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December 18, 2018

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

RE: Application to the Blackwell Consolidated Independent School District
from 226HC 8me 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 Blackwell Consolidated Independent School District is notifying 226HC 8me 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 28, 2018. The Board voted to accept the application on November 28, 2018. The application has been determined complete as of December 14, 2018.

Please do not hesitate to call with any questions.

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: 226HC 8me LLC
Nolan County Appraisal District

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

Tab 1

Pages 1 through 7 of application.

See pages 1-7 of application.

Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. 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 28, 2018		
Date Application Received by District		
ABE	GOTT	
First Name	Last Name	
SUPERINTENDENT		
Title		
BLACKWELL CISD		
School District Name		
100 HORNET DRIVE		
Street Address		
100 HORNET DRIVE		
Mailing Address		
BLACKWELL	TX	79506
City	State	ZIP
(325) 282-2311	(325) 282-2027	
Phone Number	Fax Number	
	AGOTT@BLACKWELLCISD.ORG	
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)

_____	_____
First Name	Last Name
Partner	
_____	_____
Title	
Moak, Casey & Associates	
_____	_____
Firm Name	
512-485-7878	512-485-7888
Phone Number	Fax Number
_____	dcasey@moakcasey.com
_____	Email Address
Mobile Number (optional)	

4. On what date did the district determine this application complete? December 14, 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)

_____	_____
First Name	Last Name
VICE PRESIDENT, TAX	8MINUTENERGY RENEWABLES LLC
_____	_____
Title	Organization
5455 Wilshire Blvd., Suite 2010	
Street Address	
Same	
_____	_____
Mailing Address	
Los Angeles	CA
City	State
(415) 309-5383	90036
Phone Number	ZIP
_____	(310) 424-7112
_____	Fax Number
_____	dnelson@8minutenergy.com
_____	Business Email Address
Mobile Number (optional)	

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
_____	_____
_____	Business Email Address
Mobile Number (optional)	

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)

John _____ Pitts, Jr. _____
 First Name Last Name
 Principal _____
 Title _____
 Texas Star Alliance _____
 Firm Name _____
 512-413-1062 _____
 Phone Number Fax Number
 john2@texasstaralliance.com _____
 Business Email Address

SECTION 3: Fees and Payments

- 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.
- 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
- 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

- What is the legal name of the applicant under which this application is made? _____ 226HC 8me LLC
- List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) _____ 32068176281
- List the NAICS code _____ 221114
- 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

- Identify Business Organization of Applicant (corporation, limited liability corporation, etc) _____ Limited Liability Company
- 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.
- Is the applicant current on all tax payments due to the State of Texas? Yes No
- Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A
- 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 1Q2019
- 2. Commencement of construction AUGUST, 2019
- 3. Beginning of qualifying time period FEBRUARY 1, 2019
- 4. First year of limitation 2021
- 5. Begin hiring new employees 1Q2020
- 6. Commencement of commercial operations 2Q2020
- 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? 2Q2020

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Nolan County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Nolan CAD
- 3. Will this CAD be acting on behalf of another CAD to appraise this property? Yes No
- 4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 County: Nolan, \$0.531656, 100% City: N/A
(Name, tax rate and percent of project)
 Hospital District: Nolan Co. Hosp. Dist., \$0.40000, 100% Water District: Westex groundwater District, \$0.0050, 100%
(Name, tax rate and percent of project)
 Other (describe): Other (describe):
(Name, tax rate and percent of project)
- 5. Is the project located entirely within the ISD listed in Section 1? Yes No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
- 6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

- NOTE:** The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at comptroller.texas.gov/economy/local/ch313/.
- 1. At the time of application, what is the estimated minimum qualified investment required for this school district? 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? January 2019

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 825.00
- b. 110% of the average weekly wage for manufacturing jobs in the county is 1,239.70
- c. 110% of the average weekly wage for manufacturing jobs in the region is 935.00
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 48,596.00
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 50,000.00
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No
- 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
- 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

Tab 2

Proof of Payment of Application Fee.

Please find on the attached page, a copy of the check for the \$75,000 application fee.

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

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

Tab 3

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

Not applicable.

Tab 4

Detailed Description of the Project

Provide 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.

226HC 8me LLC ("226HC") is requesting an appraised value limitation from Blackwell Consolidated Independent School District ("CISD") for the Holstein Solar Project (the "Project"), a proposed 200 MWac solar powered electric generating facility in Nolan County. The proposed Blackwell CISD Project (this application) will be constructed within a Reinvestment Zone that will be established by Nolan County in November 2018. A map showing the location of the project is included in TAB 11.

Applicant requests a value limitation for all facilities and equipment installed for the Project, including but not limited to, photovoltaic (PV) modules, posts, racks and tables, trackers, inverters, transformers, wiring, SCADA, foundations, roadways, O&M building, meteorological towers, collection system, communication system, electric substation, electric switchyard, electric transformers, transmission line and associated towers, and interconnection facilities, and any and all supporting equipment including but not limited to security systems, fencing, etc.

The Project expects final notice to proceed by June 1, 2019 and anticipates construction of the Project to begin by August 1, 2019, with completion by June 1, 2020.

Tab 5

Documentation to assist in determining if limitation is a determining factor.

8Minutenergy Renewables LLC (8Minutenergy) is the largest independent solar power developer in the US, with a solar project pipeline of over 7,500 MW. 8Minutenergy is headquartered in California and has offices in Houston, Texas.

8Minutenergy is keen to develop and build the proposed 226HC Solar Project as per this application, but since this Project is still in the early stages of development, further investment could be, if necessary, redeployed to other counties and states competing for similar solar projects. 8Minutenergy is active in states throughout the United States, where each project individually competes for a finite pool of capital investment. State and local tax incentives contribute to the lowering of the cost of power sold to our customers and making our investment more viable and marketable. 8Minutenergy has many solar power sites in development throughout the country and are continually comparing investment opportunities, rate of return, and market viability of each project based upon project financial metrics.

For example, 8Minutenergy currently has ongoing project developments in many states, including but not limited to Arizona, California, Colorado, Florida, Nevada, and New Mexico. Of all these states, Texas is the only one without statutory property tax exemptions for utility-scale solar power plants, illustrated as follows:

<u>STATE</u>	<u>PROPERTY TAX INCENTIVE</u>	<u>INCENTIVE PERIOD</u>
ARIZONA	80% EXEMPTION	INDEFINITE
CALIFORNIA	100% EXEMPTION	INDEFINITE
COLORADO	65%-80% EXEMPTION	INDEFINITE
FLORIDA	80% EXEMPTION	INDEFINITE
NEVADA	55% EXEMPTION	20 YEARS

Due to the extremely competitive power market in ERCOT most if not all solar projects' economic model assumptions are based on the Project securing the maximum Chapter 313 appraised value limitation and other local tax incentives. The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates. Power rates in the Texas market are at much lower rates than other states because of competitively low electricity prices, and the wholesale electricity pricing virtually always reflects the full value of tax incentives. Without the tax incentives in Texas, including the Chapter 313 appraised value limitation, a project becomes non-financeable. Therefore, this appraised value limitation is critical to the ability of the proposed Project to move forward as currently sited.

Tab 6

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

- 1) Nolan County – 100%
- 2) Nolan County Hospital District – 100%
- 3) Blackwell CISD – 100%
- 4) WestTex Groundwater District – 100%

Tab 7

Description of Qualified Investment

The proposed qualified investment is a utility-scale renewable energy electric facility that will use solar power to generate electricity.

226HC 8me LLC plans to construct a 200 MWac solar farm in Nolan County. This application covers all qualified property within Blackwell CISD necessary for the commercial operations of the proposed solar farm described in Tab 4. 100% of the Project will be located in the Blackwell CISD.

This application covers all qualified investment and qualified property necessary for the commercial operations of the solar farm. Qualified Investment and qualified property includes, but is not limited to, PV modules, posts, racks and tables, trackers, inverters, transformers, wiring, SCADA, foundations, roadways, O&M building, meteorological towers, collection system, communication system, electric substation, electric switchyard, electric transformers, transmission line and associated towers, interconnection facilities, and any and all supporting equipment including but not limited to security systems, fencing, etc.

Tab 8

Description of Qualified Property

The proposed qualified property is a utility-scale renewable energy electric facility that will use solar power to generate electricity.

226HC 8me LLC plans to construct a 200 MWac solar farm in Nolan County. This application covers all qualified property within Blackwell CISD necessary for the commercial operations of the proposed solar farm described in Tab 4. 100% of the Project will be located in the Blackwell CISD.

This application covers all qualified investment and qualified property necessary for the commercial operations of the solar farm. Qualified Investment and qualified property includes, but is not limited to, PV modules, posts, racks and tables, trackers, inverters, transformers, wiring, SCADA, foundations, roadways, O&M building, meteorological towers, collection system, communication system, electric substation, electric switchyard, electric transformers, transmission line and associated towers, interconnection facilities, and any and all supporting equipment including but not limited to security systems, fencing, etc.

Tab 9

Description of Land

Not applicable.

Tab 10

Description of all property not eligible to become qualified property

Not applicable.

Tab 11

Maps that clearly show:

- a) **Project vicinity;**
- b) **Qualified investment including location of new building or new improvements;**
- c) **Qualified property including location of new building or new improvements;**
- d) **Existing property;**
- e) **Land location within vicinity map; and**
- f) **Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size.**

226HC 8me LLC

Write a description for your map.

Legend

- Feature 1
- Gen Tie
- Richards
- Richards Kin

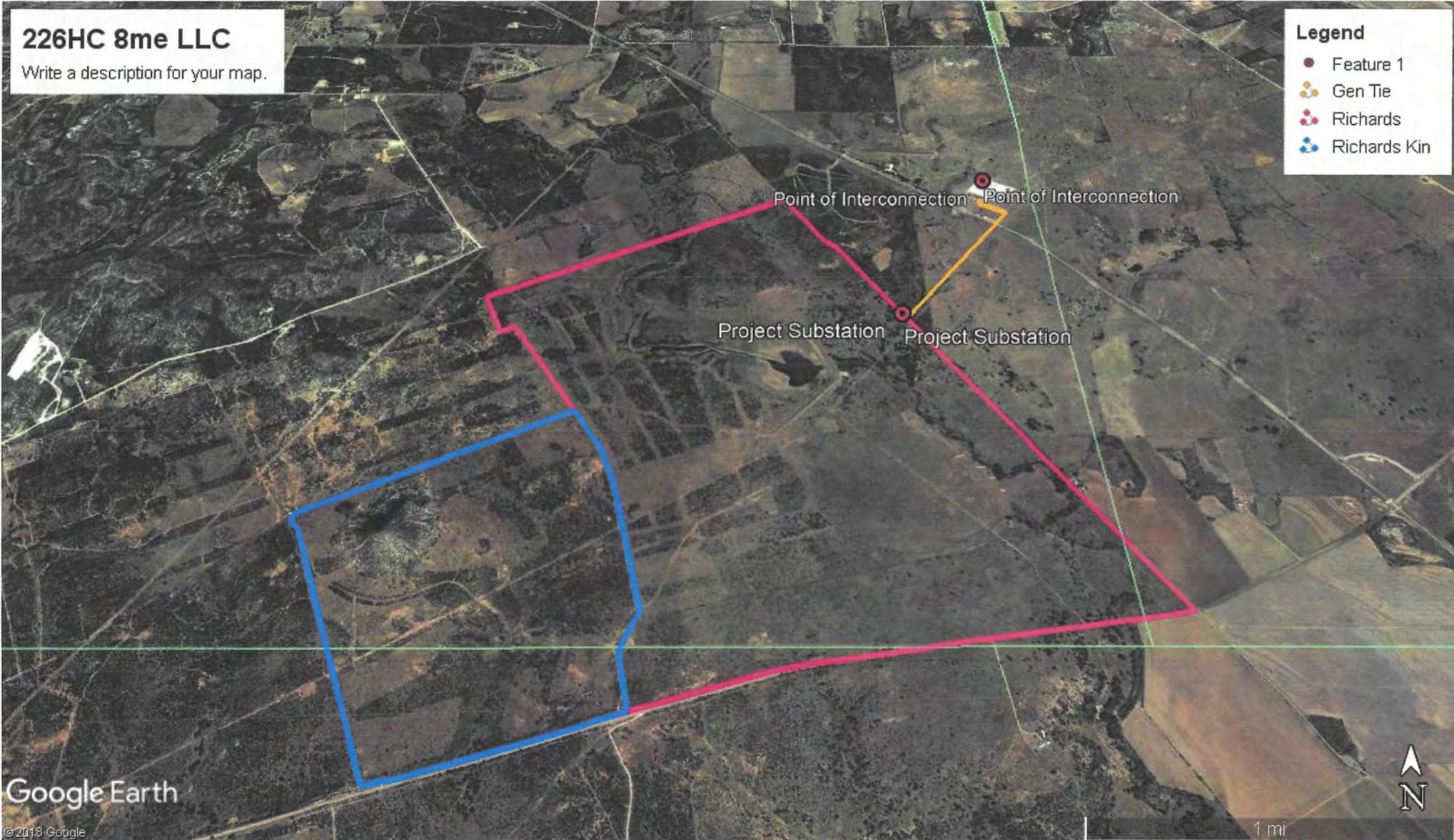
Point of Interconnection Point of Interconnection

Project Substation Project Substation

Google Earth

© 2018 Google

1 mi



226HC 8me LLC

Write a description for your map.

Legend

- acres
- Feature 1
- Gen Tie

Project Substation

Point of Interconnection



VICINITY MAP



BLACKWELL CONSOLIDATED
INDEPENDENT SCHOOL
DISTRICT

HOLSTEIN TAX
ABATEMENT MAP
NOLAN COUNTY

NOLAN COUNTY

TAYLOR COUNTY

COKE COUNTY

WINTERS INDEPENDENT
SCHOOL DISTRICT

RUNNELS COUNTY

NOTE:

LINES SHOWN HEREON ARE CONCEPTUAL
AND HAVE NOT BEEN FIELD VERIFIED.

SCHOOL DISTRICT LINE WAS SKETCHED
BASED ON INFORMATION PROVIDED FROM
MAPTECHNICA.COM.

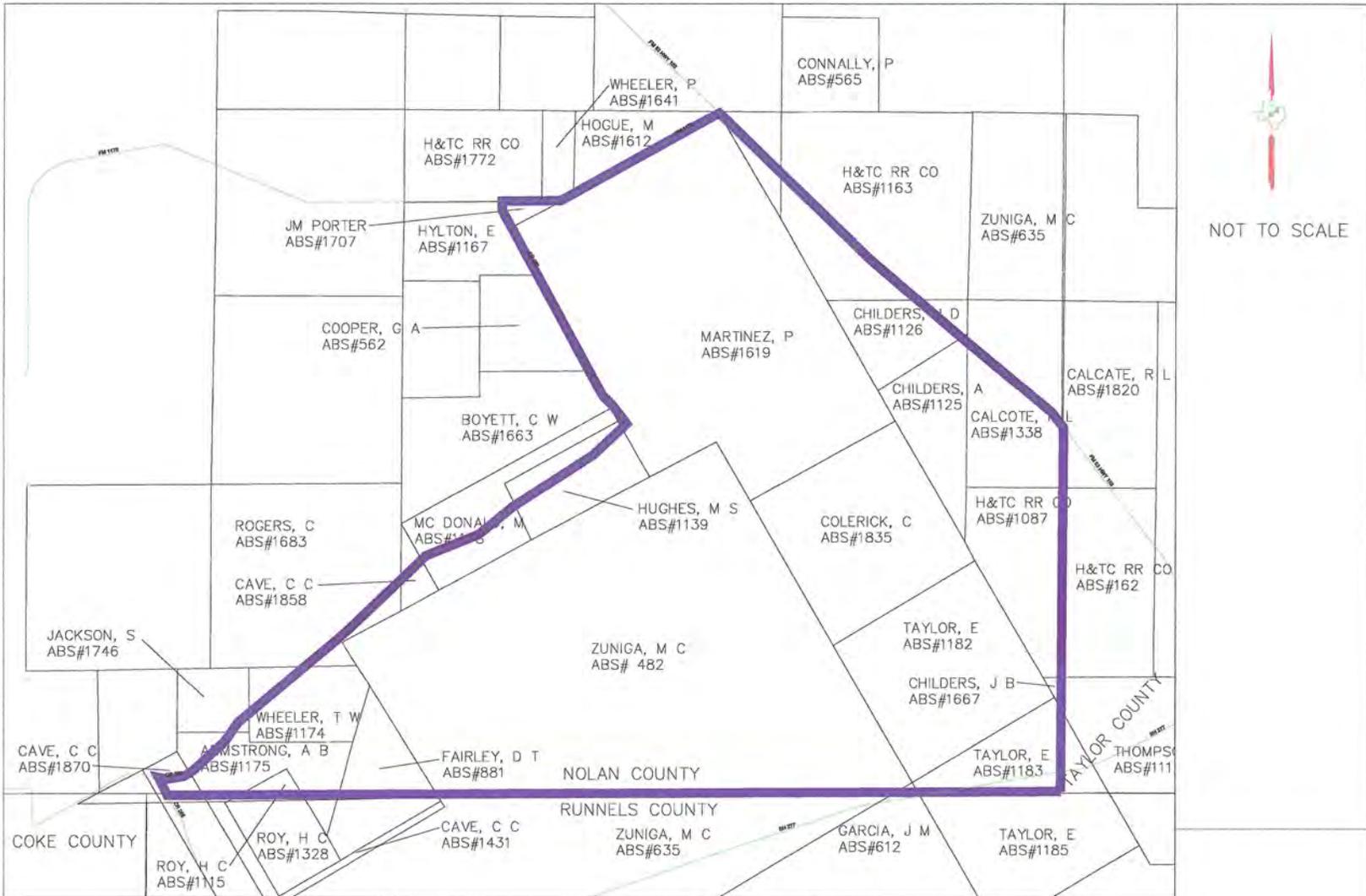
HOLSTEIN TAX ABATEMENT

VICINITY MAP
SITUATED IN
BLACKWELL CONSOLIDATED I.S.D.

PROJECT SITE MAP

-  PROJECT BOUNDARY/
PROPOSED REINVESTMENT ZONE
-  COUNTY LINE
-  SCHOOL DISTRICT LINE

DATE: 08/13/2018



HOLSTEIN TAX ABATEMENT MAP

IMPROVEMENT MAP
SITUATED IN
BLACKWELL CONSOLIDATED I.S.D

PROJECT SITE MAP

- PROJECT BOUNDARY/
PROPOSED REINVESTMENT ZONE
- SURVEY ABSTRACT LINES
- ROADS

DATE: 08/13/2018

Tab 12

Request for Waiver of Job Creation Requirement and supporting information (if applicable):

See attached letter.



8minutenergy Renewables
4370 Town Center Blvd., Suite 110
El Dorado Hills, CA 95762
www.8minutenergy.com

November 12, 2018

Mr. Abe Gott
Blackwell Consolidated Independent School District
100 Hornet Dr.
Blackwell, TX 79506

Re: Chapter 313 Job Waiver Request

Dear Superintendent Gott,

226HC 8me LLC ("226HC Solar") requests that the Blackwell Consolidated Independent School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the Tax Code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

226HC Solar requests that the Blackwell Consolidated Independent School District makes such a finding and waive the job creation requirement for twenty-five permanent jobs. In line with industry standards for job requirements, 226HC Solar estimates that the project will create two permanent jobs, which will be in Blackwell CISD district.

Solar projects create a large number (i.e., hundreds) of full and part-time jobs during the construction phase of the project that have a significant positive impact on the local economy. However, such projects require few, if any, permanent employees to operate and maintain the project after commercial operation commences.

The number of jobs specified in this application is in line with the industry standards for a solar plant of this scope and size. The industry standard for employment is typically less than one full-time employee for approximately every 75-100 MW of solar. This number may vary depending on the operations and maintenance requirements of the power plant. This modest job number is evidenced by previously filed limitation agreement applications by solar developers who also requested a waiver of the job requirements.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Daniel Nelson', with a long horizontal stroke extending to the right.

Daniel Nelson
Vice President

Tab 13

Calculation of three possible wage requirements with TWC documentation.

- Nolan County average weekly wage for all jobs (all industries)
- Nolan County average weekly wage for all jobs (manufacturing)
- See attached Council of Governments

**226HC 8me LLC
TAB 13 TO CHAPTER 313 APPLICATIONN**

**NOLAN COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES**

<u>QUARTER</u>	<u>YEAR</u>	<u>AVE WEEKLY WAGE</u>	<u>ANNUALIZED WAGE</u>
SECOND	2018	821	42,692
THIRD	2017	793	41,236
FOURTH	2017	837	43,524
FIRST	2018	849	44,148
AVERAGE \$		<u>825</u>	<u>42,900</u>

**NOLAN COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS**

<u>QUARTER</u>	<u>YEAR</u>	<u>AVE WEEKLY WAGE</u>	<u>ANNUALIZED WAGE</u>
SECOND	2018	1,116	58,032
THIRD	2017	1,064	55,328
FOURTH	2017	1,125	58,500
FIRST	2018	1,203	62,556
AVERAGE \$		<u>1,127</u>	<u>58,604</u>
X		<u>110%</u>	<u>110%</u>
WAGE @ 110%		<u>1,239.70</u>	<u>64,464.40</u>

**CHAPTER 313 WAGE CALCULATION - REGIONAL MFG. WAGE RATE
WEST CENTRAL TEXAS COUNCIL OF GOVERNMENTS**

<u>YEAR</u>	<u>AVE WEEKLY WAGE</u>	<u>ANNUALIZED WAGE</u>
2017	850	44,178
X	<u>110%</u>	<u>110%</u>
WAGE @ 110%	<u>935</u>	<u>48,596</u>

SEE ATTACHED TWC DOCUMENTATION FOR SUPPORT

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	Nolan County	Total All	00	0	10	Total, all industries	\$798
2018	1st Qtr	Nolan County	Total All	00	0	10	Total, all industries	\$849
2017	2nd Qtr	Nolan County	Total All	00	0	10	Total, all industries	\$777
2018	2nd Qtr	Nolan County	Total All	00	0	10	Total, all industries	\$821
2017	3rd Qtr	Nolan County	Total All	00	0	10	Total, all industries	\$793
2017	4th Qtr	Nolan County	Total All	00	0	10	Total, all industries	\$837

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	Nolan County	Private	31	2	31-33	Manufacturing	\$1,156
2018	1st Qtr	Nolan County	Private	31	2	31-33	Manufacturing	\$1,203
2017	2nd Qtr	Nolan County	Private	31	2	31-33	Manufacturing	\$1,047
2018	2nd Qtr	Nolan County	Private	31	2	31-33	Manufacturing	\$1,116
2017	3rd Qtr	Nolan County	Private	31	2	31-33	Manufacturing	\$1,064
2017	4th Qtr	Nolan County	Private	31	2	31-33	Manufacturing	\$1,125

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

COG	Wages	
	Hourly	Annual
Texas	\$26.24	\$54,587
1. Panhandle Regional Planning Commission	\$23.65	\$49,190
2. South Plains Association of Governments	\$19.36	\$40,262
3. NORTEX Regional Planning Commission	\$23.46	\$48,789
4. North Central Texas Council of Governments	\$26.80	\$55,747
5. Ark-Tex Council of Governments	\$18.59	\$38,663
6. East Texas Council of Governments	\$21.07	\$43,827
7. West Central Texas Council of Governments	\$21.24	\$44,178
8. Rio Grande Council of Governments	\$18.44	\$38,351
9. Permian Basin Regional Planning Commission	\$26.24	\$54,576
10. Concho Valley Council of Governments	\$19.67	\$40,924
11. Heart of Texas Council of Governments	\$21.83	\$44,781
12. Capital Area Council of Governments	\$31.49	\$65,497
13. Brazos Valley Council of Governments	\$17.76	\$39,931
14. Deep East Texas Council of Governments	\$17.99	\$37,428
15. South East Texas Regional Planning Commission	\$34.98	\$72,755
16. Houston-Galveston Area Council	\$28.94	\$60,202
17. Golden Crescent Regional Planning Commission	\$26.94	\$56,042
18. Alamo Area Council of Governments	\$22.05	\$48,869
19. South Texas Development Council	\$15.07	\$31,343
20. Coastal Bend Council of Governments	\$28.98	\$60,276
21. Lower Rio Grande Valley Development Council	\$17.86	\$37,152
22. Texoma Council of Governments	\$21.18	\$44,060
23. Central Texas Council of Governments	\$19.30	\$40,146
24. Middle Rio Grande Development Council	\$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.

$$\begin{array}{r}
 \$ 44,178 \\
 \times 110\% \\
 \hline
 \$ 48,596 \div 52 = \$ 934.54
 \end{array}$$

Tab 14

Schedules A1, A2, B, C and D completed and signed Economic Impact (if applicable).

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

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

Date

Applicant Name **226HC 8me LLC**
 ISD Name **Blackwell CISD**

Form 50-296A

Revised May 2014

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district		Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2019	Not eligible to become Qualified Property				[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application	--								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				0	0	0		0	
Complete tax years of qualifying time period	QTP1	2020-2021	2020	139000000	1000000	0		140000000	
	QTP2	2021-2022	2021	0	0	0		0	
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				139000000	1000000	0	0	140000000	
Total Qualified Investment (sum of green cells)				Enter amounts from TOTAL row above in Schedule A2					140000000

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

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

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

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

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

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

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

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

Date
 Applicant Name 226HC 8me LLC
 ISD Name Blackwell CISD

Form 50-296A
 Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property [SEE NOTE]	Column E Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		139000000	1000000	0	0	140000000
<i>Enter amounts from TOTAL row in Schedule A1 in the row below</i>								
Each year prior to start of value limitation period** <i>insert as many rows as necessary</i>	0	2019-2020	2019					
	0	2020-2021	2020					
Value limitation period***	1	2021-2022	2021					
	2	2022-2023	2022					
	3	2023-2024	2023					
	4	2024-2025	2024					
	5	2025-2026	2025					
	6	2026-2027	2026					
	7	2027-2028	2027					
	8	2028-2029	2028					
	9	2029-2030	2029					
	10	2030-2031	2030					
Total Investment made through limitation				139000000	1000000	0	0	140000000
Continue to maintain viable presence	11	2031-2032	2031					
	12	2032-2033	2032					
	13	2033-2034	2033					
	14	2034-2035	2034					
	15	2035-2036	2035					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036					
	17	2037-2038	2037					
	18	2038-2039	2038					
	19	2039-2040	2039					
	20	2040-2041	2040					
	21	2041-2042	2041					
	22	2042-2043	2042					
	23	2043-2044	2043					
	24	2044-2045	2044					
	25	2045-2046	2045					

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

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

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

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

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

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

Applicant Name 226HC 8me LLC

Form 50-296A

ISD Name Blackwell CISD

Revised May 2014

				Qualified Property			Estimated Taxable Value		
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	0	0	0	0	0	0
	0	2020-2021	2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Value Limitation Period	1	2021-2022	2021	\$ -	\$ 931,000	\$ 129,409,000	\$ 130,340,000	\$ 130,340,000	\$ 30,000,000
	2	2022-2023	2022	\$ -	\$ 856,400	\$ 119,039,600	\$ 119,896,000	\$ 119,896,000	\$ 30,000,000
	3	2023-2024	2023	\$ -	\$ 725,900	\$ 100,900,100	\$ 101,626,000	\$ 101,626,000	\$ 30,000,000
	4	2024-2025	2024	\$ -	\$ 688,900	\$ 95,757,100	\$ 96,446,000	\$ 96,446,000	\$ 30,000,000
	5	2025-2026	2025	\$ -	\$ 595,000	\$ 82,705,000	\$ 83,300,000	\$ 83,300,000	\$ 30,000,000
	6	2026-2027	2026	\$ -	\$ 493,600	\$ 68,610,400	\$ 69,104,000	\$ 69,104,000	\$ 30,000,000
	7	2027-2028	2027	\$ -	\$ 384,100	\$ 53,389,900	\$ 53,774,000	\$ 53,774,000	\$ 30,000,000
	8	2028-2029	2028	\$ -	\$ 265,800	\$ 36,946,200	\$ 37,212,000	\$ 37,212,000	\$ 30,000,000
	9	2029-2030	2029	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	10	2030-2031	2030	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
Continue to maintain viable presence	11	2031-2032	2031	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	12	2032-2033	2032	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	13	2033-2034	2033	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	14	2034-2035	2034	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	15	2035-2036	2035	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	17	2037-2038	2037	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	18	2038-2039	2038	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	19	2039-2040	2039	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	20	2040-2041	2040	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	21	2041-2042	2041	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	22	2042-2043	2042	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	23	2043-2044	2043	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	24	2044-2045	2044	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
	25	2045-2046	2045	\$ -	\$ 200,000	\$ 27,800,000	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000

Notes:

* Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date

Applicant Name

226HC 8me LLC

Form 50-296A

ISD Name

Blackwell CISD

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	400 FTE	60000			
	0	2020-2021	2020	400 FTE	60000			
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2021-2022	2021			0	2	50,000.00
	2	2022-2023	2022			0	2	50,000.00
	3	2023-2024	2023			0	2	50,000.00
	4	2024-2025	2024			0	2	50,000.00
	5	2025-2026	2025			0	2	50,000.00
	6	2026-2027	2026			0	2	50,000.00
	7	2027-2028	2027			0	2	50,000.00
	8	2028-2029	2028			0	2	50,000.00
	9	2029-2030	2029			0	2	50,000.00
	10	2030-2031	2030			0	2	50,000.00
Years Following Value Limitation Period	11 through 25	2031-2046	2031-2045			0	2	50,000.00

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
 Applicant Name 226HC 8me LLC
 ISD Name Blackwell CISD

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	NOLAN COUNTY	2021	10 YEARS	400,000	280,000	120,000
	Nolan County Hospital Dist.	2021	10 YEARS	300,000	210,000	90,000
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:						
TOTAL				700,000	490,000	210,000

Additional information on incentives for this project:

226HC anticipates entering into s312 agreements with Nolan County and the Nolan Hospital District pursuant to which 70% of taxes will be abated for a 10 year period.

Tab 15

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

None.

Tab 16

Description of Reinvestment Zone or Enterprise Zone, including:

- a) Evidence that the area qualifies as a enterprise zone as defined by the Governor's office;
- b) Legal description of reinvestment zone*;
- c) Order, resolution, or ordinance established the reinvestment zone*; and
- d) Guidelines and criteria for creating the zone*.

16a) Not applicable.

16b) Will be submitted once County establishes the reinvestment zone.

16c) Will be submitted once County establishes the reinvestment zone.

16d) See attached.

Nolan County State of Texas

Tax Abatement Guidelines and Criteria

The purpose of this document is to establish guidelines, and a uniform policy of tax abatement for owners or lessees of eligible facilities willing to execute tax abatement contracts designed to provide long term significant positive economic impact to the community by utilizing the area contractors and work force to the maximum extent feasible, and by developing, redeveloping, and improving property. Except as otherwise provided, all contracts will be identical.

In order to be eligible for designation as a reinvestment zone and receive tax abatement, the planned improvement:

1. Must be reasonably expected to have an increase in positive net economic benefit to Nolan County of at least \$1,000,000.00 over the life of the abatement, computed to include (but not limited to) new sustaining payroll and /or capital improvement. The creation of (number and type) new jobs will also factor into the decision to grant an abatement; and
2. Must not be expected to solely or primarily have the effect of transferring employment from one part of Nolan County to another.

In addition to the criteria set forth above, the Nolan County Commissioners Court reserves the right to negotiate a tax abatement agreement in order to compete favorably with other communities.

Only that increase in the fair market value of the property directly resultant from the development, redevelopment, and improvement specified in the contract will be eligible for abatement and then only to the extent that such increase exceeds any reduction in the fair market value of the other property of the Applicant located within the jurisdiction creating the reinvestment zone.

All abatement contracts will be for a term no longer than allowed by law.

It is the goal of Nolan County to grant tax abatements on the same terms and conditions as the other taxing units having jurisdiction of the property. However, nothing herein shall limit the discretion of the Nolan County Commissioners Court to consider, adopt, modify or decline any tax abatement request.

This policy is effective as of February 12, 2009 and shall at all times be kept current with regard to the needs of Nolan County and reflective of the official views of the County Commissioners Court and shall be reviewed every two years.

The adoption of these guidelines and criteria by the Nolan County Commissioners Court does not:

1. Limit the discretion of the governing body to decide whether or not to enter into a specific tax abatement agreement;
2. 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;
3. 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;

Section 1 Definitions

- A. "Abatement" means the full or partial exemption from ad valorem taxes of certain property in a reinvestment zone designated by Nolan County or the City of Sweetwater for economic development purposes.
- B. "Agreement" means a contractual agreement between a property owner and / or Lessee and Nolan County.
- C. "Base year value" means the assessed value on the eligible property as of January 1 preceding the execution of the agreement.
- D. "Deferred maintenance" means improvements necessary for continued operation which do not improve productivity or alter the process technology.
- E. "Eligible facilities" means new, expanded, or modernized buildings and structures, including fixed machinery and equipment, which is reasonably likely as a result of granting abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment zone that would be a benefit to the property and that would contribute to the economic development of Nolan County, but does not include facilities which are intended to be primarily to provide goods or services to residents for existing businesses located in Nolan County, such as, but not limited to, restaurants and retail sales establishments, eligible facilities may include, but shall not be limited to hotels and office buildings.
- F. "Expansion" means the addition of building structures, machinery, equipment, or payroll for purposes of increasing production capacity.
- G. "Facility" means property improvement completed or in process of construction which together comprise an interregional whole.
- H. "Modernization" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction,

alteration, or installation of buildings, structures, machinery, or equipment, or both.

- I. "New facility" means property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- J. "Productive life" means the number of years a property improvement is expected to be in service in a facility.

Section 2 Abatement Authorized

- A. Eligible facilities Upon application, eligible facilities shall be considered for tax abatement as hereinafter provided.
- B. Creation of New Values Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between Nolan County and the property owner or Lessee, subject to such limitations as Nolan County may require.
- C. New and existing facilities Abatement may be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between Nolan County and the property owner or Lessee, subject to such limitations as Nolan County may require.
- D. Eligible property Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements and related fixed improvements necessary to the operation and administration of the facility.
- E. Ineligible Property The following types of property shall be fully taxable and ineligible for tax abatement: land, supplies, tools, furnishings, and other forms of movable personal property, housing, deferred maintenance, property to be rented or leased except as provided in Section 2 F, property which has a productive life of less than ten years.
- F. Owned / leased facilities If a leased facility is granted abatement, the agreement shall be executed with the Lessor and the Lessee.
- G. Economic Qualifications In order to be eligible for designation as a reinvestment zone and receive tax abatement, the planned improvement:
 - 1. Must be reasonably expected to have an increase in positive net benefit to Nolan County of at least \$1,000,000.00 over the life of the abatement, computed to include (but not limited to) new sustaining payroll and / or capital improvement. The creation of (number and type) new jobs will also factor into the decision to grant an abatement; and

2. Must not be expected to solely or primarily have the effect of transferring employment from Nolan County to another.

H. Standards for Tax Abatement The following factors, among others, shall be considered in determining whether to grant tax abatement:

1. Value of existing improvements, if any;
2. Type and value of proposed improvements;
3. Productive life of proposed improvements;
4. Number of existing jobs to be retained by proposed improvements;
5. Number and type of new jobs to be created by proposed improvements;
6. Amount of local payroll to be created;
7. Whether the new jobs to be created will be filled by persons residing or projected to reside within affected taxing jurisdiction;
8. Amount which property tax base valuation will be increased during term of abatement and after abatement, which shall include a definitive commitment that such valuation shall not, in any case, be less than \$1,000,000.00
9. The costs to be incurred by Nolan County to provide facilities directly resulting from the new improvements;
10. The amount of ad valorem taxes to be paid to Nolan County during the abatement period considering:
 - a. the existing values;
 - b. the percentage of new value abated;
 - c. the abatement period; and
 - d. the value after expiration of the abatement period.
11. The population growth of Nolan County that occurs directly as a result of new improvements;
12. The types and values of public improvements, if any, to be made by Applicant seeking abatement;
13. Whether the proposed improvements compete with existing businesses to the detriment of the local economy;
14. The impact on the business opportunities of existing businesses;
15. The attraction of other new businesses to the area;
16. The overall compatibility with the zoning ordinances and comprehensive plan for the area;
17. Whether the project obtains all necessary permits from the applicable environmental agencies.

Each eligible facility shall be reviewed on its merits utilizing the factors provided above. After such review, abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

I. Denial of Abatement Neither a reinvestment zone nor abatement agreement shall be authorized if it is determined that:

1. There would be substantial adverse affect on the provision of government services or tax base;
2. The applicant has insufficient financial capacity;
3. Planned or potential use of the property would constitute a hazard to public health, safety or morals;
4. Violation of other codes or laws; or
5. Any other reason deemed appropriate by Nolan County.

J. Taxability From the execution of the abatement to the end of the agreement period, taxes shall be payable as follows:

1. The value of ineligible property as provided in Section 2 E shall be fully taxable; and
2. The base year value of existing eligible property as determined each year shall be fully taxable.

The additional value of new eligible property shall be fully taxable at the end of the abatement period.

Section 3 Application

- A. Any present or potential owner of taxable property in Nolan County may request the creation of a reinvestment zone and tax abatement by filing a written application with the County Judge.
- B. The Application shall consist of a general description of the new improvements to be undertaken, a descriptive list of the improvements for which an abatement is requested, a list of the kind, number and location of all proposed improvements of the property, a map and property description, a time schedule for undertaking and completing the proposed improvements. In the case of modernization, a statement of the assessed value of the facility separately stated for real and personal property shall be given for the tax year immediately preceding the Application. The County may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the Applicant, to be attached to the Application. The completed Application must be accompanied by the payment of a non-refundable application fee for administrative costs associated with the processing of the tax abatement request. All checks in payment of the administrative fee shall be made payable to Nolan County. For abatement requests for improvements with a planned value equal to or in excess of \$1,000,000.00 the fee shall be one thousand and no/100 dollars (\$1000.00), accompanied by the agreement that the Applicant shall pay reasonable consulting fees as may be incurred by Nolan County in the examination of the application as well as the preparation and negotiation of any tax abatement agreement.

- C. Nolan County shall give notice as provided by the Property Tax Code, i.e. written notice, to the presiding officer of the governing body of each taxing unit in which the property to be subject of the agreement is located not later than the seventh day before the public hearing and publication in a newspaper of general circulation within such taxing jurisdiction not later than the seventh day before the public hearing. Before acting upon Application, Nolan County shall, through public hearing, afford the Applicant and the designated representative of any governing body referenced hereinabove opportunity to show cause why the abatement should or should not be granted.
- D. If a city within Nolan County designates a reinvestment zone within its corporate limits and enters into or proposes to enter into an abatement agreement with a present or potential owner of taxable property, such present or potential owner of taxable property may request tax abatement by Nolan County by following the same application process described in Section 3 A hereof. No other notice or hearing shall be required except compliance with the Open Meetings Act, unless the Commissioners Court deems them necessary in a particular case.

Section 4 Agreement

- A. After approval, the Commissioners Court of Nolan County shall formally pass a Resolution and execute an agreement with the owner of the facility and Lessee as required which shall:
 - 1. Include a list of the kind, number, location of all proposed improvements to the property;
 - 2. Provide access to and authorize inspection of the property by the taxing unit to ensure compliance with the agreement;
 - 3. Limit the use of the property consistent with the taxing unit's developmental goals;
 - 4. Provide for recapturing property tax revenues that are lost if the owner fails to make improvements as provided by the agreement;
 - 5. Include each term that was agreed upon with the property owner and require the owner to annually certify compliance with the terms of the agreement to each taxing unit; and
 - 6. Allow the taxing unit to cancel or modify the agreement at any time if the property owner fails to comply with the terms of the agreement
- B. The owner of the facility and Lessee shall also agree to the following:
 - 1. A specified number of permanent full time jobs at facility shall be created, and the owner and Lessee shall make reasonable efforts to employ persons who are residents of Nolan County in such jobs, provided, however, that there shall be no obligation to employ residents who are not:
 - a. equally or more qualified than nonresident applicants;

- b. available for employment on terms and / or salaries comparable to those required by nonresident applicants; or
 - c. able to become qualified with 72 hours training provided by Owner.
2. Each person employed in such job shall perform a portion, if not all, of their work in Nolan County.
3. Owner shall agree that it and its contractors, if any, will use reasonably commercial efforts to maximize its use of goods and services available through Nolan County businesses in the construction, operation, and maintenance of the improvements and the project; provided, however, that there shall be no requirement to use goods and services provided by Nolan County residents that are not:
 - a. of similar quality to those provided by nonresidents; or
 - b. made available on terms and conditions (including pricing) comparable to those offered by nonresidents. Comparable price shall be defined as less than or equal to 105% of the nonresident price for equivalent quality, conditions and terms.
4. Owner or its construction contractor, if any, shall designate a coordinator of local services who will act as liaison between any individuals, businesses, and contractors residing or doing business in Nolan County who are interested in obtaining information about providing goods or services related to the construction of the project. Additionally, Owner or its construction contractor, if any, shall advertise in local newspapers in Nolan County for local contractors to perform work on the construction of the project.
5. Owner shall agree to maintain a viable presence (as below defined) within the Reinvestment Zone for a period of time, as set by the Nolan County Commissioners Court, not to exceed twenty (20) years from the date that the abatement agreement first takes effect. For purposes hereof, "Maintain a viable presence" means (i) the operation of the Eligible Facilities, as the same may from time to time be expanded, upgraded, improved, modified, changed, remodeled, repaired, restored, reconstructed, reconfigured, and / or reengineered, and (ii) the retention of not fewer than three (3) Qualifying Jobs as defined by the Texas Tax Code Section 313.021 (3)E to be located and performed within the County.
6. On May 1st of each year that the agreement shall be in effect, Owner shall certify to the County Judge of Nolan County, and to the governing body of each taxing unity, that Owner is in compliance with each applicable term set forth above.

Such agreement shall normally be executed within sixty (60) days after the Applicant has forwarded all necessary information and documentation to the Commissioners Court.

Section 5 Recapture

- A. In the event that the company or individual:
 - 1. Allows its ad valorem taxes owed Nolan County to become delinquent and fails to timely and properly follow the legal procedures for their protest and / or contest; or
 - 2. Violates any of the terms and conditions of the abatement agreement and fails to cure during the cure period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within thirty (30) days of the termination.

- B. Should Nolan County determine that the company or individual is in default according to the terms and conditions of its agreement, Nolan County shall notify the company or individual in writing at the address stated in the agreement, and if such is not cured within thirty (30) days from the date of such notice (cure period) then the agreement may be terminated.

Section 6 Administration

- A. The Chief Appraiser of the Nolan County Appraisal District will annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the Appraiser with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser will notify the Commissioners Court of Nolan County of the amount of the assessment.

- B. Nolan County may execute a contract with any other jurisdictions) to inspect the facility to determine if the terms and conditions of the abatement agreement are being met. The abatement agreement shall stipulate that employees and /or designated representatives of Nolan County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such a manner as to not unreasonably interfere with the construction and / or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

- C. Upon completion of construction, the designated representative of Nolan County shall annually evaluate each facility receiving abatement to insure compliance with the agreement. A formal report shall be made to the Commissioners Court.

Section 7
Assignment

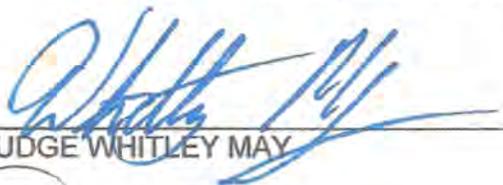
Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the Commissioners Court of Nolan County subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with Nolan County. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably withheld.

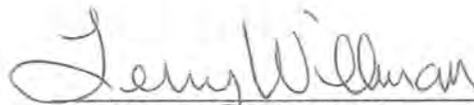
Section 8
Sunset Provision

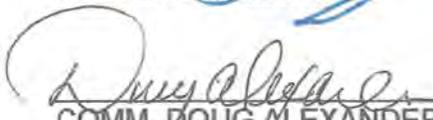
These guidelines and criteria are effective upon the date of their adoption and will remain in force for two years unless amended by three quarters vote of the Commissioners Court of Nolan County, at which time all reinvestment zones and tax abatement agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on the review, the guidelines and criteria will be modified, renewed, or eliminated.

ADOPTED MARCH 24, 2003; revised February 12, 2007; renewed January 12, 2009, December 12, 2011, December 23, 2013, June 27, 2016, June 11, 2018 (Motion by Commissioner Willman; Second by Commissioner Alexander)

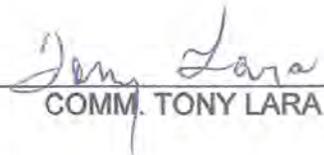
NOLAN COUNTY COMMISSIONERS' COURT


JUDGE WHITLEY MAY


COMM. TERRY WILLMAN


COMM. DOUG ALEXANDER


COMM. TOMMY WHITE


COMM. TONY LARA

Tab 17

Signature and certification page, signed and dated by Authorized School District Representative and Authorized Company Representative (applicant).

See attached.

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print here -> Abe Gott Superintendent
Print Name (Authorized School District Representative) Title
sign here -> [Signature] 10-17-18
Signature (Authorized School District Representative) 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 -> DANIEL NELSON VICE PRESIDENT
Print Name (Authorized Company Representative (Applicant)) Title
sign here -> [Signature] November 13, 2018
Signature (Authorized Company Representative (Applicant)) Date

GIVEN under my hand and seal of office this, the
day of
Notary Public in and for the State of Texas
My Commission expires:

(Notary Seal)

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of San Francisco)
On November 13, 2018 before me, Brittany Edwards Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Daniel Nelson
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: TEXAS COMPTROLLER OF PUBLIC ACCOUNTS Document Date: 11/13/18
Number of Pages: 1 Signer(s) Other Than Named Above: none

Capacity(ies) Claimed by Signer(s)

Signer's Name: Daniel Nelson
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: Vice president
Signer Is Representing: w/a

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____