

**O'HANLON, DEMERATH & CASTILLO**

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE  
AUSTIN, TEXAS 78701  
TELEPHONE: (512) 494-9949  
FACSIMILE: (512) 494-9919

June 5, 2019

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

RE: Amendment002 of the Application to Brackett Independent School District from Zier Solar, LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed is Amendment002 of the Application to Brackett Independent School District from Zier Solar, LLC. In response to your request for information, the following responses have been provided:

1. Section 9: Question 3: Updated to December 1, 2019
2. Section 14: Question 7a: Updated Average Weekly Wage to \$878.00
3. Tab 11: Updated maps 11b and 11c
4. Tab 13: Updated Average Weekly Wage to \$878.00
5. New Signature Page

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

Sincerely,



Kevin O'Hanlon  
School District Consultant

Cc: Kinney County Appraisal District  
Zier Solar, LLC

**Tab 1**

See executed application attached.

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## SECTION 9: Projected Timeline

1. Application approval by school board ..... QTR 3 2019
2. Commencement of construction ..... December 2019
3. Beginning of qualifying time period ..... December 1, 2019
4. First year of limitation ..... January 1, 2022
5. Begin hiring new employees ..... QTR 4 2020
6. Commencement of commercial operations ..... QTR 2 2021
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? ..... ☒ Yes ☐ No
- Note:** Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? ..... QTR 2 2021

## SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located ..... Kinney County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property ..... Kinney 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: Kinney County, 0.6351, 100% City: N/A  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
- Hospital District: N/A Water District: Kinney County GWCD., 0.0590, 100%  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
- Other (describe): N/A Other (describe): County Road & Bridge, 0.0263, 100%  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? ..... ☒ Yes ☐ No
- 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ..... ☐ Yes ☒ No
- 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

## SECTION 11: Investment

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

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

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## SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? ..... 0
2. What is the last complete calendar quarter before application review start date:  
☒ First Quarter    ☐ Second Quarter    ☐ Third Quarter    ☐ Fourth Quarter of 2019  
(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? ..... 3
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 ..... 878.00
- b. 110% of the average weekly wage for manufacturing jobs in the county is .....
- c. 110% of the average weekly wage for manufacturing jobs in the region is ..... 1,058.92
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? ..... 55,063.84
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 55,063.84
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 4**

***Detailed description of the project.***

***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.***

Zier Solar, LLC, (“Zier”) is the project entity formed to facilitate the development of a utility-scale photovoltaic (“PV”) solar energy project (The “Project”). Zier Solar is a wholly owned subsidiary of Cypress Creek Renewables, LLC (“Cypress Creek”). Cypress Creek’s team of subject matter experts in solar resource analysis, mapping systems, environmental studies, permitting, land acquisition, and power marketing places a unique emphasis on the development craft, which is unparalleled in the U.S. renewable energy market. Cypress Creek has developed over 3.2 gigawatts (“GW”) of solar energy facilities across 300+ projects, which are either operating, in-construction, or are contracted to be in construction.

Cypress Creek is actively evaluating renewable energy project opportunities in locations across the United States at various stages of development.

Zier seeks to develop and interconnect 160 megawatts (“MW-AC”) of power into the ERCOT market. There are no existing 312 or 313 agreements in place for the Project. Zier is requesting an appraised value limitation from Brackett ISD for a proposed solar energy project using PV solar energy panels and transmission facilities. The solar energy facility and its associated infrastructure will be constructed within Kinney County, Texas. A map showing the location of the solar energy facility is included as Attachment 11a.

The Project will have an estimated capacity of 160 MW-AC. The Project is located on approximately 1,800 acres of contiguous land located entirely within Brackett ISD. Zier has signed leases and option agreements with property owners of the property needed to construct the Project. The Project will consist of 117.5 MW solar PV modules (or equivalent), connected to form strings, which are subsequently connected in parallel and mounted on rows of horizontal, single axis trackers. The Project will also feature central power inverters and transformers to convert DC power to AC electricity. In addition to the major equipment, there will be the supporting electrical collection system and supporting facilities to be constructed and improved as necessary, as well as overhead transmission lines, a collection substation to permit the interconnection and transmission of electricity generated by the Project, and an operations and maintenance building constructed within the Project’s boundary.

Construction of the solar energy facility is expected to take approximately 12 to 14 months to complete, contingent upon favorable economics for the Project.

While the solar energy resource for Kinney County, Texas is excellent, there are many favorable locations for solar energy projects that could be developed across the United States. Zier Solar, LLC considers a Limitation of Appraised Value Agreement with Brackett ISD as a key and invaluable portion of the Project.

In today's competitive energy market, project investors and power purchasers require solar energy projects to have secured tax incentives, so that they can compete with solar energy projects across the U.S.

Solar energy facilities are operating and under development in many states throughout the country. The United States now has over 44 GW of installed solar capacity, enough to power millions of homes, according to the Solar Energy Industries Association ("SEIA"). In 2017, the U.S. solar market installed over 14 GW, primarily driven by the utility-scale PV segment. According to SEIA, over 22 states installed over 100 MW in 2016, up from just 13 in 2015. While California has historically been the largest state market, other states are growing, such as Utah, Georgia, Nevada, and North Carolina. Together with Texas, these states make up the top six markets for highest total installations in 2016.

Locations for the development of solar energy projects are abundant and Cypress Creek Renewables can locate a project in a wide variety of locations across the United States, should it be unable to develop a competitive project in Texas that is able to generate returns, sufficient enough to attract investment capital.

As construction is one of the most significant costs in creating a solar energy facility, the physical improvements of the Project, once completed, cannot be feasibly moved to another location. The solar modules and supporting infrastructure are long-lived assets engineered and designed specifically for this Project location. The cost of installing the improvements on the site is substantial and the cost to remove, redesign, and relocate the improvements to a different location would be prohibitive.

Zier was formed for the express purpose of developing a photovoltaic solar energy facility that could help bring significant economic development to the area. Cypress Creek identified Texas, and in particular Kinney County and Brackett ISD, for its strong solar energy resource, access to available transmission capacity and the ERCOT market, and favorable property tax incentives under the Tax Code for Chapter 312 abatement and Chapter 313 Appraised Value Limitation. For these reasons, Zier seeks to develop and build the proposed Project as described throughout this Application.

As of January 2019, Zier has no equipment on the Project site. Zier has invested additional capital in interconnection studies with ERCOT, environmental and wildlife studies, and in leasing land for the Project.

Should the Appraised Value Limitation be granted, Zier has created a development and investment plan that is capitalized to implement the Project. Without such a limitation, the Project, competing against other Texas projects that have qualified, would likely be forced to redeploy its assets and capital to other states competing for similar solar energy projects.

**Tab 11**

***Maps that clearly show:***

- 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***



**Tab 11b**

- a. 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***

CONFIDENTIAL – FOR SEPARATE FILING

**Tab 11c**

***b. Qualified property including location of new buildings or new improvements***

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Tab 13

**Calculation of Wage Requirements – Kinney County****Supporting data for Section 14(7)(a)**

Average weekly wage for all jobs (all industries) in the county

Year	Period	Area	Ownership	Division	Level	Ind. Code	Industry	Avg. Weekly Wages
2018	1 <sup>st</sup> Qtr	Kinney County	Total All	0	0	10	Total, All Industries	\$878.00
2018	2 <sup>nd</sup> Qtr	Kinney County	Total All	0	0	10	Total, All Industries	\$828.00
2018	3 <sup>rd</sup> Qtr	Kinney County	Total All	0	0	10	Total, All Industries	\$883.00
2018	4 <sup>th</sup> Qtr	Kinney County	Total All	0	0	10	Total, All Industries	\$923.00
<b>Average weekly wage for previous four quarters</b>								<b>\$878.00</b>

Source: Quarterly Employment and Wages (QCEW) data for Kinney County,

<https://texaslmi.com/LMIbyCategory/QCEW>**Supporting Data for Section 14(7)(b)**

110% of the average weekly wage for manufacturing jobs in the county

TAC §9.1051(21)(A) data for NAICS cods 31-33 is not available for Kinney County

**NO DATA AVAILABLE****Supporting Data for Section 14(7)(c)**

110% of the average weekly wage for manufacturing jobs in the region

<b>Average Hourly Wages</b>	\$24.07
<b>Average Annual Wages</b>	\$50,058.00
<b>Average Weekly Wages @40hrs/week</b>	\$962.65
<b>110% of Average Weekly Wages</b>	<b>\$1,058.92</b>

Source: 2017 Manufacturing Average Wages by Council of Government Region Wages for All Occupations. Project location region: 24. Middle Rio Grande Valley Development Council.

<http://www.tracer2.com/admin/uploadedPublications/COGWages.pdf>

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage	
2018	01	Kinney	Total All	10	Total, All Industries	0	\$	878.00
2018	02	Kinney	Total All	10	Total, All Industries	0	\$	828.00
2018	03	Kinney	Total All	10	Total, All Industries	0	\$	883.00
2018	04	Kinney	Total All	10	Total, All Industries	0	\$	923.00

**Tab 17**

***Signature and Certification Page signed and dated by Authorized School District Representative and Authorized Company Representative (applicant).***

Please see attached.

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## 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

Guillermo Mancha, Jr.

Print Name (Authorized School District Representative)

sign  
here

Signature (Authorized School District Representative)

Superintendent

Title

Date

6/4/19

## 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

Geoff Fallon

Print Name (Authorized Company Representative (Applicant))

sign  
here

Signature (Authorized Company Representative (Applicant))

Senior Director of Development

Title

Date

5/14/19

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) See Attached Notary  
Acknowledgment Certificate

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 Los Angeles )

On May 14, 2019 before me, Karen R. Elmore, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared Geoff Fallon  
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 Karen R. Elmore  
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- 1335 Brackett TSD Zier Solar, LLC Amendment # 2

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

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

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

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

☐ Corporate Officer — Title(s): \_\_\_\_\_

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

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

☐ Corporate Officer — Title(s): \_\_\_\_\_

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_