to contact me if you have any questions or concerns.

Sincerely,



Fred A. Stormer

Encl.

N62AOKAI0D5LG9

cc w/Encl.: Chief Appraiser, Dawson County Appraisal District  
C.J. Evans

*via US Mail*  
*via email: [cjevans@savills-studley.com](mailto:cjevans@savills-studley.com)*

Application for Appraised Value Limitation  
On Qualified Property

Submitted to:



By:

GreenGo Energy US, Inc.



**Application for Chapter 313  
Appraised Value Limitation by  
TREX US Green Holly LLC to  
O'Donnell ISD**

Submitted: August 23, 2018

Deemed Complete: September 6, 2018

Tab 1

Pages 1 through 11 of 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

August 23, 2018

Date Application Received by District

Dr. Cathy

First Name

Palmer

Last Name

Superintendent

Title

O'Donnell ISD

School District Name

501 Small Street

Street Address

P.O. Box 487

Mailing Address

O'Donnell

City

(806) 428-3241

Phone Number

TX

State

(806) 428-3395

Fax Number

79351

ZIP

cpalmer@esc17.net

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)**

<u>Fred</u> First Name	<u>Stormer</u> Last Name
<u>Attorney</u> Title	
<u>Underwood Law Firm, P.C.</u> Firm Name	
<u>(806) 379-0306</u> Phone Number	<u>(806) 379-0316</u> Fax Number
	<u>fred.stormer@uwlaw.com</u> Email Address
<u>Mobile Number (optional)</u>	

September 6, 2018

4. On what date did the district determine this application complete? .....
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)**

<u>Jon</u> First Name	<u>Burke</u> Last Name
<u>President, Development</u> Title	<u>GreenGo Energy US, Inc.</u> Organization
<u>1447 South Tryon Street, Suite 201</u> Street Address	
<u>1447 South Tryon Street, Suite 201</u> Mailing Address	
<u>Charlotte</u> City	<u>NC</u> State
<u>(540) 242-4490</u> Phone Number	<u>28203</u> ZIP
<u>Mobile Number (optional)</u>	<u>jb@greengoenergy.com</u> 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.

<u>David</u> First Name	<u>Veach</u> Last Name
<u>Senior Director, Development</u> Title	<u>GreenGo Energy US, Inc.</u> Organization
<u>1447 South Tryon Street, Suite 201</u> Street Address	
<u>1447 South Tryon Street, Suite 201</u> Mailing Address	
<u>Charlotte</u> City	<u>NC</u> State
<u>(936) 697-9024</u> Phone Number	<u>28203</u> ZIP
<u>Mobile Number (optional)</u>	<u>dv@greengoenergy.com</u> 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)

C.J. Evans, Jr.
First Name Last Name
Managing Director
Title
Savills Studley
Firm Name
(813) 514-2798
Phone Number
cjevans@savills-studley.com
Business Email Address

SECTION 3: Fees and Payments

- 1. Has an application fee been paid to the school district? [X] 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 [X] 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 [X] No [ ] N/A

SECTION 4: Business Applicant Information

- 1. What is the legal name of the applicant under which this application is made? TREX US Green Holly LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32067286776
3. List the NAICS code 221114
4. Is the applicant a party to any other pending or active Chapter 313 agreements? [ ] Yes [X] 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 [X] 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? [X] Yes [ ] No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? [ ] Yes [ ] No [X] 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)

[Empty box for explanation of tax non-compliance]

**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 <i>(complete Section 13)</i>
<input type="checkbox"/> Expansion of existing operation on the land <i>(complete Section 13)</i>	<input type="checkbox"/> Relocation within Texas

**SECTION 8: Limitation as Determining Factor**

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

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

SECTION 9: Projected Timeline

- 1. Application approval by school board ..... Q1 2019
- 2. Commencement of construction ..... Q4 2019
- 3. Beginning of qualifying time period ..... Q1 2019
- 4. First year of limitation ..... 2021
- 5. Begin hiring new employees ..... Q3 2021
- 6. Commencement of commercial operations ..... Q3 2021
- 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? ..... Q3 2021

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located ..... Dawson County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property ..... Dawson County Central 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: Dawson County, \$0.890895, 100% City: N/A  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
 Hospital District: County Hospital, \$0.376842, 100% Water District: Mesa Underground Water, \$0.014527, 100%  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
 Other (describe): N/A 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/](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. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
  - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
  - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
- 5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? .....  Yes  No

SECTION 12: Qualified Property

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

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

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

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

**SECTION 14: Wage and Employment Information**

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? ..... 0
  
2. What is the last complete calendar quarter before application review start date:  
 First Quarter     Second Quarter     Third Quarter     Fourth Quarter of 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 ..... 747.25
  - b. 110% of the average weekly wage for manufacturing jobs in the county is ..... 970.48
  - c. 110% of the average weekly wage for manufacturing jobs in the region is ..... 1,154.49
  
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? ..... 50,464.70
  
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 50,464.70
  
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? .....  Yes     No
  
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? .....  Yes     No
  - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
  
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? .....  Yes     No
  - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

**SECTION 15: Economic Impact**

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (*not required*)
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

## APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> <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> <p><b>* To be submitted with application or before date of final application approval by school board</b></p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

Tab 2

**Proof of Payment of Application Fee**

Proof of payment attached.

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

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

Tab 3

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

Not applicable.

## Tab 4

### Detailed description of project

The TREX US Green Holly LLC project will be an approximately 400 MW AC photovoltaic solar power generation facility, that would be built on approximately 6,000 acres of privately owned land in Dawson County, Texas. The entire site is located within the O'Donnell ISD jurisdiction. The site is surrounded by County Road 315 to the north, County Road 297 to the west, County Road 392 to the south and the County line to the east. Currently the site is mostly agricultural and desert grasslands.

The TREX US Green Holly LLC project will consist of, but not be limited to, the following: new or improved roads, fencing, driven-pile foundations, mounting system, solar photovoltaic module panels, single axis tracking mounting systems, AC / DC cables, balance of system (BOS) equipment, AC / DC combiners, supervisory control and data acquisition (SCADA) system, central inverter, medium voltage step-up transformers, central substation and switchyard with protective circuit breakers and switchgear including a high voltage step-up transformer, HV collector substation, AC poles / CT-PT, meteorological equipment, lighting protection, surveillance equipment, storage equipment and other equipment necessary to safely operate, maintain and transmit power to the ERCOT electrical grid.

Documentation to assist in determining if limitation is a determining factor

***Section 8 #2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?***

TREX US Green Holly LLC has begun typical due course, early stage due diligence to explore feasibility of constructing solar facilities at this site. As such, certain contracts have been executed, including lease and easement agreements with landowners, contracts with environmental contractors to explore environmental impacts of the proposed project, and an Interconnection Study Agreement with the transmission provider. None of these contracts obligate TREX US Green Holly LLC to construct the project.

***Section 8 #7. Is the applicant evaluating other locations not in Texas for the proposed project?***

TREX US LLC, the parent of TREX US Green Holly LLC, maintains a significant portfolio of solar developments across the country, all with similar resources and competitive regulatory environments. While the project entity, TREX US Green Holly LLC, is specific to this location in Texas, the economic return for the project is constantly compared to returns from other locations within and outside of Texas. TREX US has limited capital, human, and solar resources, and must choose the best projects to advance as a company each year. The financial return on investment is a primary input for this decision and a primary decision factor for investors.

***Section 8 #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?***

Property taxes are one of the largest annual expenses for a solar facility. Without the available property tax incentives from O'Donnell ISD, Dawson County, and Dawson County Hospital District, the economics of the project will not be attractive to an investor and the likelihood of completing the project and selling the electricity at competitive prices becomes unlikely. If the TREX US Green Holly LLC project is not able to obtain a Chapter 313 Appraised Value Limitation Agreement, the solar facility would not be developed and resources would be allocated to projects with more favorable economics.

Tab 6

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

Taxing Entity	Percent of Project
Dawson County	100%
O'Donnell Independent School District	100%
Mesa Underground Water Conservation District	100%
Dawson Hospital District	100%

### Description of Qualified Investment

TREX US Green Holly LLC plans to construct a solar photovoltaic electric generating facility with an operating capacity of approximately 400 MW. The project will be constructed on approximately 6,000 acres located entirely within O'Donnell Independent School District in Dawson County, Texas. The proposed project will include, but is not limited to, the following:

- Fencing
- New or Improved Roads
- Driven-Pile Foundations
- Mounting System
- Solar Photovoltaic Module Panels
- AC / DC Cables
- Balance of System (BOS) equipment
- AC and DC Combiners
- Central Inverter
- Supervisory Control and Data Acquisition (SCADA) System
- Storage Equipment
- Medium Voltage Step-up Transformers
- Central Substation and Switchyard With Protective Circuit Breakers and Switchgear
- High Voltage Step-up Transformer
- HV Collector Substation
- AC poles / CT-PT
- Meteorological Equipment
- Lighting Protection
- Surveillance Equipment
- Safety Equipment

Tab 8

**Description of Qualified Property**

See Tab 7 (Description of Qualified Investment).

Tab 9

**Description of Land**

Not applicable (Land not included in Qualified Property).

Tab 10

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

Not applicable.

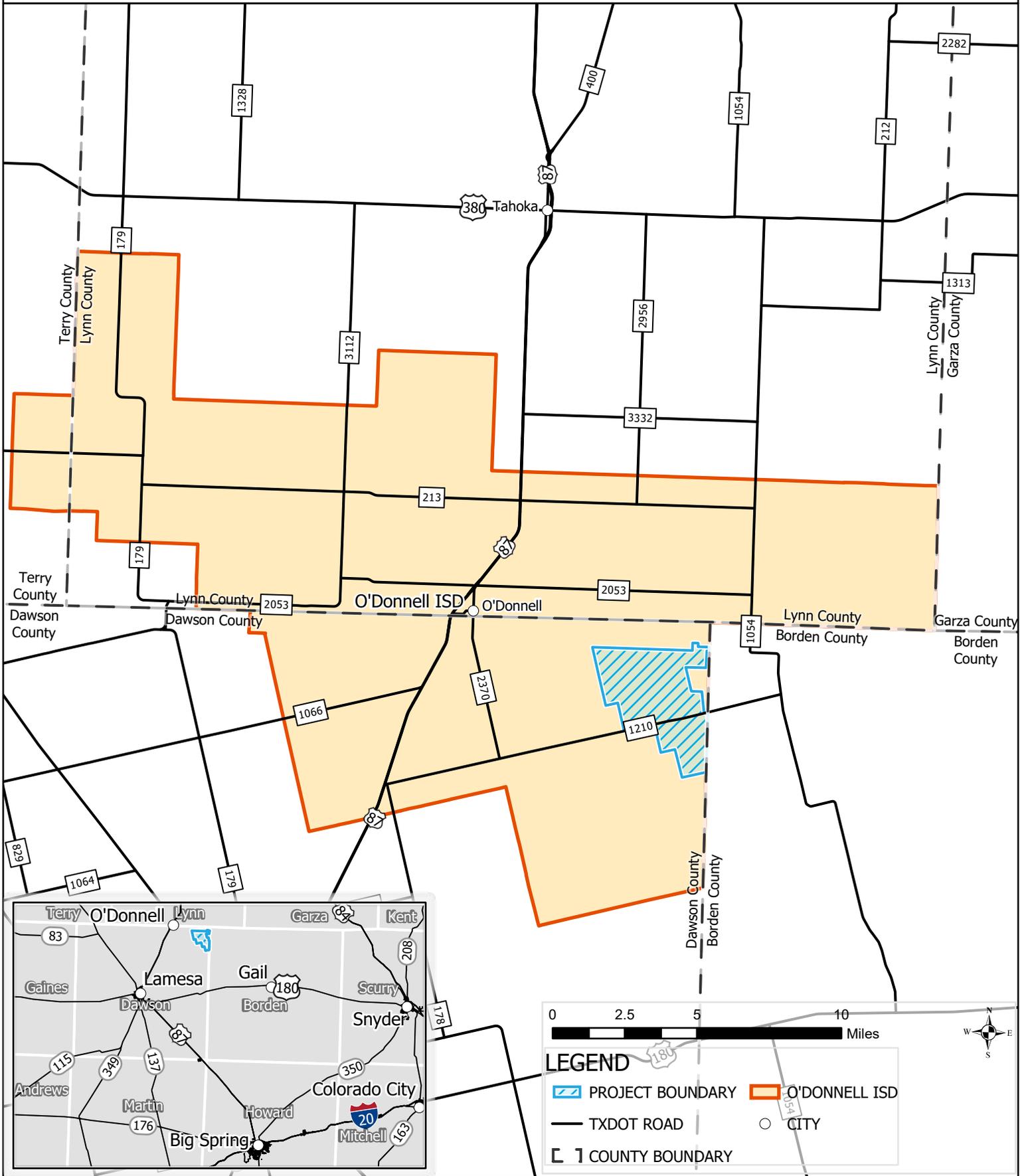
Tab 11

**Maps**

- a) School District Overview (Vicinity) Map
- b) Map of Qualified Property / Investment
- c) Reinvestment Zone Map

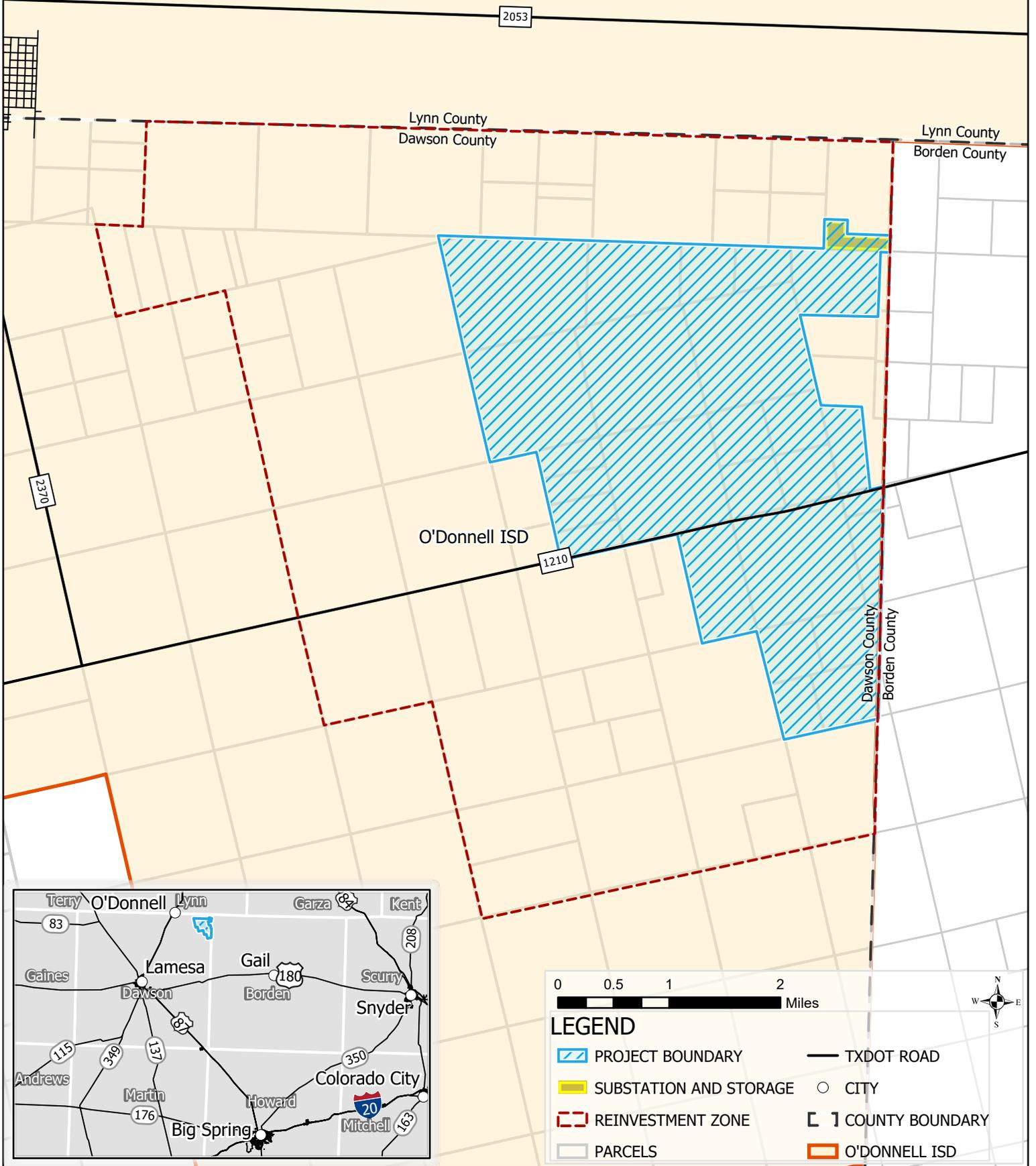
# SCHOOL DISTRICT OVERVIEW

TREX US GREEN HOLLY, LLC

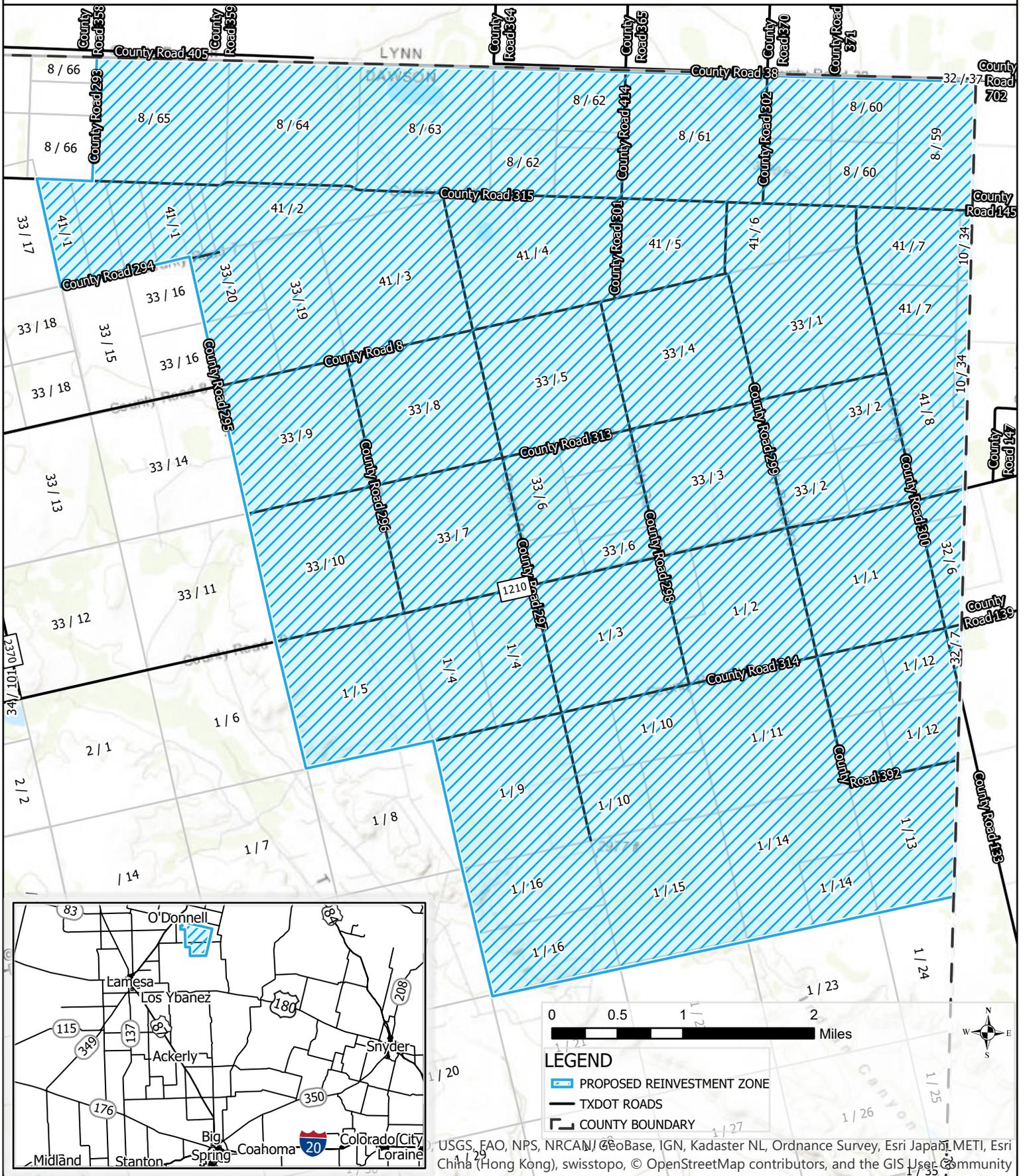


# PROJECT BOUNDARY MAP

TREX US GREEN HOLLY, LLC



# PROPOSED REINVESTMENT ZONE



USGS, FAO, NPS, NRCAM, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community

Tab 12

**Request for Waiver of Job Creation Requirement and supporting documentation (if applicable)**

See attached letter.



August 8, 2018

Dr. Cathy Palmer, Superintendent  
O'Donnell Independent School District  
400 Small St.  
O'Donnell, TX 79351

**Re: Chapter 313 Job Waiver Request**

Dear Dr. Palmer,

Please consider this letter to be TREX US Green Holly LLC's formal request to waive the new jobs creation requirement, as allowed by Texas Tax Code Section 313.025(f-1).

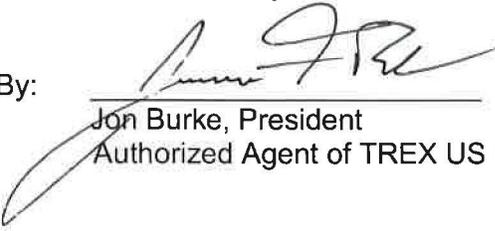
The applicant requests that the O'Donnell Independent School District's Board of Trustees find that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

Solar energy projects create a large number of temporary, full-time jobs during the construction phase of the project, but require only a small number of high-skilled employees to operate and maintain the facility once commercial operations commence. Based upon our experience in the solar industry, we expect that two (2) employees would be needed to operate a 400 MW facility and can commit to creating two (2) qualifying jobs for the project.

The number of jobs specified in this application is in line with the industry standards for a solar facility of this size, as evidenced by limitation agreement applications that have been filed by other solar developers who also requested a waiver of the jobs requirement.

Sincerely,  
TREX US Green Holly LLC

By:

  
\_\_\_\_\_  
Jon Burke, President

Authorized Agent of TREX US Green Holly, LLC

**GreenGo Energy US, Inc**

1447 S. Tryon Street  
Suite 201  
Charlotte, NC 28203  
United States

greengoenergy.com  
info@greengoenergy.com

Telephone  
David Veach  
+ 1 936 697 9024  
dv@greengoenergy.com

Calculation of Three Possible Wage Requirements with TWC Documentation

Chapter 313 Wage Calculation - Dawson County - All Industries

Quarter	Year	Avg. Weekly Wages*	Annualized
Second	2017	\$720	\$37,440
Third	2017	\$723	\$37,596
Fourth	2017	\$758	\$39,416
First	2018	<u>\$788</u>	<u>\$40,976</u>
	Average	\$747.25	\$38,857
	110%	\$821.98	\$42,742.70

Chapter 313 Wage Calculation - Dawson County - Manufacturing Jobs

Quarter	Year	Avg. Weekly Wages*	Annualized
Second	2017	\$1,093	\$56,836
Third	2017	\$745	\$38,740
Fourth	2017	\$856	\$44,512
First	2018	<u>\$835</u>	<u>\$43,420</u>
	Average	\$882.25	\$45,877
	110%	\$970.48	\$50,464.70

Chapter 313 Wage Calculation - Regional Wage Rate - Manufacturing Jobs

Region	Year	Avg. Weekly Wages*	Annualized
Permian Basin	2017	<u>\$1,049.54</u>	<u>\$54,576</u>
	110%	\$1,154.49	\$60,033.60

\*See attached TWC documentation

## 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	2nd Qtr	Dawson County	Total All	00	0	10	Total, all industries	\$720
2017	3rd Qtr	Dawson County	Total All	00	0	10	Total, all industries	\$723
2017	4th Qtr	Dawson County	Total All	00	0	10	Total, all industries	\$758

# Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

<input type="text" value="2018"/>	<input type="text" value="1st Qtr"/>	<input type="text" value="Dawson County"/>	<input type="text" value="Total All"/>	<input type="text" value="00"/>	<input type="text" value="0"/>	<input type="text" value="10"/>	<input type="text" value="Total, all industries"/>	<input type="text" value="\$788"/>
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## 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	2nd Qtr	Dawson County	Total All	31	2	31-33	Manufacturing	\$1,093
2017	3rd Qtr	Dawson County	Total All	31	2	31-33	Manufacturing	\$745
2017	4th Qtr	Dawson County	Total All	31	2	31-33	Manufacturing	\$856

# Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2018	1st Qtr	Dawson County	Total All	31	2	31-33	Manufacturing	\$835

**2017 Manufacturing Average Wages by Council of Government Region  
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
<b>Texas</b>	<b>\$26.24</b>	<b>\$54,587</b>
<a href="#">1. Panhandle Regional Planning Commission</a>	\$23.65	\$49,190
<a href="#">2. South Plains Association of Governments</a>	\$19.36	\$40,262
<a href="#">3. NORTEX Regional Planning Commission</a>	\$23.46	\$48,789
<a href="#">4. North Central Texas Council of Governments</a>	\$26.80	\$55,747
<a href="#">5. Ark-Tex Council of Governments</a>	\$18.59	\$38,663
<a href="#">6. East Texas Council of Governments</a>	\$21.07	\$43,827
<a href="#">7. West Central Texas Council of Governments</a>	\$21.24	\$44,178
<a href="#">8. Rio Grande Council of Governments</a>	\$18.44	\$38,351
<b><a href="#">9. Permian Basin Regional Planning Commission</a></b>	<b>\$26.24</b>	<b>\$54,576</b>
<a href="#">10. Concho Valley Council of Governments</a>	\$19.67	\$40,924
<a href="#">11. Heart of Texas Council of Governments</a>	\$21.53	\$44,781
<a href="#">12. Capital Area Council of Governments</a>	\$31.49	\$65,497
<a href="#">13. Brazos Valley Council of Governments</a>	\$17.76	\$39,931
<a href="#">14. Deep East Texas Council of Governments</a>	\$17.99	\$37,428
<a href="#">15. South East Texas Regional Planning Commission</a>	\$34.98	\$72,755
<a href="#">16. Houston-Galveston Area Council</a>	\$28.94	\$60,202
<a href="#">17. Golden Crescent Regional Planning Commission</a>	\$26.94	\$56,042
<a href="#">18. Alamo Area Council of Governments</a>	\$22.05	\$48,869
<a href="#">19. South Texas Development Council</a>	\$15.07	\$31,343
<a href="#">20. Coastal Bend Council of Governments</a>	\$28.98	\$60,276
<a href="#">21. Lower Rio Grande Valley Development Council</a>	\$17.86	\$37,152
<a href="#">22. Texoma Council of Governments</a>	\$21.18	\$44,060
<a href="#">23. Central Texas Council of Governments</a>	\$19.30	\$40,146
<a href="#">24. Middle Rio Grande Development Council</a>	\$24.07	\$50,058

Source: Texas Occupational Employment and Wages

Data published: July 2018

Data published annually, next update will be July 31, 2019

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 and signed Economic Impact (if applicable)

See attached Schedules A1, A2, B, C and D.

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

Date 8/23/2018  
 Applicant Name TREX US Green Holly LLC  
 ISD Name O'Donnell ISD

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 <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> 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]	<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)	2019	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				\$51,000,000	\$0	\$0		\$51,000,000	
Complete tax years of qualifying time period	QTP1	2019-2020	2020	\$204,000,000	\$0	\$0		\$204,000,000	
	QTP2	2020-2021	2021	\$85,000,000	\$0	\$0		\$85,000,000	
<b>Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]</b>				\$340,000,000	\$0	\$0		\$340,000,000	
				Enter amounts from TOTAL row above in Schedule A2					
<b>Total Qualified Investment (sum of green cells)</b>				\$340,000,000					

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

Column A: This represents the total dollar amount of planned investment in tangible personal property. 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 8/23/2018  
 Applicant Name TREX US Green Holly LLC  
 ISD Name O'Donnell ISD

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 <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Other investment made during this year that will <u>not</u> 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*	--	<b>TOTALS FROM SCHEDULE A1</b>		\$340,000,000	\$0	\$0	\$0	\$340,000,000
Enter amounts from TOTAL row in Schedule A1 in the row below								
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2019-2020	2019					
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					
	3	2023-2024	2023					
	4	2024-2025	2024					
	5	2025-2026	2025					
	6	2026-2027	2026					
	7	2027-2028	2027					
	8	2028-2029	2028					
	9	2029-2030	2029					
	10	2030-2031	2030					
<b>Total Investment made through limitation</b>				\$340,000,000	\$0	\$0	\$0	\$340,000,000
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	2040-2041	2040					
	21	2041-2042	2041					
	22	2042-2043	2042					
	23	2043-2044	2043					
	24	2044-2045	2044					
	25	2045-2046	2045					

\* 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.

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

Date 8/23/2018  
 Applicant Name TREX US Green Holly LLC  
 ISD Name O'Donnell ISD

**Form 50-296A**

*Revised May 2014*

				Qualified Property			Estimated Taxable Value		
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	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	2019-2020	2019	\$0	\$0	\$42,000,000	\$0	\$0	\$0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	\$0	\$0	\$210,000,000	\$42,000,000	\$42,000,000	\$42,000,000
Value Limitation Period	1	2021-2022	2021	\$0	\$0	\$265,244,000	\$210,000,000	\$210,000,000	\$30,000,000
	2	2022-2023	2022	\$0	\$0	\$238,364,000	\$265,244,000	\$265,244,000	\$30,000,000
	3	2023-2024	2023	\$0	\$0	\$202,944,000	\$238,364,000	\$238,364,000	\$30,000,000
	4	2024-2025	2024	\$0	\$0	\$172,760,000	\$202,944,000	\$202,944,000	\$30,000,000
	5	2025-2026	2025	\$0	\$0	\$147,084,000	\$172,760,000	\$172,760,000	\$30,000,000
	6	2026-2027	2026	\$0	\$0	\$125,216,000	\$147,084,000	\$147,084,000	\$30,000,000
	7	2027-2028	2027	\$0	\$0	\$106,596,000	\$125,216,000	\$125,216,000	\$30,000,000
	8	2028-2029	2028	\$0	\$0	\$90,748,000	\$106,596,000	\$106,596,000	\$30,000,000
	9	2029-2030	2029	\$0	\$0	\$77,252,000	\$90,748,000	\$90,748,000	\$30,000,000
	10	2030-2031	2030	\$0	\$0	\$65,772,000	\$77,252,000	\$77,252,000	\$30,000,000
Continue to maintain viable presence	11	2031-2032	2031	\$0	\$0	\$56,000,000	\$65,772,000	\$65,772,000	\$65,772,000
	12	2032-2033	2032	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	13	2033-2034	2033	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	14	2034-2035	2034	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	15	2035-2036	2035	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	17	2037-2038	2037	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	18	2038-2039	2038	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	19	2039-2040	2039	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	20	2040-2041	2040	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	21	2041-2042	2041	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	22	2042-2043	2042	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	23	2043-2044	2043	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	24	2044-2045	2044	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
	25	2045-2046	2045	\$0	\$0	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000

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 8/23/2018  
 Applicant Name TREX US Green Holly LLC  
 ISD Name O'Donnell ISD

**Form 50-296A**

*Revised May 2014*

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
				Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	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	2019-2020	2019	50 FTE	\$57,500.00	0	0	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	200 FTE	\$57,500.00	0	0	N/A
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2021-2022	2021	150 FTE	\$57,500.00	0	2	\$50,464.70
	2	2022-2023	2022	0	N/A	0	2	\$50,464.70
	3	2023-2024	2023	0	N/A	0	2	\$50,464.70
	4	2024-2025	2024	0	N/A	0	2	\$50,464.70
	5	2025-2026	2025	0	N/A	0	2	\$50,464.70
	6	2026-2027	2026	0	N/A	0	2	\$50,464.70
	7	2027-2028	2027	0	N/A	0	2	\$50,464.70
	8	2028-2029	2028	0	N/A	0	2	\$50,464.70
	9	2029-2030	2029	0	N/A	0	2	\$50,464.70
	10	2030-2031	2030	0	N/A	0	2	\$50,464.70
Years Following Value Limitation Period	11 through 25	2031-2046	2031-2045	0	N/A	0	2	\$50,464.70

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

- C1.** Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)  Yes  No  
 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** 8/23/2018  
**Applicant Name** TREX US Green Holly LLC  
**ISD Name** O'Donnell 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	County: Dawson County	2021	10 years	Avg Annual: \$1,650,000	TBD	TBD
	City:					
	Other: Dawson County Hospital District	2021	10 years	Avg Annual: \$717,000	TBD	TBD
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport 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>				Avg Annual: \$2,367,000	TBD	TBD

Additional information on incentives for this project:

Tab 15

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

Not applicable.

Tab 16

**Description of Reinvestment or Enterprise Zone, including:**

- a) Legal description of reinvestment zone
- b) Order, resolution or ordinance establishing the reinvestment zone
- c) Guidelines and criteria for creating the zone

IN THE COMMISSIONERS COURT OF DAWSON COUNTY, TEXAS

ORDER DESIGNATING A REINVESTMENT ZONE FOR TREX US RED HOLLY, LLC, TREX US GREEN HOLLY, LLC AND AFFILIATES

A motion was made by Commissioner Nicky Goode, seconded by Commissioner Ricky Minjarez that the following action is to be taken by the Dawson County Commissioners Court:

1. The County designate the property located in Dawson County having a legal description listed in Exhibit A and the boundaries depicted in Exhibit B attached to this order as a Reinvestment Zone under the Dawson County Guidelines and Criteria for Granting Tax Abatements, having determined that the designation will contribute to the retention or expansion of primary employment and will attract major investment in the zone that will benefit the zone and will contribute to the economic development of the County, and
2. That the County declare eligible for property tax abatement all eligible property now or thereafter located in that Reinvestment zone as authorized by the Dawson County Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones and Chapters 312 and 313 Texas Tax Code.

Passed and approved at this meeting of the Dawson County Commissioners Court, at which a quorum was passed on the 28<sup>th</sup> day of August, 2018.

[Signature] Date: 8/28/18  
Foy O'Brien County Judge

[Signature] Date: 8-28-18  
Ricky Minjarez Commissioner Precinct 1

[Signature] Date: 8-28-18  
Joe Raines Commissioner Precinct 2

[Signature] Date: 8-28-18  
Nicky Goode Commissioner Precinct 3

[Signature] Date: 8-28-18  
Russell Cox Commissioner Precinct 4

APPROVED  
AUG 28 2018  
COMMISSIONERS COURT

Exhibit A

- All of Block 8 Section 59
- All of Block 8 Section 60
- All of Block 8 Section 61
- All of Block 8 Section 62
- All of Block 8 Section 63
- All of Block 8 Section 64
- All of Block 8 Section 65
- All of Block CC-41 Section 1
- All of Block CC-41 Section 2
- All of Block CC-41 Section 3
- All of Block CC-41 Section 4
- All of Block CC-41 Section 5
- All of Block CC-41 Section 6
- All of Block CC-41 Section 7
- All of Block CC-41 Section 8
- All of Block 33 Section 1
- All of Block 33 Section 2
- All of Block 33 Section 3
- All of Block 33 Section 4
- All of Block 33 Section 5
- All of Block 33 Section 6
- All of Block 33 Section 7
- All of Block 33 Section 8
- All of Block 33 Section 9
- All of Block 33 Section 10
- All of Block 33 Section 19
- All of Block 33 Section 20
- All of Block 32 Section 6

All of Block 1 Section 1

All of Block 1 Section 2

All of Block 1 Section 3

All of Block 1 Section 4

All of Block 1 Section 5

All of Block 1 Section 9

All of Block 1 Section 10

All of Block 1 Section 11

All of Block 1 Section 12

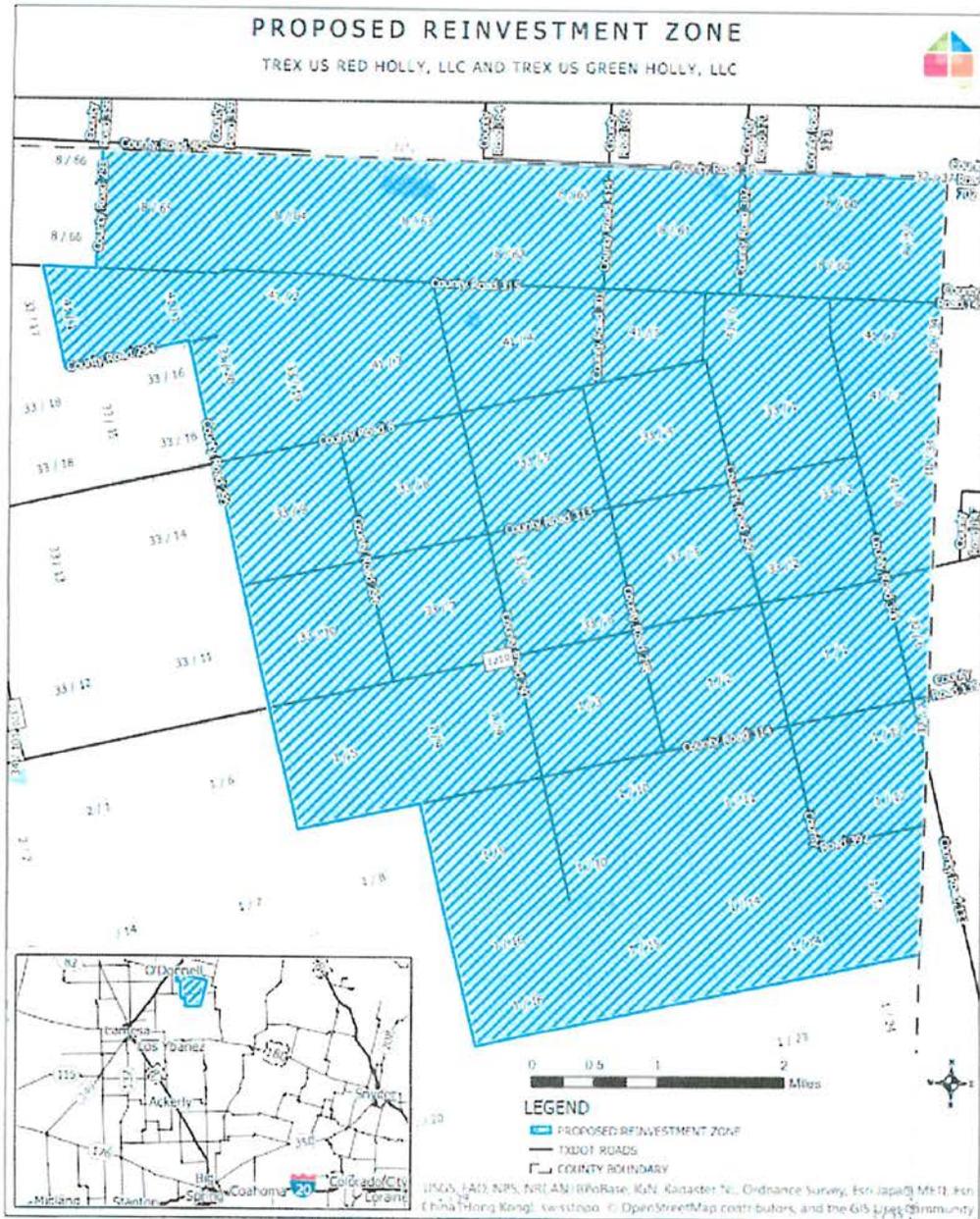
All of Block 1 Section 13

All of Block 1 Section 14

All of Block 1 Section 15

All of Block 1 Section 16

Exhibit B



# Guidelines & Criteria For Granting Tax Abatements

## Dawson County, Texas

### Preamble

Pursuant to Chapter 312 of the Texas Tax Code, Dawson County may consider an application for tax abatement, designate a reinvestment zone, and enter into a tax abatement agreement in accordance with those Guidelines and Criteria. It is the express intent of the Dawson County Commissioners Court to promote economic development, but not at the expense of the County's natural resources or services provided to the general public. No application submitted under the following schedule deemed to have a substantially adverse effect on natural resources in the County or on County infrastructure (including roads and bridges) will be approved, unless the application can demonstrate just cause for such an exception.

### I. Abatement Application Procedure

- (a) Who may apply. Any present or potential owner of taxable real property in Dawson County may submit an application for tax abatement conforming to the requirements herein.
- (b) Eligible Property. Abatement may be granted for the following property: new expanded or modernized buildings and structures, fixed machinery and equipment; site improvements; other tangible items necessary to the operation and administration of the project or facility; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code. Taxes on real property may be abated only to the extent the property's value for a given year exceeds its value for the year in which the agreement is executed. Tangible personal property located on the real property at any time before the period covered by the agreement is not eligible for abatement. Tangible personal property eligible for abatement shall not include inventory or supplies.

Property in a reinvestment zone that is owned or leased by a member of the County Commissioners Court is excluded from property tax abatement.

- (c) Application provisions. The application shall consist of a completed Dawson County Tax Abatement Application Form, which shall contain the following:
  - (1) information showing how the project meets the requirements of the criteria outlined in Section II below;
  - (2) a map and description of the property;
  - (3) a time schedule for completing the planned improvements;
  - (4) the estimated taxable value or range of values of the project or facility; and
  - (5) basic financial information about the applicant sufficient to enable evaluation of the application's financial capacity.

(d) Procedure for Consideration of Application. The procedure for consideration by the County of a Tax Abatement Application is as follows:

- (1) An applicant may request a Tax Abatement Application from the County Clerk.
- (2) After an applicant completes the Tax Abatement Application, the applicant must provide a copy to each member of the Dawson County Commissioners Court and the County Clerk;
- (3) The Commissioners Court shall issue a determination at any time before the expiration of forty-five (45) days from the date of receipt of the application regarding how to proceed with the application. The Commissioners Court shall choose either to deny the application, consider the application, or consider the application on an expedited basis.

- (a) *Denial of Application.* If the Commissioners Court chooses to deny the application, it shall make a finding by majority vote at a regularly scheduled meeting that, after balancing the criteria described below in Section II, it is the judgment of the Commissioners Court that the application should be denied.
- (b) *Consideration of Application.* If the County determines that the application should be further considered, the Commissioners Court must hold a public hearing to obtain public input on the application. Not later than the seventh (7<sup>th</sup>) 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 in Section II 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 at its next regularly scheduled meeting. 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. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County. A tax abatement agreement that is declined by the County may be amended and resubmitted to the County.
- (c) *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.

- 
- (e) Confidentiality. As required by Chapter 312.003 of the Texas Tax Code, information that is provided to Dawson County in connection with an application or request for tax abatement under this chapter and that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which tax abatement is sought is confidential and not subject to public disclosure until the tax abatement agreement is executed.
  
  - (f) Effect of error or variance with application procedure. Except where not allowed by state law, the County may waive application procedures or grant procedural variances as they deem appropriate.

## II. Criteria for Designating a Reinvestment Zone and Evaluating Tax Abatement Agreement

- (a) Minimum requirements. To be designated a reinvestment zone, County Commissioners must find by majority vote that the designation ~~would contribute to the retention or expansion of primary employment~~ or would attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the County.
- (b) Criteria. In determining whether to designate a reinvestment zone and whether to enter into a tax abatement agreement, the Commissioners Court shall consider the following factors, among others determined appropriate by the Court:
- (1) the current value of land and existing improvements, if any;
  - (2) the type, value, and purpose of proposed improvements, if any;
  - (3) the productive life of proposed improvements, if any;
  - (4) the impact of proposed improvements and any other proposed expenditures on existing jobs;
  - (5) the number and type of new jobs, if any, to be created by proposed improvements and expenditures;
  - (6) any costs to be incurred by Dawson County, if any, to provide facilities or services directly resulting from the new improvements;
  - (7) the types and values of public improvements, if any, to be made by applicant seeking abatement;
  - (8) an estimate of the amount of ad valorem property taxes to be paid to Dawson County after expiration of the abatement agreement;
  - (9) the impact on the business opportunities of existing businesses and the attraction of new businesses to the area, if any;
  - (10) the overall compatibility with the zoning ordinances and comprehensive plan, if any, for the area; and
  - (11) whether the applicant's proposed facility or improvement or modernization is an industry which is new to Dawson County;
  - (12) the impact upon County infrastructure including roads, bridges, and the use of County Services.

### III. Format for Tax Abatement Agreement

(a) Required Provisions. If the Dawson County Commissioners Court designates a reinvestment zone, it may consider and execute a tax abatement agreement with the owner of the designated property as outlined above. Any tax abatement agreement shall include at least the following provisions:

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- (1) the kind, number and location of all proposed improvements of the property;
- (2) provisions allowing for reasonable access to the property for initial and intermittent inspection purposes by County employees or designated representatives to ensure improvements are made in compliance with the agreement;
- (3) provisions limiting the use of the property consistent with the general purpose of encouraging development or redevelopment of the area during the period of the abatement;
- (4) provisions for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided in the agreement;
- (5) each term agreed to by the recipient of the abatement;
- (6) a requirement that the abatement recipient certify its compliance with the agreement annually to each taxing unit that is party to the agreement; and
- (7) provisions allowing the County to cancel or modify the agreement if the recipient fails to comply with the agreement.

- (b) Optional Provisions. The tax abatement agreement may also contain any or all of the following items, in addition to any others deemed appropriate by the contracting parties;
- (1) the estimated taxable value or range of values for which taxes are to be abated;
  - (2) the percent of value to be abated each year;
  - (3) the commencement and termination dates of the abatement;
  - (4) the proposed use of the property;
  - (5) a time schedule, map, and property description;
  - (6) contractual obligations in the event of default or violation of terms or conditions;
  - (7) the size of investment and number of temporary and permanent jobs involved, if any;
  - (8) provisions for dispute resolution.

- (c) Duration and portion of abatement. A tax abatement agreement granted by Dawson County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100 percent (100%) in portion of ad valorem property taxes abated. At any time before the expiration of the agreement, the parties may agree to modify the

agreement or to delete the provisions that were not necessary to the original agreement. The same procedural prerequisites for approval of the original agreement apply to modification of the agreement.

- (d) Time Limit. Such Agreement shall be executed within 30 days after the passage of the resolution approving the agreement, unless the County and the applicant agree otherwise.
- 

#### **IV. General Provisions**

These guidelines and criteria in no way require the County to enter into any specific tax abatement agreement. The County maintains the discretion to reject any application for tax abatement as it deems appropriate.

#### **V. Sunset and Amendment of Guidelines and Criteria**

These guidelines and criteria are effective upon the date of their adoption and will remain in force for two years, unless amended by a three-fourths vote of the Dawson County Commissioners Court.

Date: 5-15-14

Dawson County Commissioners Court

**RE: Resolution declaring Dawson County eligible to participate in tax abatement**

**RESOLUTION ELECTING TO PARTICIPATE IN TAX ABATEMENT**

Be it resolved that the Dawson County Commissioners Court elects to become Eligible to participate in tax abatements as authorized by Chapter 312 of the Texas Tax Code.

Motion by Eric Whinger, seconded by Russell Cox.

Passed and approved at a regular meeting of the Dawson County Commissioners Court, at which a quorum was present on the 15th day of May 2014.

ATTESTED

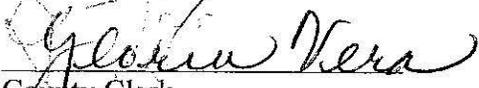
  
\_\_\_\_\_  
Honorable Foy O'Brien, County Judge

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Gloria Vera  
County Clerk



**RESOLUTION OF THE  
DAWSON COUNTY COMMISSIONERS COURT  
RENEWING GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENTS**

**WHEREAS**, on or about May 15, 2014, the Dawson County Commissioners Court promulgated and approved Guidelines And Criteria For Granting Tax Abatements, a copy of such guidelines being appended to this Resolution as Exhibit A, which is incorporated herein; and

**WHEREAS**, the Guidelines and Criteria For Granting Tax Abatements previously approved on May 15, 2014 remained valid and in effect for a term of two years per the provisions contained therein and pursuant to Texas Tax Code §312.002(c); and

**WHEREAS**, the Commissioners Court desires to renew the Guidelines And Criteria For Granting Tax Abatement appended hereto as Exhibit A for an additional term of two years commencing upon the date of the approval of this Resolution by a majority vote of the Commissioners Court;

**NOW THEREFORE, BE IT RESOLVED BY THE DAWSON COUNTY COMMISSIONERS COURT:**

**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**SECTION 2.** That the Dawson County Commissioners Court, after deliberating this Resolution has found it prudent and in the County's interest to renew the Guidelines And Criteria For Granting Tax Abatement appended hereto as Exhibit A for an additional term of two years effective on the date of this Resolution as set forth below.

**SECTION 3.** That it is hereby found, determined, and declared that a sufficient notice of the date, hour, place, and subject of the meeting of the Dawson County Commissioners Court, at which this resolution was adopted, was posted at a place convenient and readily accessible at all times, as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended.

**PASSED, APPROVED, AND ADOPTED** on this 13th day of March, 2018.

DAWSON COUNTY, TEXAS

By: [Signature]  
The Honorable Foy O'Brien  
County Judge

By: [Signature]  
Ricky Minjarez  
Commissioner, Precinct 1

By: [Signature]  
Joe Raines  
Commissioner, Precinct 2

By: [Signature]  
Nicky Goode  
Commissioner, Precinct 3

By: [Signature]  
Russell Cox  
Commissioner, Precinct 4

Attest: [Signature]  
County Clerk By: [Signature]

APPROVED  
MAR 13 2018  
COMMISSIONERS COURT

RESOLUTION – Renewing Guidelines And Criteria For Granting Tax Abatement

Tab 17

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

See attached.

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here Dr. Cathy Palmer
Print Name (Authorized School District Representative)

Superintendent
Title

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

08/23/18
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.

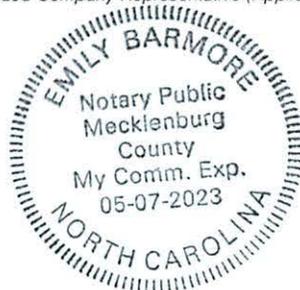
I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here Jon Burke
Print Name (Authorized Company Representative (Applicant))

President, Development
Title

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

08/21/2018
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

21st day of August, 2018

[Signature] (Emily Barmore)
Notary Public in and for the State of Texas

My Commission expires: 5/7/23

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.