

# O'HANLON, DEMERATH & CASTILLO

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November 19, 2018

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

RE: Application to the Andrews Independent School District from Core Solar SPV I, LLC

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Andrews Independent School District is notifying Core Solar SPV I, LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. Please prepare the Economic Impact Report.

The Applicant submitted the Application to the school district on November 13, 2018. The Board voted to accept the application on November 13, 2018. The application has been determined complete as of November 19, 2018. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered.

A copy of the application will be submitted to the Andrews County Appraisal District.

Sincerely,



Kevin O'Hanlon  
School District Consultant

Cc: Andrews County Appraisal District  
Core Solar SPV I, LLC

## APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

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

Tab 1

## **Application Documents**

Documents attached

# 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

November 13, 2018

Date Application Received by District

Bobby Azam

First Name Last Name

Superintendent

Title

Andrews Independent School District

School District Name

405 NW 3rd Street

Street Address

405 NW 3rd Street

Mailing Address

Andrews Texas 79714

City State ZIP

432-523-3640

Phone Number

Fax Number

432-523-3640 bazam@andrewsesc18.net

Mobile Number (optional)

Email Address

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Chris Grammer
First Name Last Name
Associate
Title
Moak Casey & Associates LLP
Firm Name
512-485-7878 512-485-7888
Phone Number Fax Number
cgrammer@moakcasey.com
Email Address

- 4. On what date did the district determine this application complete? November 19, 2018
5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Lichtenberger John
First Name Last Name
Sr. Vice President/ Authorized Representative
Core Solar SPV I, LLC
Title Organization
1221 South Mopac Expressway, Suite 225
Street Address
Same
Mailing Address
Austin Texas 78746
City State ZIP
512.684.1983 512.222.1132
Phone Number Fax Number
john@coresolar.energy
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.

First Name Last Name
Title Organization
Street Address
Mailing Address
City State ZIP
Phone Number Fax Number
Mobile Number (optional) Business Email Address

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

**SECTION 2: Applicant Information (continued)**

**4. Authorized Company Consultant (If Applicable)**

June \_\_\_\_\_ Gray \_\_\_\_\_  
 First Name Last Name  
 Project Development Consultant \_\_\_\_\_  
 Title  
 Core Solar, LLC \_\_\_\_\_  
 Firm Name  
 512-684-1989 \_\_\_\_\_  
 Phone Number Fax Number  
 june@coresolar.energy \_\_\_\_\_  
 Business Email Address

**SECTION 3: Fees and Payments**

1. Has an application fee been paid to the school district?  Yes  No  
 The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.  
 1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.
- For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.
2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)?  Yes  No  N/A
  3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)?  Yes  No  N/A

**SECTION 4: Business Applicant Information**

1. What is the legal name of the applicant under which this application is made? \_\_\_\_\_ Core Solar SPV I, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) \_\_\_\_\_ 32064820171
3. List the NAICS code \_\_\_\_\_ 221114
4. Is the applicant a party to any other pending or active Chapter 313 agreements?  Yes  No  
 4a. If yes, please list application number, name of school district and year of agreement \_\_\_\_\_

**SECTION 5: Applicant Business Structure**

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) \_\_\_\_\_ Limited Liability Corporation
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)?  Yes  No  
 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas?  Yes  No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas?  Yes  No  N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

**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 ..... Q3 2019
  - 3. Beginning of qualifying time period ..... May 1, 2019
  - 4. First year of limitation ..... 2021
  - 5. Begin hiring new employees ..... Q3 2020
  - 6. Commencement of commercial operations ..... Q4 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? ..... Q4 2020

**SECTION 10: The Property**

- 1. Identify county or counties in which the proposed project will be located Andrews County, Texas
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Andrews County Appraisal District
- 3. Will this CAD be acting on behalf of another CAD to appraise this property? .....  Yes  No
- 4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 

County: <u>Andrews County, \$0.4599, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>Andrews Co. HD, \$0.48455, 100%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Andrews County R&amp;B, \$0.059, 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
- 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)?  Yes  No
  - 2a. If yes, attach complete documentation including:
    - a. legal description of the land (Tab 9);
    - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
    - c. owner (Tab 9);
    - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
    - e. a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303?  Yes  No
  - 3a. If yes, attach the applicable supporting documentation:
    - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
    - b. legal description of reinvestment zone (Tab 16);
    - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
    - d. guidelines and criteria for creating the zone (Tab 16); and
    - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
  - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? \_\_\_\_\_ N/A

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

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

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

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? ..... 0
2. What is the last complete calendar quarter before application review start date:  
 First Quarter     Second Quarter     Third Quarter     Fourth Quarter of 2018  
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? ..... 0  
**Note:** For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? ..... 2
5. What is the number of new non-qualifying jobs you are estimating you will create? ..... 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? .....  Yes     No
  - 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
  - a. Average weekly wage for all jobs (all industries) in the county is ..... 1,243.50
  - b. 110% of the average weekly wage for manufacturing jobs in the county is ..... 1,085.15
  - 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? ..... 56,427.80
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 56,427.80
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? .....  Yes     No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? .....  Yes     No
  - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? .....  Yes     No
  - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

Tab 2

**Proof of 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

**Combined Group Membership Documentation**

The entity Core Solar SPV I, LLC, was formed on March 26, 2015 as a Delaware Corporation and filed as a foreign entity in Texas on September 13, 2017.

Alira Energy, LLC (Tax Payer Number 32067657497) was formed on June 27, 2018 as a Delaware Corporation and filed as a foreign entity in Texas on June 28, 2018. Effective June 29, 2018, Alira Energy, LLC became the sole member of Core Solar SPV I, LLC.

Form 05-164, Texas Franchise Tax Extension Affiliate List, has not been filed since Alira Energy, LLC was created in June 2018.

Attached is Core Solar SPV I, LLC's current Certificate of Account Status from the Texas Comptroller's records.



## Franchise Tax Account Status

As of : 11/16/2018 14:31:07

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

CORE SOLAR SPV I, LLC	
<b>Texas Taxpayer Number</b>	32064820171
<b>Mailing Address</b>	700 LAVACA ST STE 1401 AUSTIN, TX 78701-3101
<b>Right to Transact Business in Texas</b>	ACTIVE
<b>State of Formation</b>	DE
<b>Effective SOS Registration Date</b>	09/13/2017
<b>Texas SOS File Number</b>	0802813180
<b>Registered Agent Name</b>	REGISTERED AGENTS INC.
<b>Registered Office Street Address</b>	700 LAVACA ST. STE 1401 AUSTIN, TX 78701

### **Detailed Description of Project**

The Core Solar SPV I, LLC project will be an approximately 200 MWac photovoltaic solar power generation facility, that would be built on approximately 1,730 acres of privately owned land in Andrews County, Texas. The entire site is located within the Andrews ISD jurisdiction. The site is east of and adjacent to Nelson Road (SW9001). Currently the site is mostly agricultural and desert grasslands.

The Core Solar SPV I, LLC project will consist of, but not be limited to, the following: solar photovoltaic modules, single axis tracking systems, driven-pile foundations, new or improved roads, meteorological equipment, DC wiring, DC/AC inverters, medium voltage step-up transformers, AC cabling and a central substation and switchyard with protective circuit breakers and switchgear including a high voltage step-up transformer, 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?**

Core Solar SPV I, LLC has begun typical due course, early stage due diligence to explore feasibility of constructing the solar facilities at this site. As such, certain contracts have been executed, including a long-term lease and easement agreement with the landowner, Chapter 312 tax abatement agreements with other taxing jurisdictions, and an Interconnection Study Agreement with the transmission provider. None of these contracts obligate Core Solar SPV I, LLC to construct the project.

**Section 8, #7 & 10: Is the applicant evaluating other locations not in Texas for the proposed project?**

**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?**

Alira Energy, LLC maintains a large portfolio of solar developments across the country, including Texas and the states of Colorado, Florida, Virginia, Indiana, Mississippi, Oklahoma, and Georgia, all with similar resources and competitive regulatory environments. While the project entity, Core Solar SPV I, 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. Alira Energy, LLC has limited capital and human resources and must pick the best projects to advance as a company each year. The economic return is a primary input for this decision.

Without the available tax incentives, the economics of the project become far less attractive and the likelihood of completing the project and selling the electricity at competitive prices becomes unlikely. Property taxes can be the highest operating expense for a solar generation facility as they do not have any associated fuel costs for the production of electricity. With electricity prices already below the national average in Texas, it is necessary to limit the property tax liabilities for the project in order to be able to offer electricity at prices that are marketable to Texas customers. Markets such as California that have state wide available subsidies for renewable energy and higher average electricity prices offer attractive incentives to develop in those markets. Solar developers would not be able to finance and build projects in this state without the economic development tax incentives offered here.

Tab 6

**Other School District Information**

The entire project will be located within the jurisdiction of the Andrews Independent School District.

### **Description of Qualified Investment**

The Core Solar SPV I, LLC project will be an approximately 200 MWac photovoltaic solar power generation facility that would be built on approximately 1,730 acres of privately owned land in Andrews County, Texas. The entire site is located within the Andrews ISD jurisdiction. The site is east of and adjacent to Nelson Road (SW9001). Currently the site is undeveloped and consists of a mixture of scrub ground cover and desert grasslands.

The Core Solar SPV I, LLC project will consist of, but not be limited to, the following: solar photovoltaic modules, single axis tracking systems, driven-pile foundations, new or improved roads, meteorological equipment, DC wiring, DC/AC inverters, medium voltage step-up transformers, AC cabling and a central substation and switchyard with protective circuit breakers and switchgear including a high voltage step-up transformer, and other equipment necessary to safely operate, maintain and transmit power to the ERCOT electrical grid.

### **Description of Qualified Property**

The Core Solar SPV I, LLC project will be an approximately 200 MWac photovoltaic solar power generation facility that would be built on approximately 1,730 acres of privately owned land in Andrews County, Texas. The entire site is located within the Andrews ISD jurisdiction. The site is east of and adjacent to Nelson Road (SW9001). Currently the site is undeveloped and consists of a mixture of scrub ground cover and desert grasslands.

The qualified property of the project will consist of, but not be limited to, the following: solar photovoltaic modules, single axis tracking systems, driven-pile foundations, new or improved roads, meteorological equipment, DC wiring, DC/AC inverters, medium voltage step-up transformers, AC cabling and a central substation and switchyard with protective circuit breakers and switchgear including a high voltage step-up transformer, and other equipment necessary to safely operate, maintain and transmit power to the ERCOT electrical grid.

Tab 9

**Description of Land**

All that real property situated in Andrews County, State of Texas, described as follows:

Sections 2, 3 and 4, Block A-50, Public Schools Lands Survey, Andrews County, Texas.

Tab 10

**Description of Property not Eligible to become Qualified Property**

N/A

Tab 11

## **Map of Project**

Maps attached, including:

1. Core Solar SPV I, LLC ISD Overview
2. Core Solar SPV I, LLC Qualified Investment and Property
3. Core Solar SPV I, LLC Reinvestment Zone



**Legend**

- Project Area
- Andrews ISD
- City/Town

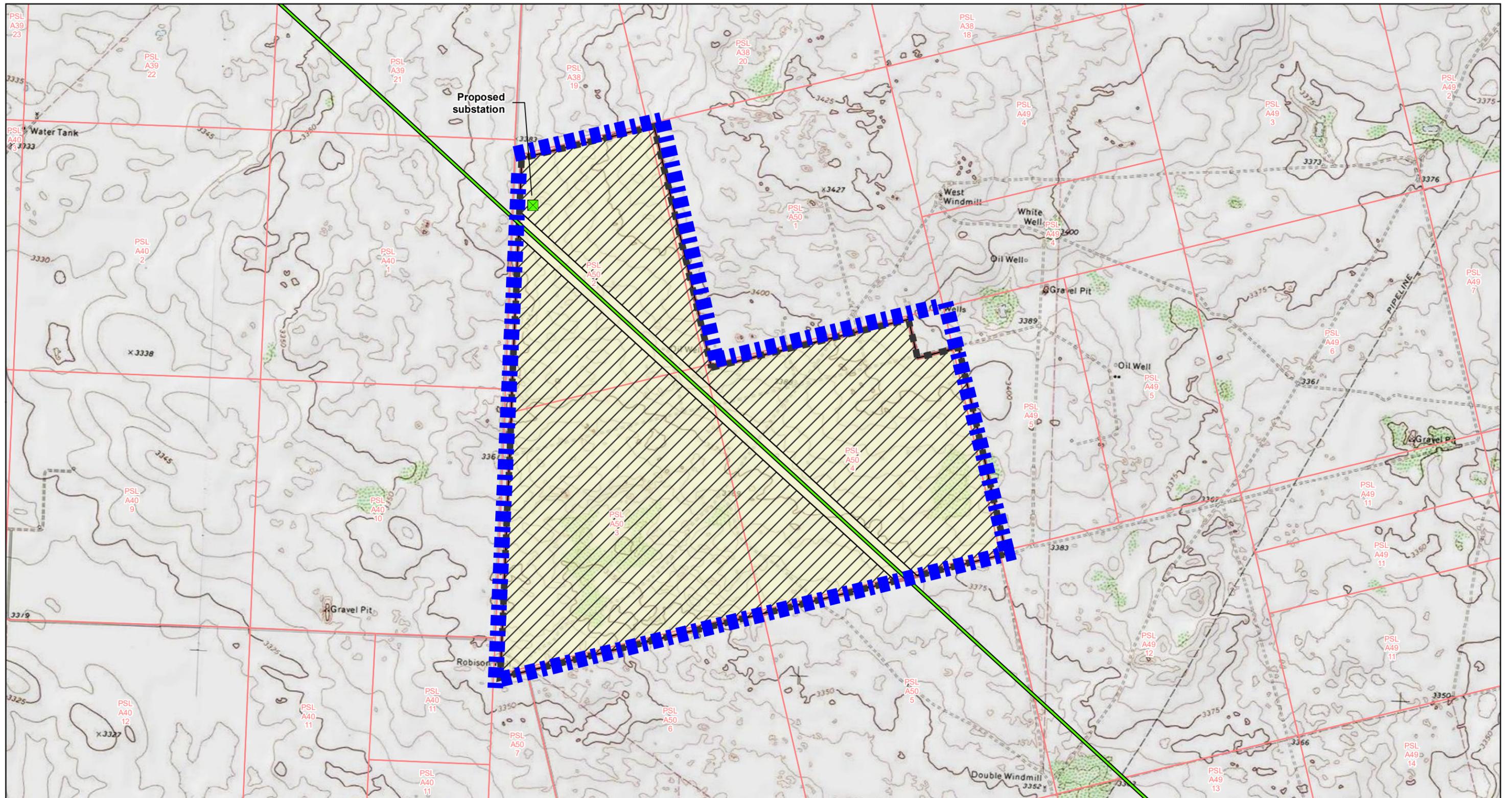
Core Solar SPV I, LLC  
**Andrews 4 Solar Project**  
School District Overview

Project Location: Andrews County, Texas



**FIGURE 1**

Prepared by: J. Hobbs      Date: 2018-11-12



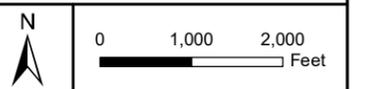
**Legend**

-  Qualified Property
-  Qualified Investment Area
-  Project Area
-  OTLS Section
-  Electric Transmission (existing)
-  Reinvestment Zone

Core Solar SPV I, LLC  
**Andrews 4 Solar Project**

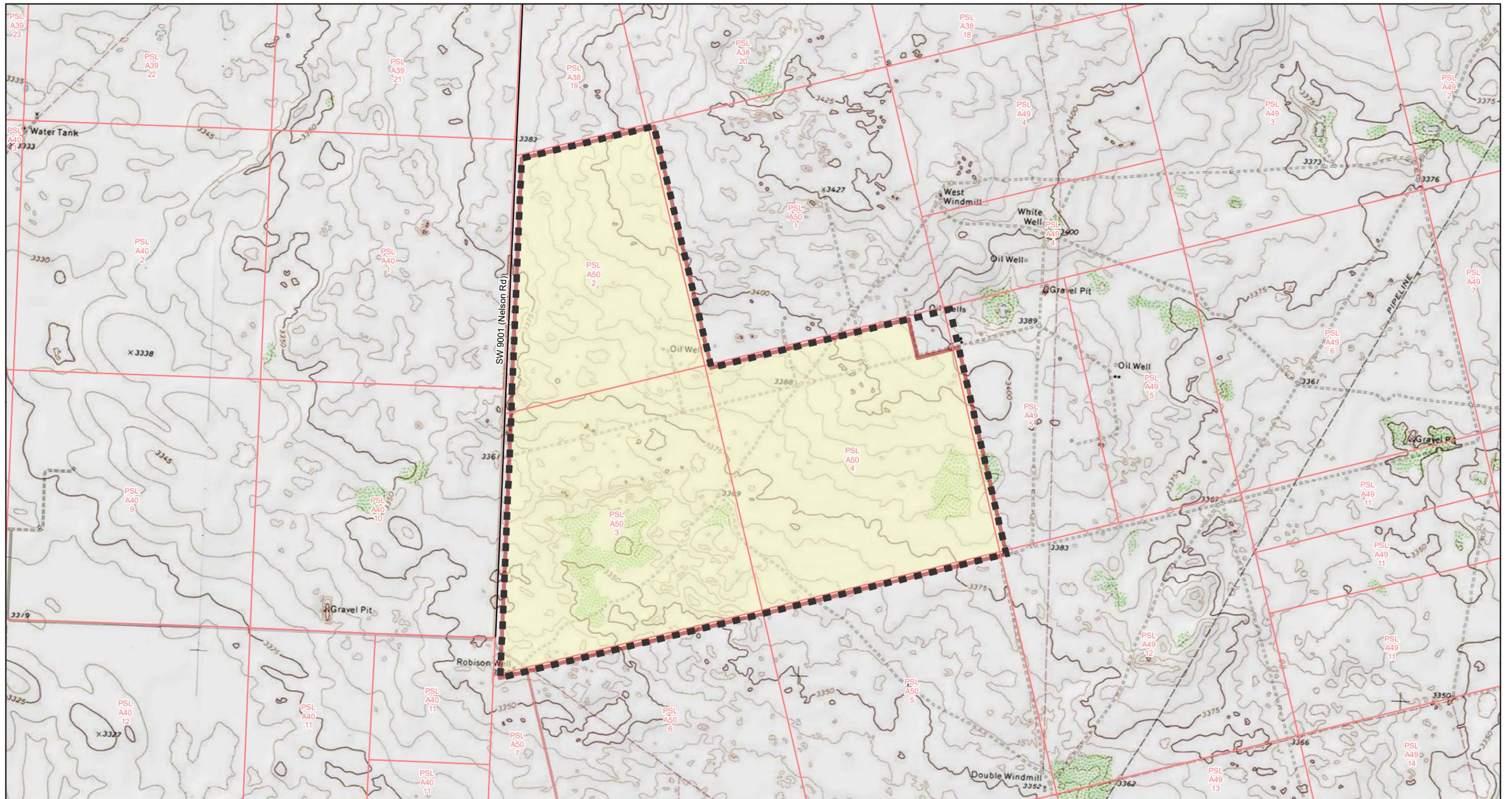
Qualified Investment Area,  
 Qualified Property, and Proposed Infrastructure

Project Location: Andrews County, Texas



**FIGURE 2**

Prepared by: J. Hobbs      Date: 2018-11-12



**Legend**



Proposed Reinvestment Zone



Project Area



OTLS Section

Core Solar SPV I, LLC  
**Andrews 4 Solar Project**  
 Reinvestment Zone

Project Location: Andrews County, Texas



0 1,000 2,000  
 Feet

**FIGURE 3**

Prepared by: J. Hobbs

Date: 2018-11-12

Tab 12

**Request for waiver of Job Creation Requirement**

Letter Attached.



November 12, 2018

Dr. Bobby Azam, Superintendent  
Andrews Independent School District  
405 NW 3<sup>rd</sup> Street  
Andrews, TX, 79714

RE: Core Solar SPV I, LLC Job Requirement Waiver Request

Superintendent Azam:

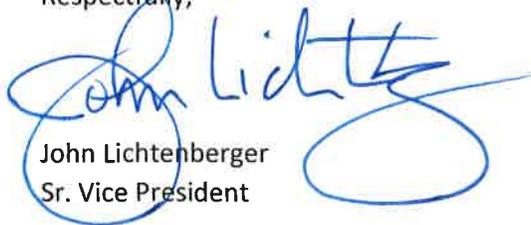
Please consider this letter to be Core Solar SPV I, LLC's formal request to waive the minimum new job creation Requirement, as provided under Texas Tax Code 313.025(f-l).

As background information on the creation of full-time jobs for solar energy projects, these projects create a large number of temporary full-time jobs during the construction phase, but require only a small number of highly skilled employees to operate and maintain the facility once construction ends and commercial operations begin. The permanent employees of a solar project maintain and service solar panels, mounting racks and trackers, underground electrical connections, inverters, substations and related infrastructure. Additionally, there are also asset managers who supervise, monitor and support solar operations from offsite locations.

The solar industry standard for the number of permanent qualifying jobs necessary for the operation and maintenance of a solar facility is less than the minimum new qualifying jobs requirement. For a typical facility, two (2) jobs are created for a 100 -200 MWac plant, increasing to four (4) for projects larger than 200 MWac, and reaching six (6) for projects above 250 MWac. Therefore, consistent with solar industry standards and based on the anticipated needs of the planned 200 MWac facility, Core Solar SPV I, LLC is committed to creating two (2) new qualifying jobs.

Core Solar SPV I, LLC respectfully requests that the Andrews ISD's Board of Trustees waive the new jobs requirement for its application and find that the industry standard for the number of employees is less than the minimum new jobs creation requirement.

Respectfully,

A handwritten signature in blue ink that reads "John Lichtenberger". The signature is stylized and fluid, with a large loop at the end.

John Lichtenberger  
Sr. Vice President

**Calculation of three possible wage requirements with TWC documentation**

**Andrews County All Industries Average Weekly Wages**

Year	Period	Area	Ownership	Division	Level	Ind. Code	Industry	Avg. Weekly Wages
2018	1st Qtr	Andrews County	Total All	00	0	10	Total, All Industries	\$ 1,261
2018	2nd Qtr	Andrews County	Total All	00	0	10	Total, All Industries	\$ 1,275
2017	3rd Qtr	Andrews County	Total All	00	0	10	Total, All Industries	\$ 1,167
2017	4th Qtr	Andrews County	Total All	00	0	10	Total, All Industries	\$ 1,271
4 Period Weekly Average								\$ 1,243.50
110% of Average Weekly Wage								\$ 1,367.85
110% of Annual Wages								\$ 71,128.20

**Andrews County Average Manufacturing Weekly Wages**

Year	Period	Area	Ownership	Division	Level	Ind. Code	Industry	Avg. Weekly Wages
2018	1st Qtr	Andrews County	Private	31	2	31-33	Manufacturing	\$ 992
2018	2nd Qtr	Andrews County	Private	31	2	31-33	Manufacturing	\$ 1,060
2017	3rd Qtr	Andrews County	Private	31	2	31-33	Manufacturing	\$ 893
2017	4th Qtr	Andrews County	Private	31	2	31-33	Manufacturing	\$ 1,001
4 Period Weekly Average								\$ 986.50
110% of Average Weekly Wage								\$ 1,085.15
110% of Annual Wages								\$ 56,427.80

**COG Region Wage**

Permian Basin Regional Planning Commission		
	Hourly	Annual
2017 Average Manufacturing Wages	\$ 26.24	\$ 54,576.00
Avg Weekly Wage		\$ 1,049.54
110% of Region Weekly Wage		\$ 1,154.49
110% of Annual Wages		\$ 60,033.60

# Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	1st Qtr	Andrews County	Total All	00	0	10	Total, all industries	\$1,150
2018	1st Qtr	Andrews County	Total All	00	0	10	Total, all industries	\$1,261
2017	2nd Qtr	Andrews County	Total All	00	0	10	Total, all industries	\$1,135
2018	2nd Qtr	Andrews County	Total All	00	0	10	Total, all industries	\$1,275
2017	3rd Qtr	Andrews County	Total All	00	0	10	Total, all industries	\$1,167
2017	4th Qtr	Andrews County	Total All	00	0	10	Total, all industries	\$1,271

# Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	1st Qtr	Andrews County	Private	31	2	31-33	Manufacturing	\$876
2018	1st Qtr	Andrews County	Private	31	2	31-33	Manufacturing	\$992
2017	2nd Qtr	Andrews County	Private	31	2	31-33	Manufacturing	\$952
2018	2nd Qtr	Andrews County	Private	31	2	31-33	Manufacturing	\$1,060
2017	3rd Qtr	Andrews County	Private	31	2	31-33	Manufacturing	\$893
2017	4th Qtr	Andrews County	Private	31	2	31-33	Manufacturing	\$1,001

**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

**Form 50-296A, Schedules A-D**

Attached to Application package

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

Date **11/12/2018**  
 Applicant Name **Core Solar SPV I, LLC**  
 ISD Name **Andrews 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				Not eligible to become Qualified Property		\$0	\$0	\$0
Investment made after filing complete application with district, but before final board approval of application	0	2019-2020	2019	\$0	\$0	\$0	\$0	\$0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				\$65,000,000	\$0	\$0	\$0	\$65,000,000
Complete tax years of qualifying time period	QTP1	2020-2021	2020	\$130,000,000	\$0	\$0	\$0	\$130,000,000
	QTP2	2021-2022	2021	\$0	\$0	\$0	\$0	\$0
<b>Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]</b>				\$195,000,000	\$0	\$0	\$0	\$195,000,000
				<b>Enter amounts from TOTAL row above in Schedule A2</b>				
<b>Total Qualified Investment (sum of green cells)</b>				\$195,000,000				

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)**

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>		\$195,000,000	\$0	\$0	\$0	\$195,000,000
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	\$65,000,000	\$0	\$0	\$0	\$65,000,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2020-2021	2020	\$130,000,000	\$0	\$0	\$0	\$130,000,000
Value limitation period***	1	2021-2022	2021	\$0	\$0	\$0	\$0	\$0
	2	2022-2023	2022	\$0	\$0	\$0	\$0	\$0
	3	2023-2024	2023	\$0	\$0	\$0	\$0	\$0
	4	2024-2025	2024	\$0	\$0	\$0	\$0	\$0
	5	2025-2026	2025	\$0	\$0	\$0	\$0	\$0
	6	2026-2027	2026	\$0	\$0	\$0	\$0	\$0
	7	2027-2028	2027	\$0	\$0	\$0	\$0	\$0
	8	2028-2029	2028	\$0	\$0	\$0	\$0	\$0
	9	2029-2030	2029	\$0	\$0	\$0	\$0	\$0
	10	2030-2031	2030	\$0	\$0	\$0	\$0	\$0
<b>Total Investment made through limitation</b>				\$195,000,000	\$0	\$0	\$0	\$195,000,000
Continue to maintain viable presence	11	2031-2032	2031			\$0		\$0
	12	2032-2033	2032			\$0		\$0
	13	2033-2034	2033			\$0		\$0
	14	2034-2035	2034			\$0		\$0
	15	2035-2036	2035			\$0		\$0
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036			\$0		\$0
	17	2037-2038	2037			\$0		\$0
	18	2038-2039	2038			\$0		\$0
	19	2039-2040	2039			\$0		\$0
	20	2040-2041	2040			\$0		\$0
	21	2041-2042	2041			\$0		\$0
	22	2042-2043	2042			\$0		\$0
	23	2043-2044	2043			\$0		\$0
	24	2044-2045	2044			\$0		\$0
	25	2045-2046	2045			\$0		\$0

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

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

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

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

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

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

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

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

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

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

Date

11/8/2018

Applicant Name

Core Solar SPV I, LLC

**Form 50-296A**

ISD Name

Andrews 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
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	\$0	\$0	\$32,500,000	\$32,500,000	\$32,500,000	\$32,500,000
Value Limitation Period	1	2021-2022	2021	\$0	\$0	\$179,400,000	\$179,400,000	\$179,400,000	\$30,000,000
	2	2022-2023	2022	\$0	\$0	\$163,800,000	\$163,800,000	\$163,800,000	\$30,000,000
	3	2023-2024	2023	\$0	\$0	\$148,200,000	\$148,200,000	\$148,200,000	\$30,000,000
	4	2024-2025	2024	\$0	\$0	\$130,650,000	\$130,650,000	\$130,650,000	\$30,000,000
	5	2025-2026	2025	\$0	\$0	\$113,100,000	\$113,100,000	\$113,100,000	\$30,000,000
	6	2026-2027	2026	\$0	\$0	\$95,550,000	\$95,550,000	\$95,550,000	\$30,000,000
	7	2027-2028	2027	\$0	\$0	\$76,050,000	\$76,050,000	\$76,050,000	\$30,000,000
	8	2028-2029	2028	\$0	\$0	\$58,500,000	\$58,500,000	\$58,500,000	\$30,000,000
	9	2029-2030	2029	\$0	\$0	\$46,800,000	\$46,800,000	\$46,800,000	\$30,000,000
Continue to maintain viable presence	10	2030-2031	2030	\$0	\$0	\$40,950,000	\$40,950,000	\$40,950,000	\$30,000,000
	11	2031-2032	2031	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	12	2032-2033	2032	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	13	2033-2034	2033	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	14	2034-2035	2034	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	15	2035-2036	2035	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	16	2036-2037	2036	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	17	2037-2038	2037	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	18	2038-2039	2038	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	19	2039-2040	2039	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	20	2040-2041	2040	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	21	2041-2042	2041	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	22	2042-2043	2042	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
	23	2043-2044	2043	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000
24	2044-2045	2044	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000	
	25	2045-2046	2045	\$0	\$0	\$39,000,000	\$39,000,000	\$39,000,000	\$39,000,000

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** 11/8/2018  
**Applicant Name** Core Solar SPV I, LLC  
**ISD Name** Andrews 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 Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	130FTE	\$ 55,000	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	200FTE	\$ 55,000	0	2	\$ 56,427.80
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2021-2022	2021	0	N/A	0	2	\$ 56,427.80
	2	2022-2023	2022	0	N/A	0	2	\$ 56,427.80
	3	2023-2024	2023	0	N/A	0	2	\$ 56,427.80
	4	2024-2025	2024	0	N/A	0	2	\$ 56,427.80
	5	2025-2026	2025	0	N/A	0	2	\$ 56,427.80
	6	2026-2027	2026	0	N/A	0	2	\$ 56,427.80
	7	2027-2028	2027	0	N/A	0	2	\$ 56,427.80
	8	2028-2029	2028	0	N/A	0	2	\$ 56,427.80
	9	2029-2030	2029	0	N/A	0	2	\$ 56,427.80
	10	2030-2031	2030	0	N/A	0	2	\$ 56,427.80
Years Following Value Limitation Period	11 through 25	2031-2045	2031-2045	0	N/A	0	2	\$ 56,427.80

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

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

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

**Date** 11/12/2018  
**Applicant Name** Core Solar SPV I, LLC  
**ISD Name** Andrews 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: Andrews, County M&O (0.4325) and R&B (0.0590)	2021	10 years	\$ 881,751	80%	\$ 176,350
	City: N/A					
	Other: Hospital District, M&O (0.39966)	2021	10 years	\$ 716,990	80%	\$ 143,398
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>				\$ 1,598,741		\$ 319,748

Additional information on incentives for this project: Average annual tax used, based on total 10 year taxes, divided by ten year period

Tab 15

**Economic Impact Analysis**

TO BE PROVIDED BY COMPTROLLER'S OFFICE

Tab 16

**Description of the Reinvestment Zone**

- a. Evidence the area qualifies as an enterprise zone as defined by the Governor's office
- b. Legal description of reinvestment zone
- c. Order establishing the reinvestment zone
- d. Guidelines and criteria for establishing the zone

Attached to Application package.

LEGAL DESCRIPTION OF REINVESTMENT ZONE

All that real property situated in Andrews County, State of Texas, described as follows:

Section 2, 3 and 4, Block A-50, Public Schools Lands Survey, Andrews County, Texas

ORDER ESTABLISHING THE REINVESTMENT ZONE

**ANDREWS COUNTY COMMISSIONERS COURT  
RESOLUTION**

**STATE OF TEXAS       §  
                                     §  
COUNTY OF ANDREWS §**

On this 14th day of August, 2017, at a regularly scheduled meeting of the Commissioners Court of Andrews County, Texas, where among other matters on the agenda, came for consideration and adoption the following resolution:

**WHEREAS**, Andrews County previously established Tax Abatement Guidelines and Criteria for tax abatements in Reinvestment Zones;

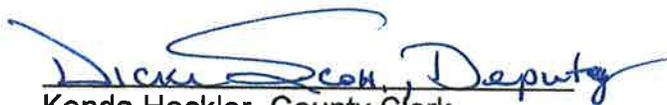
**WHEREAS**, the Tax Abatement Guidelines and Criteria for tax abatements in Reinvestment Zones are currently in effect; and

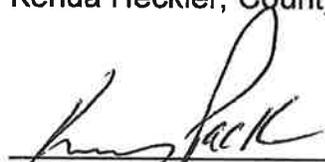
**NOW, THEREFORE, BE IT RESOLVED** that Andrews County hereby elects to become eligible to participate in a tax abatement for the Core Solar SPV I, LLC project as authorized by Chapter 312.002(a) of the Texas Tax Code.

**PASSED AND APPROVED** this 14th day of August, 2017.

  
\_\_\_\_\_  
Richard H. Dolgener, County Judge

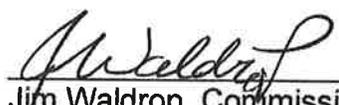
**ATTEST:**

  
\_\_\_\_\_  
Kenda Heckler, County Clerk

  
\_\_\_\_\_  
Kerry Pack, Commissioner Pct. 1

  
\_\_\_\_\_  
Brad Young, Commissioner Pct. 2

  
\_\_\_\_\_  
Jeneane Anderegg, Commissioner Pct. 3

  
\_\_\_\_\_  
Jim Waldrop, Commissioner Pct. 4

**ORDER OF THE  
ANDREWS COUNTY COMMISSIONERS COURT  
DESIGNATING CERTAIN REAL PROPERTY WITHIN ANDREWS COUNTY AS A  
REINVESTMENT ZONE PURSUANT TO CHAPTER 312 OF THE  
TEXAS TAX CODE**

**WHEREAS**, in conformity with Chapter 312 of the Texas Tax Code and Andrews County, Texas' Tax Abatement Guidelines and Criteria Governing Tax Abatement (the "Guidelines"), the Commissioners Court of Andrews County conducted a public hearing at 9:00 AM on August 14, 2017, regarding the designation of real property within Andrews County identified by description in Exhibit "A" and by a visual depiction in Exhibit "B" (the "Property") as a reinvestment zone under Chapter 312 of the Texas Tax Code at the request of Core Solar SPV I, LLC (the "Applicant"); and

**WHEREAS**, Applicant filed a completed application in compliance with the Guidelines with the Commissioners Court of Andrews County, Texas proposing certain improvements (the "Improvements") to be located on the Property and requesting abatement of property taxes with respect to such Improvements; and

**WHEREAS**, Chapter 312 and the Guidelines require that certain findings of fact be entered in order to designate a reinvestment zone.

NOW, THEREFORE, the Commissioners Court of Andrews County, Texas finds as follows with regard to the Property:

- (a) That the Applicant has met its burden and demonstrated to this body that the designation of the Property as a reinvestment zone is reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the Property and that would contribute to the economic development of Andrews County; and
- (b) That the Improvements sought are feasible and practical; and
- (c) That the Improvements sought will be a benefit to the Property and to Andrews County after the expiration of an agreement entered into under Texas Tax Code §312.402; and
- (d) That, in compliance with Chapter 312 of the Texas Tax Code and the Guidelines, not later than the seventh (7<sup>th</sup>) day before the date of said public hearing, (1) notice of the hearing was published in a newspaper having a general circulation in Andrews County, Texas and (2) notice was delivered in writing to all presiding officers of all taxing units within jurisdiction over the Property for which an abatement is sought.

- (e) That notice of said public hearing and the meeting at which this order was adopted was open to the public and was preceded by proper notice as required by Chapter 551 of the Texas Government Code (the Open Meetings Act); and
- (f) That the Property is not within the taxing jurisdiction of any municipality.

WHEREAS the Commissioners Court of Andrews County has made the findings of fact necessary to designate the Property as a reinvestment zone; and

WHEREAS the Commissioners Court of Andrews County believes such designation to be advantageous to the inhabitants of Andrews County.

It is therefore ORDERED by the Commissioners Court of Andrews County that the Property identified above within Andrews County is hereby designated as a reinvestment zone to be referred to as the "Core Solar I Reinvestment Zone" pursuant to Chapter 312 of the Texas Tax Code and, in accordance with Texas Tax Code §312.203, such designation shall be effective for a period of five (5) years from the date of this order and may be renewed as provided by applicable law.

**PASSED AND APPROVED** on this 14th day of August, 2017.

**ANDREWS COUNTY, TEXAS**



The Honorable Richard H. Dolgener, County Judge

**ATTEST:**



Kenda Heckler, County Clerk



Kerry Pack, Commissioner Pct. 1



Brad Young, Commissioner Pct. 2



Jeneane Anderegg, Commissioner Pct. 3



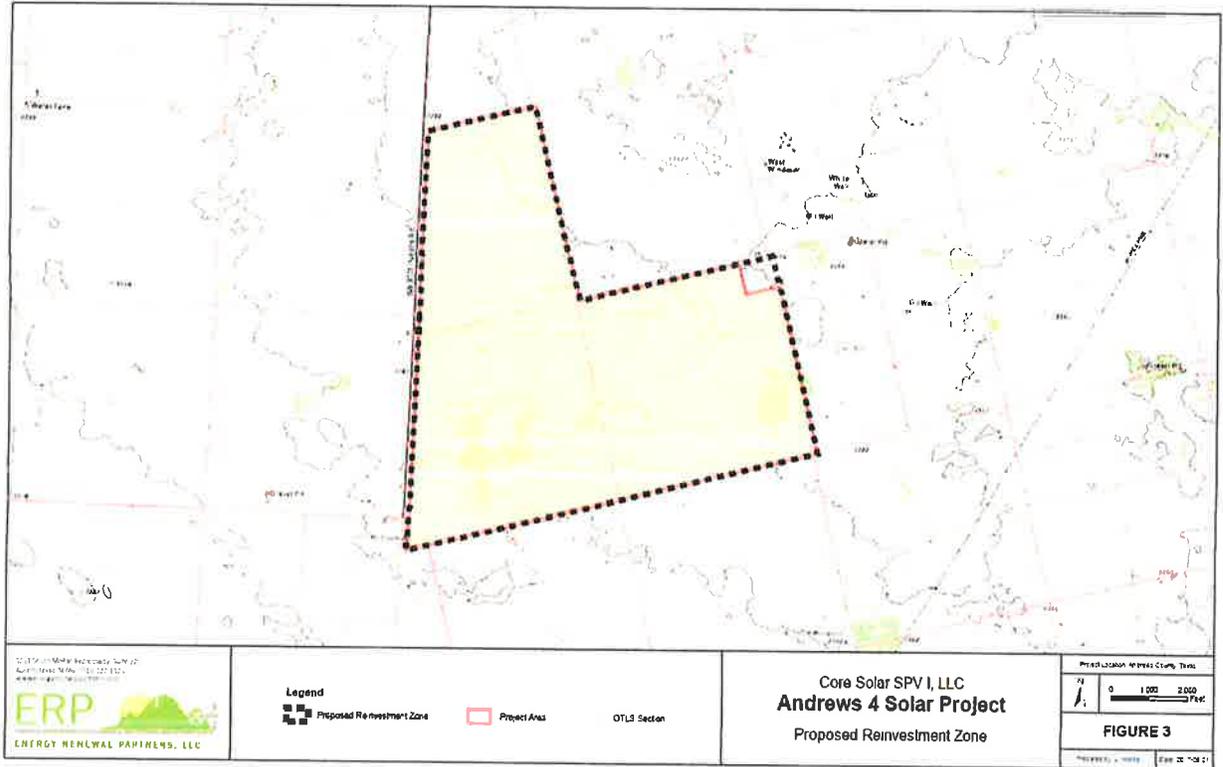
Jim Waldrop, Commissioner Pct. 4

**EXHIBIT A**  
**LEGAL DESCRIPTION OF "CORE SOLAR I"**  
**REINVESTMENT ZONE**

All that real property situated in Andrews County, State of Texas, described as follows:

Sections 2, 3 and 4, Block A-50, Public Schools Lands Survey, Andrews County, Texas,

# EXHIBIT B MAP OF "CORE SOLAR I" REINVESTMENT ZONE



**ANDREWS COUNTY COMMISSIONERS COURT  
RESOLUTION**

**STATE OF TEXAS           §  
  §  
COUNTY OF ANDREWS   §**

On this 14th day of August, 2017, at a regularly scheduled meeting of the Commissioners Court of Andrews County, Texas, where among other matters on the agenda, came for consideration and adoption the following resolution:

**WHEREAS**, Andrews County previously established Tax Abatement Guidelines and Criteria for tax abatements in Reinvestment Zones;

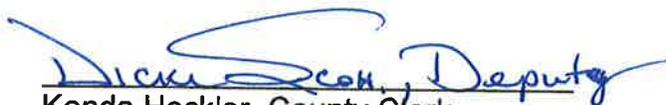
**WHEREAS**, the Tax Abatement Guidelines and Criteria for tax abatements in Reinvestment Zones are currently in effect; and

**NOW, THEREFORE, BE IT RESOLVED** that Andrews County hereby elects to become eligible to participate in a tax abatement for the Core Solar SPV I, LLC project as authorized by Chapter 312.002(a) of the Texas Tax Code.

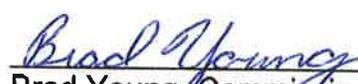
**PASSED AND APPROVED** this 14th day of August, 2017.

  
\_\_\_\_\_  
Richard H. Dolgener, County Judge

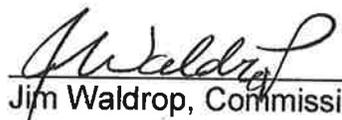
**ATTEST:**

  
\_\_\_\_\_  
Kenda Heckler, County Clerk

  
\_\_\_\_\_  
Kerry Pack, Commissioner Pct. 1

  
\_\_\_\_\_  
Brad Young, Commissioner Pct. 2

  
\_\_\_\_\_  
Jeneane Anderegg, Commissioner Pct. 3

  
\_\_\_\_\_  
Jim Waldrop, Commissioner Pct. 4

## GUIDELINES AND CRITERIA FOR ESTABLISHING THE REINVESTMENT ZONE

# **GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT I ANDREWS, TEXAS**

## **SECTION I. General Purpose:**

The City of Andrews, Andrews County and Andrews County Hospital District (hereinafter referred to as the Affected Jurisdictions) located within the County of Andrews, Texas, are committed to the promotion of business development and to an ongoing improvement in the quality of life for their citizens. The Affected Jurisdictions recognize that these objectives are generally served by enhancement and expansion of the local economy. The Affected Jurisdictions will, on a case by case basis, give consideration to providing tax abatement, as authorized by V.T.C.A., Tax Code, Chapter 312, as stimulation for economic development within the Affected Jurisdictions. It is the policy of the Affected Jurisdictions that said consideration will be provided in accordance with the guidelines and criteria herein set forth and in conformity with the Tax Code.

Nothing contained herein shall imply, suggest or be understood to mean that the Affected Jurisdictions are under any obligation to provide tax abatement to any applicant and attention is called to V.T.C.A., Tax Code, Section 312.002(d). With the above rights reserved all applications for tax abatement will be considered on a case by case basis.

## **SECTION II. Definitions:**

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

1. **Abatement of Taxes:** To exempt from ad valorem taxation all or part of the value of certain Improvements placed on land located in a Reinvestment Zone designated for economic development purposes as of the date of execution of the Tax Abatement Agreement for a period of time not to exceed ten (10) years.
2. **Affected Jurisdiction:** The City of Andrews, County of Andrews, and the Andrews County Hospital District or any other governmental taxing unit located totally within or partially within the County of Andrews that has adopted these guidelines and criteria.
3. **Abatement Agreement:** (1) A contract between a property owner and an Affected Jurisdiction for the abatement of taxes on qualified Real Property located within the Reinvestment Zone, or tangible Personal Property, or both, as authorized by V.T.C.A., Tax Code, Section 312.204.
4. **Base Year Value:** The assessed value of property eligible for tax abatement as of January 1 preceding the execution of an Abatement Agreement as herein defined.
5. **Distribution Center Facility:** A building or structure including Tangible Personal Property used or to be used primarily to receive, store, service or distribute goods or materials.

6. **Expansion of Existing Facilities or Structures:** The addition of buildings, structures, machinery or equipment to a Facility after the date of execution of an Abatement Agreement.
7. **Existing Facility or Structure:** A facility as of the date of execution of the Tax Abatement Agreement, located in or on Real Property eligible for tax abatement.
8. **Facility:** The improvements made to Real Property eligible for tax abatement and including the building or structure erected on such Real Property and/or any Tangible Personal Property to be located in or on such property.
9. **Improvements to Real Property or Improvements:** The construction, addition to, structural upgrading of, replacement of, or completion of any facility located upon, or to be located upon, Real Property, as herein defined, or any Tangible Personal Property placed in or on said Real Property.
10. **Manufacturing Facility:** A Facility which is or will be used for the primary purpose of the production of goods or materials or the processing or change of goods or materials to a finished product.
11. **Modernization/Renovation of Existing Facilities:** The replacement or upgrading of existing facilities.
12. **New Facility:** The construction of a Facility on previously undeveloped real property eligible for tax abatement.
13. **New Permanent Job:** A new employment position created by a business that has provided employment to an employee of at least 1,820 hours annually and intended to be an employment position that exists during the life of the abatement.
14. **Other Basic Industry:** A Facility other than a distribution center facility, a regional service facility or a manufacturing facility which produces goods or services or which creates new or expanded job opportunities and services a market of which 50% of revenues come from outside of Andrews County, Texas.
15. **Owner:** The record title owner of Real Property or the legal owner of Tangible Personal Property. In the case of land leased from an Affected Jurisdiction, the lessee shall be deemed the owner of such leased property together with all improvements and Tangible Personal Property located thereon.
16. **Productive Life:** The number of years a Facility is expected to be in service.
17. **Real Property:** Land on which Improvements are to be made or fixtures placed.
18. **Regional Services Facility:** A Facility, the primary purpose of which is to service or repair goods or materials and which creates job opportunities within the Affected Jurisdictions.
19. **Reinvestment Zone:** Real Property designated as a Reinvestment Zone under the provisions of V.T.C.A., Tax Code, Section 312.

- 20. Tangible Personal Property:** Any Personal Property, not otherwise defined herein and which is necessary for the proper operation of any type of Facility.
- 21. Renewable Energy Facility:** a Facility that produces energy derived from renewable energy technologies, as defined in PUC Substantive Rule 25.5, specifically including a wind energy facility and a solar energy facility.

### **SECTION III. Intent of Criteria and Guidelines:**

The Intent of the criteria and guidelines, as herein set forth, is to establish the minimum standards which an applicant for tax abatement must meet in order to be considered for such status by the Affected Jurisdictions.

### **SECTION IV. Criteria and Guidelines for Tax Abatement:**

Any type of Facility will be eligible for tax abatement consideration provided such Facility meets the following guidelines and criteria:

1. To qualify for Tax Abatement, the company must meet **two or more of the following criteria:**
  - a) The modernization or expansion of an existing facility of any type as herein defined **or** construction of a new facility of any type as herein defined.
  - b) Producer, manufacturer or distributor of goods and services of which 50 percent or more are distributed outside of Andrews County.
  - c) The new business investment must clearly add to the Andrews economic base, not solely or primarily have the effect of transferring employment from one part of the local economy to another.
2. In addition to the aforementioned, the taxing jurisdiction will consider abatement only if the company meets **one of the following criteria:**
  - a) One of the following target industries:
    - i) Plastic Injection Molding
    - ii) Food Processing
    - iii) Back Office Operations
    - iv) Retiree Services
    - v) Oil & Gas Field Services
    - vi.) Supply, distribution or logistics facilities
    - vii.) Renewable energy facilities

or

  - b) The project is not included as a target industry, but has the potential of generating additional significant economic development opportunities to Andrews.

3. A company meeting the criteria and guidelines for tax abatement, as set forth herein, shall be eligible for tax abatement as follows:

	<u>Min. Investment</u>	OR	<u># Jobs</u>
▶ up to 3 yrs. @ 100%	\$50-100,000		5-10
▶ up to 5 yrs. @ 100%	\$100-250,000		11-25
▶ up to 10 yrs. @ 100%	\$250K - \$1 MIL		26- 100+
Over \$1MIL. Or 100 jobs = individually negotiated			

Under this formula, tax abatement may be less than 100% (declining scale) after the initial year.

4. New or existing facilities, of any type herein defined, located in a Reinvestment Zone or upon Real Property eligible for such status will be eligible for consideration for tax abatement status provided that all other criteria and guidelines are satisfied.
5. Improvements to Real Property are eligible for tax abatement status.
6. The following types of Property shall be **ineligible** for tax abatement status and shall be fully taxed.
  - a) Real Property;
  - b) hotel/motel accommodations
  - c) tools;
  - d) furnishings and other forms of movable personal property;
  - e) vehicles;
  - f) aircraft;
  - g) housing;
  - h) boats;
  - i) retail businesses;
  - j) property owned by the State of Texas or any State agency; and,
  - k) property owned or leased by a member of the affected Jurisdiction.
7. To qualify for tax abatement, one of the following conditions must apply:
  - a) The Real Property and eligible improvements and Tangible Personal Property must be owned by the same person, corporation, partnership or other business entity; or,
  - b) In the case of Real Property leased from an Affected Jurisdiction, all improvements placed thereon together with all Tangible Personal Property used in conjunction with said improvements must be owned by the same person, corporation, partnership or other business entity and said owner must have a leased commitment for the full term of the abatement.
8. In Reinvestment Zones, the amount and term of abatement shall be determined on a case by case basis, however, in no event shall taxes be abated for a term in excess of ten (10) years. The amount of the taxable value of Improvements to be abated and the term of the abatement shall be determined by the City of Andrews in all cases where the

property for which tax abatement is applied for is within the City limits or extraterritorial jurisdiction of the City or by the County of Andrews in all cases where the property for which tax abatement is applied for is outside of these limits of the City of Andrews, but within the County of Andrews.

9. No property shall be eligible for tax abatement unless such property is located in a Reinvestment Zone in accordance with V.T.C.A., Tax Code, Section 312.
10. Notwithstanding any of the requirements set forth in Section IV Subsection 3. the governing body of an Affected Jurisdiction upon the affirmative vote of a three-fourths (3/4) of its members may vary any of the above requirements when variation is demonstrated by the applicant for Tax Abatement that variation is in the best interest of the Affected Jurisdiction to do so and will enhance the economic development of the Affected Jurisdiction. By way of example only and not by limitation, the governing body of an Affected Jurisdiction may consider the following or similar terms in determining whether a variance shall be granted:
  - a) That the increase in productivity of the Facility will be substantial and hence directly benefit the economy.
  - b) That the increase of goods or services produced by the Facility will be substantial and directly benefit the economy.
  - c) That the employment maintained at the Facility will be increased.
  - d) That the waiver of the requirement will contribute and provide for the retention of existing jobs within the Affected Jurisdiction.
  - e) That the applicant for tax abatement has demonstrated that if tax abatement is granted to his Facility even though his Facility will not employ additional personnel THAT nevertheless due to the existence of said Facility new jobs will be created as a direct result of his Facility in other facilities located within the Affected Jurisdiction.
  - f) Any other evidence tending to show a direct economic benefit to the Affected Jurisdiction.
11. Taxability:
  - a) The portion of the value of Improvements to be abated shall be abated in accordance with the terms and provisions of a Tax Abatement Agreement executed between the Affected Jurisdiction and the owner of the Real Property and/or Tangible Personal Property, which agreement shall be in accord with the provisions of V.T.C.A., Tax Code, Section 312.205. The property eligible for abatement may be personal, real or mixed property. When an investment improves existing property, the portion of the value of property eligible for abatement is:
    1. For real property, the value of real property which has increased in market value because of the development, re-development or improvements specified in the abatement contract.

2. For personal property, the market value of the personal property at the location, other than inventory or supplies, purchased with new capital identified in the Tax Abatement Agreement contract. Personal property located at the site before the period covered by the agreement is not eligible for tax abatement.
  - b) All ineligible property, if otherwise taxable as herein described, shall be fully taxed.
12. The governing body of each Affected Jurisdiction shall have total discretion as to whether tax abatement is to be granted. Such discretion, as herein retained, shall be exercised on a case by case basis. The adoption of these guidelines and criteria by the governing body of an Affected Jurisdiction does not:
- a) Limit the discretion of the governing body to decide whether to enter into a specific tax abatement agreement;
  - b) Limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for tax abatement; or,
  - c) Create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application or request for tax abatement.
13. The burden to demonstrate that an application for tax abatement should be granted shall be upon the applicant. Each Affected Jurisdiction to which the application has been directed shall have full authority to request any additional information from the applicant that the governing body of such Affected Jurisdiction deems necessary to assist it in considering such application.

#### **SECTION V. Tax Abatement Agreement:**

1. After the creation of a Reinvestment Zone, a Tax Abatement Agreement may be executed between the owner and any Affected Jurisdiction. A Tax Abatement Agreement shall:
  - a) Establish and set forth the Base Year assessed value of the property for which tax abatement is sought.
  - b) Provide that the taxes paid on the base year assessed value shall not be abated as a result of the execution of said Tax Abatement Agreement.
  - c) Provide that ineligible property as subscribed in Section IV, Subsection 6, hereinabove shall be fully taxed.
  - d) Provide for the exemption of Improvements in each year covered by the agreement only to the extent the value of such Improvements for each such year exceeds the value for the year in which the agreement is executed.
  - e) Fully describe and list the kind, number and location of all of the improvements to be made in or on the Real Property.

- f) Set forth the estimated value of all improvements to be made in or on the Real Property.
- g) Clearly provide that tax abatement shall be granted only to the extent:
  - 1. the Improvements to Real Property increase the value of the Real Property for the year in which the Tax Abatement Agreement is executed; and,
  - 2. that the Tangible Personal Property improvements to Real Property were not located on the Real Property prior to the execution of the Tax Abatement Agreement.
- h) Provide for the portion of the value of the improvements to Real Property of improvements to be abated.
- i) Provide for the commencement date and the termination date. In no event shall said dates exceed a period of ten (10) years.
- j) Describe the type and proposed use of the improvements to Real Property or improvements including:
  - 1. The type of facility.
  - 2. Whether the improvements are for a new facility, modernization of a facility, or expansion of a facility.
  - 3. The nature of the construction, proposed time table of completion, a map or drawings of the improvements above mentioned.
  - 4. The amount of investment and the commitment for the creation of new jobs.
  - 5. A list containing the kind, number and location of all proposed Improvements.
  - 6. Any other information required by the Affected Jurisdiction.
- k) Provide a legal description of the Real Property upon which improvements are to be made.
- l) Provide access to and authorize inspection of the Real Property or improvements by employees of the Affected Jurisdiction, who have executed a Tax Abatement Agreement with owner to insure improvements are made according to the specifications and conditions of the Tax Abatement Agreement.
- m) Provide for the limitation of the uses of the Real Property or improvements consistent with the general purpose of encouraging development or redevelopment of the zone during the period covered by the Tax Abatement Agreement.
- n) Provide for contractual obligations in the event of default by owner or violation of the terms or conditions by owner which allows for the recapturing of property tax revenue in the event owner defaults or otherwise fails to make improvements as provided in

said Tax Abatement Agreement, and any other provision as may be required or authorized by State Law.

- o) Contain each term agreed to by the owner of the property.
  - p) Require the owner of the property to certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the agreement.
  - q) Provide that the governing body of the City of Andrews may cancel or modify the agreement if the property owner fails to comply with the agreement.
2. Not later than the seventh day before the City of Andrews or the County of Andrews (as required by V.T.C.A., Tax Code, Section 312.2041 or Section 312.402) enters into an agreement for tax abatement under V.T.C.A., Tax Code, Section 312.204, the governing body of the City of Andrews or a designated officer or employee thereof or the governing body of the County of Andrews or a designated officer or employee thereof shall deliver to the presiding officer of the governing body of each of the taxing units in which the property to be subject to the agreement is located, a written notice that the City of Andrews or the County of Andrews as the case may be, intends to enter into the agreement. The notice must include a copy of the proposed Tax Abatement Agreement.
  3. A notice, as above described in Subparagraph 2, is presumed delivered when placed in the mail, postage paid and properly addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee.
  4. Failure to deliver the notice does not affect the validity of the agreement.

## **SECTION VI. Application:**

1. Any present owner of taxable property located within an Affected Jurisdiction may apply for tax abatement by filing an application with the County Judge County of Andrews, when the Real Property or Tangible Personal Property for which abatement is sought is located within the County of Andrews but outside of the City limits or extraterritorial jurisdiction of the City of Andrews or with the City Manager when the Real Property or Tangible Personal Property for which abatement is sought is located within the City limits of the City of Andrews.
- 2) Information that is provided to an Affected Jurisdiction in connection with an application or request for tax abatement and which describes the specific processes or business activity 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. Information in the custody of an Affected Jurisdiction after the agreement is executed is not confidential (V.T.C.A., Tax Code, Section 312.003).
- 3) The Affected Jurisdiction to whom the application for tax abatement has been directed shall determine if the property described in said application is within a designated Reinvestment Zone. If the Affected Jurisdiction determines that the property described

is not within a current Reinvestment Zone then they shall so notify the applicant and said application shall then be considered both as an application for the creation of a Reinvestment Zone and a request for tax abatement to be effective after the zone is created.

## **SECTION VII. Recapture:**

1. In the event that any type of facility is completed and begins producing goods or services, but subsequently discontinues producing goods or services for any reason, excepting fire, explosion or other casualty or accident or natural disaster or other event beyond the reasonable control of applicant or owner for a period of 180 days during the term of a Tax Abatement Agreement, then in such event the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within ninety (90) days of the date of termination. The burden shall be upon the applicant or owner to prove to the satisfaction of the Affected Jurisdiction to whom the application for tax abatement was directed that the discontinuance of producing goods or services was as a result of fire, explosion, or other casualty or accident or natural disaster or other event beyond the control of applicant or owner. In the event that applicant or owner meets this burden and the Affected Jurisdiction is satisfied that the discontinuance of the production of goods or services was the result of events beyond the control of the applicant or owner, then such applicant or owner shall have a period of one (1) year in which to resume the production of goods and services. In the event that the applicant or owner fails to resume the production of goods or services within one (1) year, then the Tax Abatement Agreement shall terminate and the Abatement of all taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within ninety (90) days of the date of termination. The one year time period, hereinabove mentioned, shall commence upon written notification from the Affected Jurisdiction to the applicant or owner.
2. In the event that the applicant or owner has entered into a Tax Abatement Agreement to make improvements to a facility of any type described in Section 1 above, but fails to undertake or complete such improvements, then in such event the Affected Jurisdiction to whom the application for tax abatement was directed shall give the applicant or owner ninety (90) days notice of such failure. The applicant or owner shall demonstrate to the satisfaction of the Affected Jurisdiction, above mentioned, that the applicant or owner has commenced to cure such failure within the ninety (90) days above mentioned. In the event that the applicant or owner fails to demonstrate that he is taking affirmative action to cure his failure, then in such event the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within ninety (90) days of the date of termination.

3. In the event that the Affected Jurisdiction to whom application for tax abatement was directed determines that the applicant or owner is in default of any of the terms or conditions contained in the Tax Abatement Agreement, then in such event the Affected Jurisdiction, shall give the applicant or owner ninety (90) days written notice to cure such default. In the event such default is not cured to the satisfaction of the Affected Jurisdiction within the ninety (90) days notice period, then the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within ninety (90) days of the date of termination.
4. In the event that the applicant or owner allows ad valorem taxes on property ineligible for tax abatement owed to any Affected Jurisdiction to become delinquent and fails to timely and properly follow the legal procedures for their protest or contest, then in such event the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination, under this subparagraph, takes place shall be payable to each Affected Jurisdiction by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within ninety (90) days of the date of termination.
5. In the event that the applicant or owner, who has executed a Tax Abatement Agreement with any Affected Jurisdiction, relocates the business for which tax abatement has been granted to a location outside of the designated Reinvestment Zone, then in such event, the Tax Abatement Agreement shall terminate after ninety (90) days written notice by the Affected Jurisdiction to the Owner/Applicant. Taxes abated during the calendar year in which termination, under this subparagraph takes place shall be payable to each Affected Jurisdiction by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within ninety (90) days of the date of termination.
6. The date of termination as that term is used in this Subsection VII shall, in every instance, be the 60th day after the day the Affected Jurisdiction sends notice of default, in the mail to the address shown in the Tax Abatement Agreement to the Applicant or Owner. Should the default be cured by the owner or Applicant within the ninety (90) day notice period, the Owner/Applicant shall be responsible for so advising the Affected Jurisdiction and obtaining a release from the notice of default from the Affected Jurisdiction, failing in which, the abatement remains terminated and the abated taxes must be paid.
7. In every case of termination set forth above, the Affected Jurisdiction to which the application for tax abatement was directed shall determine whether default has occurred by Owner (Applicant) in the terms and conditions of the Tax Abatement Agreement and shall so notify all other Affected Jurisdictions. Termination of the Tax Abatement Agreement by the Affected Jurisdiction to which the application for tax abatement was directed shall constitute simultaneous termination of all Tax Abatement Agreements of all other Affected Jurisdictions.

8. In the event that a Tax Abatement Agreement is terminated for any reason whatsoever and taxes are not paid within the time period herein specified, then in such event, the provisions of V.T.C.A., Tax Code. Section 33.01 will apply.

**SECTION VIII. Miscellaneous:**

1. Any notice required to be given by these criteria or guidelines shall be given in writing to the addresses appearing on the Tax Abatement Agreement:
2. The Chief Appraiser of the Andrews County Appraisal District shall annually assess the Real and Personal Property comprising the Reinvestment Zone. Each year, the applicant or owner receiving tax abatement shall furnish the Chief Appraiser with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the Affected Jurisdictions which levy taxes of the amount of assessment.
3. Upon the completion of improvements made to any type of Facility as set forth in these criteria and guidelines, a designated employee or employees of any Affected Jurisdiction having executed a Tax Abatement Agreement with applicant or owner shall have access to the Facility to insure compliance with the Tax Abatement Agreement.
4. A Tax Abatement Agreement may be assigned to a new owner but only after written consent has been obtained from all Affected Jurisdictions which have executed such an agreement with the applicant or owner.
5. These guidelines and criteria are effective upon the date of their adoption by an Affected Jurisdiction and shall remain in force for two (2) years. At the end of the two (2) year period these guidelines and criteria may be readopted, modified, amended or rewritten as the conditions may warrant.
6. Each Affected Jurisdiction shall determine whether or not said Affected Jurisdiction elects to become eligible to participate in tax abatement. In the event the Affected Jurisdiction elects by resolution to become eligible to participate in tax abatement, then such Affected Jurisdiction shall adopt these guidelines and criteria by separate resolution forwarding a copy of both resolutions to all other Affected Jurisdictions.
7. In the event of a conflict between these guidelines and criteria and V.T.C.A., Tax Code, Chapter 312, then in such event the Tax Code shall prevail and these guidelines and criteria interpreted accordingly.
8. The guidelines and criteria once adopted by an Affected Jurisdiction may be amended or repealed by a vote of three-fourths of the members of the governing body of an Affected Jurisdiction during the two (2) year term in which these guidelines and criteria are effective.

Tab 17

**Signature and Certification Page**

Signed and Notarized Application page attached to application package.

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

BOBBY HEATH  
Print Name (Authorized School District Representative)

SUPERINTENDENT  
Title

sign here

[Handwritten Signature]  
Signature (Authorized School District Representative)

November 13, 2018  
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

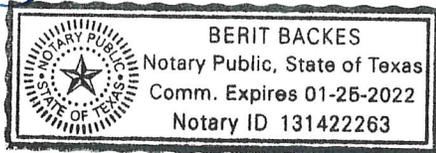
John Lichtenberger  
Print Name (Authorized Company Representative (Applicant))

Sr. Vice President  
Title

sign here

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

NOVEMBER 12, 2018  
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

12 day of November, 18

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

My Commission expires: 1-25-2022

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.