

BLUEBELL SOLAR II, LLC

**CHAPTER 313 APPLICATION
FOR APPRAISED VALUE LIMITATION
TO STERLING CITY ISD**

Comptroller

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*
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.



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 www.texasahead.org/tax_programs/chapter313/. 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

February 13, 2019

Date Application Received by District

Bob

First Name

Superintendent

Title

Sterling City ISD

School District Name

700 7th St.

Street Address

P.O. Box 786

Mailing Address

Sterling City

City

(325) 378-4781

Phone Number

Mobile Number (optional)

Rauch

Last Name

TX

State

(325) 378-2283

Fax Number

bob.rauch@sterlingcityisd.net

Email Address

76951-0786

ZIP

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)

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

4. On what date did the district determine this application complete? February 19, 2019
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)

John	DiDonato	
First Name	Last Name	
Vice President, Development	NextEra Energy Resources, LLC	
Title	Organization	
700 Universe Blvd.		
Street Address		
700 Universe Blvd.		
Mailing Address		
Juno Beach	FL	33408
City	State	ZIP
(561) 691-7232		
Phone Number	Fax Number	
Mobile Number (optional)	Business Email Address	
	John.DiDonato@nexteraenergy.com	

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.

John	O'Hair	
First Name	Last Name	
Business Development	NextEra Energy Resources, LLC	
Title	Organization	
700 Universe Blvd.		
Street Address		
700 Universe Blvd.		
Mailing Address		
Juno Beach	FL	33408
City	State	ZIP
(561) 304-6098		
Phone Number	Fax Number	
Mobile Number (optional)	Business Email Address	
	John.Ohairvi.nexteraenergy.com	

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)

Brandon _____ Westlake _____
 First Name Last Name
 Consultant _____
 Title _____
 Cummings Westlake, LLC _____
 Firm Name _____
 (713) 266-4456 _____ (713) 266-2333 _____
 Phone Number Fax Number
 bwestlake@cwlp.net _____
 Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? Yes No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A

3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? _____ Bluebell Solar II, LLC

2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) _____ 32066398432

3. List the NAICS code _____ 221114

4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No

4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) _____ Limited Liability Corporation

2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No

2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

3. Is the applicant current on all tax payments due to the State of Texas? Yes No

4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A

5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? Yes No
2. The property will be used for one of the following activities:
 - (1) manufacturing Yes No
 - (2) research and development Yes No
 - (3) a clean coal project, as defined by Section 5.001, Water Code Yes No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code Yes No
 - (5) renewable energy electric generation Yes No
 - (6) electric power generation using integrated gasification combined cycle technology Yes No
 - (7) nuclear electric power generation Yes No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) Yes No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 Yes No
3. Are you requesting that any of the land be classified as qualified investment? Yes No
4. Will any of the proposed qualified investment be leased under a capitalized lease? Yes No
5. Will any of the proposed qualified investment be leased under an operating lease? Yes No
6. Are you including property that is owned by a person other than the applicant? Yes No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? Yes No

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:

<input checked="" type="checkbox"/> Land has no existing improvements	<input type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
Company has 312 agreement with the County
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
Company has 312 agreement with the County
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.

Application for Appraised Value Limitation on Qualified Property

SECTION 9: Projected Timeline

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

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Sterling County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Sterling 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: <u>Sterling County, \$0.526118, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Sterling UGWCD, \$0.01592, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
5. Is the project located entirely within the ISD listed in Section 1? Yes No
 - 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 - 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at www.texasahead.org/tax_programs/chapter313/.

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? _____

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? 1

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 864.00

b. 110% of the average weekly wage for manufacturing jobs in the county is N/A

c. 110% of the average weekly wage for manufacturing jobs in the region is 865.70

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? 45,016.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 45,016.00

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 paid to Sterling City ISD.

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)*

Bluebell Solar II, LLC is a newly acquired entity and will be reported on the 2019 report for NextEra Energy Power Marketing, LLC as it was acquired after the 2018 report was filed. Attached is page 1 of 275 pages of the 2016 report.

Tcode 13250 Annual

Taxpayer number

Report year

Due date

32002608134

2016

05/16/2016

Taxpayer name NextEra Energy Power Marketing, LLC				Secretary of State file number or Comptroller file number 0801079569	
Mailing address 700 Universé Blvd., CTX-JB				PO Box 14000	
City Juno Beach		State FL	Country		ZIP code plus 4 33408
Check box if this is a combined report <input type="checkbox"/>		Check box if Total Revenue is adjusted for Tiered Partnership Election, see instructions <input type="checkbox"/>		Check box to request a Certificate of Account Status <input type="checkbox"/>	
Is this entity a corporation, limited liability company, professional association, limited partnership or financial institution? <input type="checkbox"/> Yes <input type="checkbox"/> No					

*If not twelve months, see instructions for annualized revenue

Accounting year m m d d y y Accounting year m m d d y y SIC code NAICS code
 begin date 010115 end date 123115 551112

REVENUE (Whole dollars only)

1. Gross receipts or sales	1.	29713068404.00
2. Dividends	2.	18687443.00
3. Interest	3.	9099254.00
4. Rents (can be negative amount)	4.	23489136.00
5. Royalties	5.	0.00
6. Gains/losses (can be negative amount)	6.	-167236826.00
7. Other income (can be negative amount)	7.	477067373.00
8. Total gross revenue (Add items 1 thru 7)	8.	30074174784.00
9. Exclusions from gross revenue (see instructions)	9.	22715278.00
10. TOTAL REVENUE (Item 8 minus item 9 if less than zero, enter 0)	10.	30051459506.00

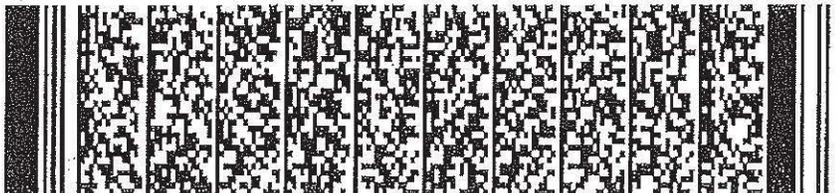
COST OF GOODS SOLD (Whole dollars only)

11. Cost of goods sold	11.	27218704255.00
12. Indirect or administrative overhead costs (limited to 4%)	12.	75290332.00
13. Other (see instructions)	13.	0.00
14. TOTAL COST OF GOODS SOLD (Add items 11 thru 13)	14.	27293994587.00

COMPENSATION (Whole dollars only)

15. Wages and cash compensation	15.	1818145256.00
16. Employee benefits	16.	149635293.00
17. Other (see instructions)	17.	0.00
18. TOTAL COMPENSATION (Add items 15 thru 17)	18.	1967780549.00

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>
PM Date	



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.

Bluebell Solar II, LLC (Bluebell Solar II) is requesting an appraised value limitation from Sterling City Independent School District (ISD) for the Bluebell Solar II Project (the "Project"), a proposed solar powered electric generating facility in Sterling County. The proposed Sterling City ISD Project (this application) will be constructed within the Sterling County, Texas Tax Abatement Reinvestment Zone No. 2018-001 that was created by Jones County on July 9, 2018. A map showing the location of the project is included in TAB 11.

The proposed Project is anticipated to have a capacity of approximately 100 MW located in Sterling City ISD. The exact number and location of panels and inverters will vary depending upon ongoing siting analysis, manufacturer's availability, prices, and the megawatt generating capacity of the Project when completed. Current estimated plans are to install approximately 390,000 PV modules and 33 inverters with all improvements located in Sterling City ISD. The Applicant requests a value limitation for all facilities and equipment installed for the Project, including but not limited to; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

Full construction of the Project is anticipated to begin in the 4th Quarter of 2019 with completion by December 31, 2020.

**NOTE:* The map in TAB 11 shows the potential locations of improvements within Sterling City ISD boundaries; however, the final number of panels and inverters and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

TAB 5

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

NextEra Energy Resources (NEER) is one of the largest wholesale generators of electric power in the U.S., with nearly 19,880 MW of generating capacity across 24 states and four Canadian provinces as of January 2017. NEER produces the majority of its electricity from clean and renewable sources, including wind and solar. NEER also provides full energy and capacity requirements services, engages in power and gas marketing and trading activities, participates in natural gas, natural gas liquids and oil production and pipeline infrastructure development and owns a retail electricity provider. NEER has a long-term commitment to both wind and solar with an outlook to significantly expand our fleet of clean energy generating capacity.

NEER is keen to develop and build the proposed Bluebell Solar II 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 wind projects. NextEra is active in states throughout the Great Plains and southwest, 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. NEER has over 40 wind 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, NEER currently has ongoing project developments in many states, including but not limited to, California, North Dakota and Oklahoma.

Due to the extremely competitive power market in ERCOT most if not all PPA's economic model assumptions are based on the Project securing this 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 under a PPA. A signed PPA in the Texas market is at a much lower rate than other states because of competitively low electricity prices. Both parties of the PPA have an escape clause if the terms of the PPA cannot be met. Without the tax incentives in Texas, a project with a PPA 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) Sterling County | - 100% |
| 2) Sterling City ISD | - 100% |
| 3) Sterling County UGWCD | - 100% |

TAB 7

Description of Qualified Investment

Bluebell Solar II, LLC plans to construct a 100 MW solar farm in Sterling County.

This application covers all qualified property within Sterling City ISD necessary for the commercial operations of the proposed solar farm described in Tab 4. One hundred megawatts (100 MW) will be located in Sterling City ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 390,000 PV modules or equivalent and 33 inverters.

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; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, interconnection facilities and control systems necessary for commercial generation of electricity.

**NOTE:* The map in TAB 11 shows the potential locations of improvements within Sterling City ISD boundaries; however, the final number of panels and inverters and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

TAB 8

Description of Qualified Property

Bluebell Solar II, LLC plans to construct a 100 MW solar farm in Sterling County.

This application covers all qualified property within Sterling City ISD necessary for the commercial operations of the proposed solar farm described in Tab 4. One hundred megawatts (100 MW) will be located in Sterling City ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 390,000 PV modules or equivalent and 33 inverters.

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; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, interconnection facilities and control systems necessary for commercial generation of electricity.

**NOTE:* The map in TAB 11 shows the potential locations of improvements within Sterling City ISD boundaries; however, the final number of panels and inverters and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

TAB 9

Description of Land

Not Applicable

TAB 10

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

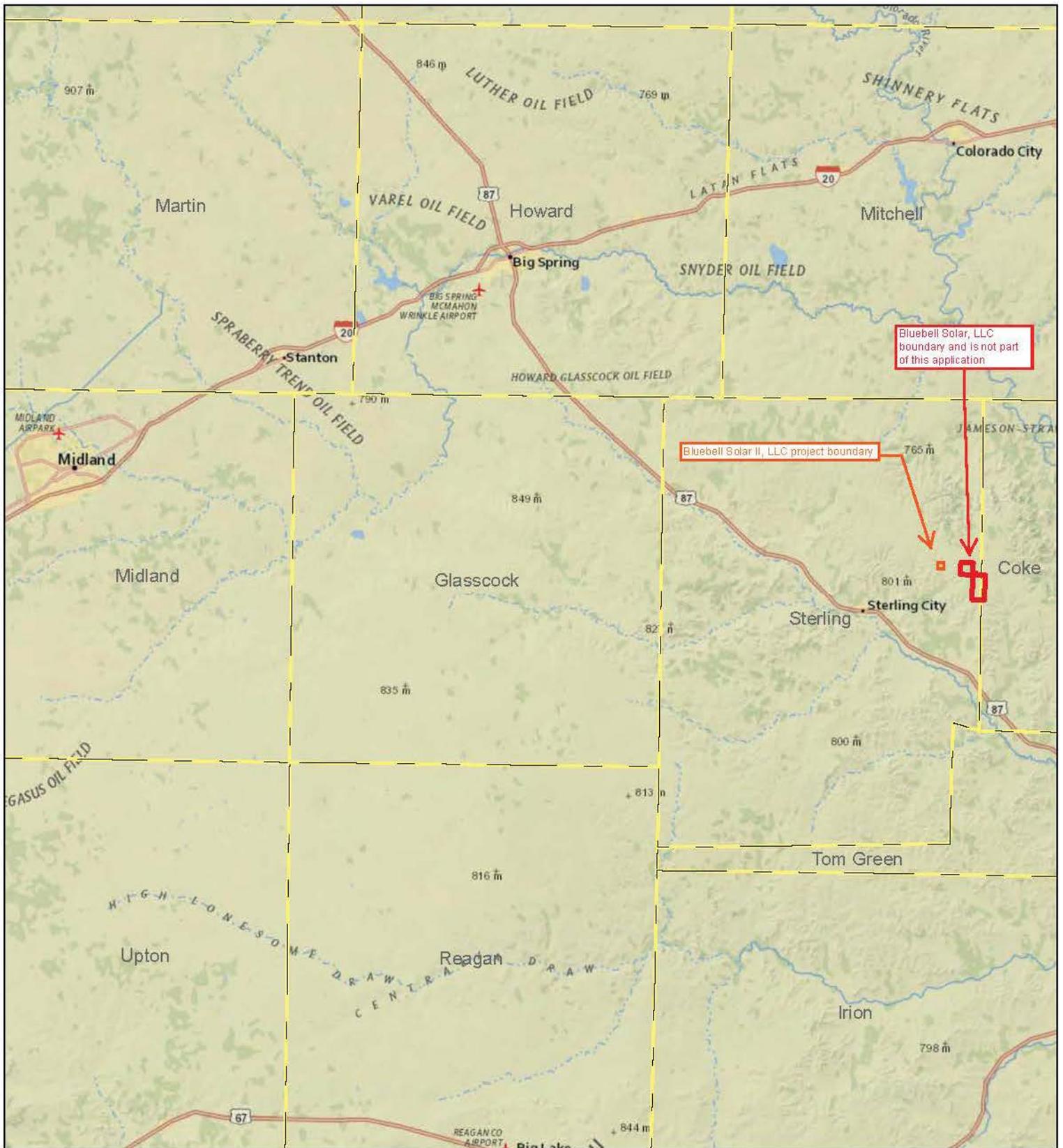
Not Applicable

TAB 11

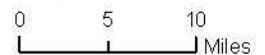
Maps that clearly show:

- 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
- f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size

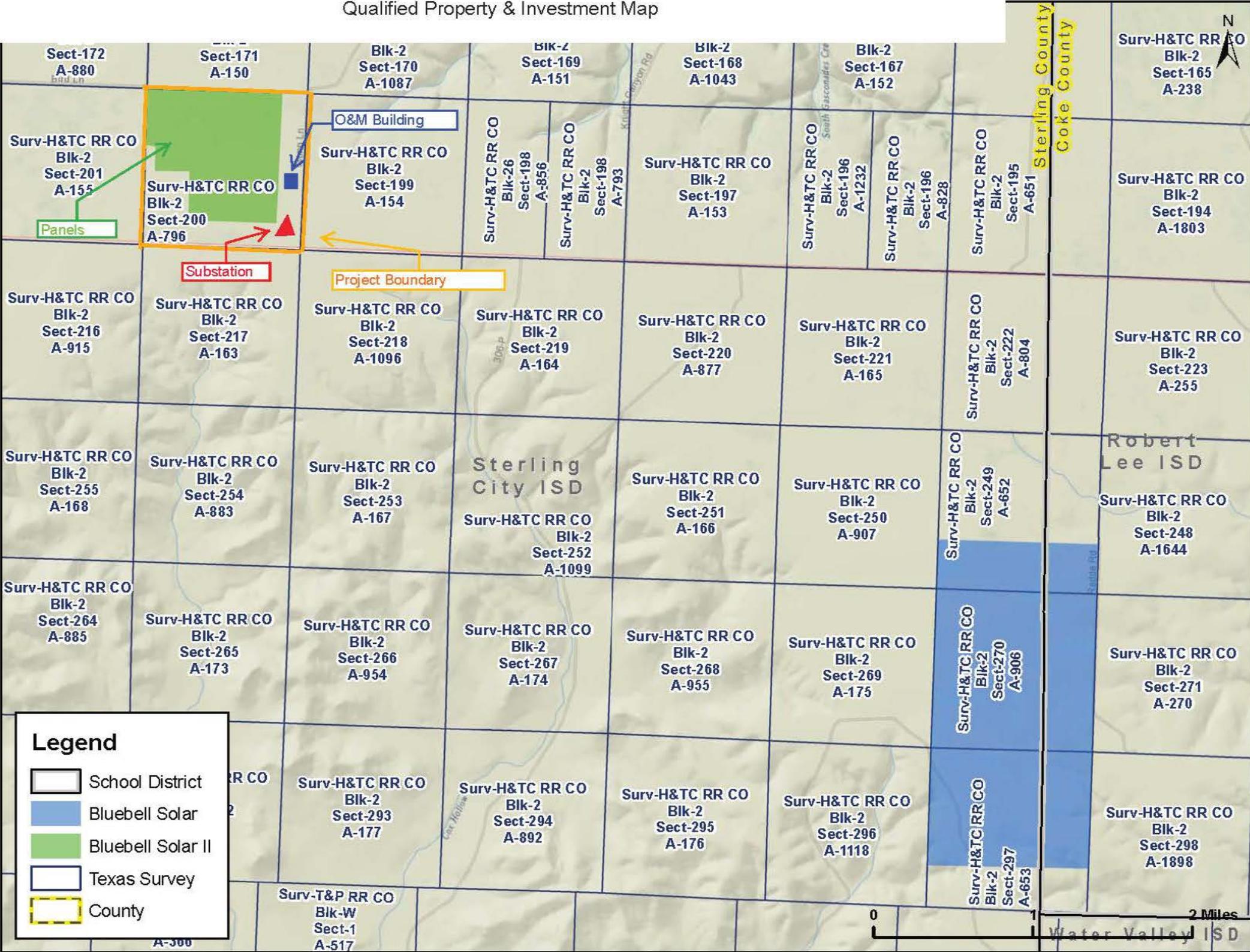
Vicinity Map



 County Boundary
County & ISD share same boundary lines



Qualified Property & Investment Map



TAB 12

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

See Attached

CUMMINGS WESTLAKE LLC

12837 Louetta Road, Suite 201 Cypress, Texas 77429-5611 713-266-4456 Fax: 713-266-2333

February 11, 2019

Bob Rauch, Superintendent
Sterling City Independent School District
700 7th St.
Sterling City, TX 76951

Re: Chapter 313 Job Waiver Request

Dear Mr. Rauch,

Bluebell Solar II, LLC requests that the Sterling City 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.

Bluebell Solar II, LLC requests that the Sterling City ISD makes such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, Bluebell Solar II, LLC has committed to create one qualified job in Sterling City ISD.

Solar projects create a large number of full and part-time, but temporary, jobs during the construction phase of the project, but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences. The number of jobs committed to in this application is in line with the industry standards for a solar project this size. This is evidenced by previously certified limitation agreement applications by solar developers who also requested a waiver of the job requirements. In addition, there are educational materials and other documentation that also suggest that Bluebell Solar II, LLC has the appropriate number of jobs for this project at one permanent job per 75MW – 100MW of installed capacity.

The permanent employees of a solar project maintain and service PV panels, and inverters, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition to the onsite employees, there may be managers or technicians who support the project from offsite locations.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Westlake', with a long horizontal line extending to the right.

Brandon Westlake
Senior Consultant

TAB 13

Calculation of three possible wage requirements with TWC documentation

- Sterling County average weekly wage for all jobs (all industries)
- Sterling County average weekly wage for all jobs (manufacturing)
- See attached Council of Governments Regional Wage Calculation and Documentation

**BLUEBELL SOLAR II, LLC
TAB 13 TO CHAPTER 313 APPLICATION**

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

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2018	\$ 966	\$ 50,232
SECOND	2018	\$ 803	\$ 41,756
THIRD	2018	\$ 821	\$ 42,692
FOURTH	2017	\$ 866	\$ 45,032
AVERAGE		\$ 864.00	\$ 44,928

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

*NO DATA AVAILABLE

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
Concho Valley	2017	\$ 787	\$ 40,924
	X	110%	110%
		\$ 865.70	\$ 45,016

* SEE ATTACHED TWC DOCUMENTATION

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2017	1st Qtr	Sterling County	Total All	00	0	10	Total, all industries	\$1,004
2018	1st Qtr	Sterling County	Total All	00	0	10	Total, all industries	\$966
2017	2nd Qtr	Sterling County	Total All	00	0	10	Total, all industries	\$804
2018	2nd Qtr	Sterling County	Total All	00	0	10	Total, all industries	\$803
2018	3rd Qtr	Sterling County	Total All	00	0	10	Total, all industries	\$821
2017	3rd Qtr	Sterling County	Total All	00	0	10	Total, all industries	\$803
2017	4th Qtr	Sterling County	Total All	00	0	10	Total, all industries	\$866

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

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

Source: Texas Occupational Employment and Wages

Data published: July 2018

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

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

TAB 14

Schedules A1, A2, B, C and D 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 **2/1/2019**
 Applicant Name **Bluebell Solar II, LLC**
 ISD Name **Sterling City ISD**

Form 50-296A
 Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
	Year	School Year (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				Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	0
Investment made after filing complete application with district, but before final board approval of application	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2019	0	0	0	0	0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				0	0	0	0	0
Complete tax years of qualifying time period	QTP1	2020-2021	2020	110,000,000	0	0	0	110,000,000
	QTP2	2021-2022	2021	0	0	0	0	0
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				110,000,000	0	0	0	110,000,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				110,000,000				

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

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

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

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

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

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

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

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		110,000,000	0	0	0	110,000,000
Enter amounts from TOTAL row in Schedule A1 in the row below								
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2020-2021	2020	0	0	0	0	0
Value limitation period***	1	2021-2022	2021	0	0	0	0	0
	2	2022-2023	2022	0	0	0	0	0
	3	2023-2024	2023	0	0	0	0	0
	4	2024-2025	2024	0	0	0	0	0
	5	2025-2026	2025	0	0	0	0	0
	6	2026-2027	2026	0	0	0	0	0
	7	2027-2028	2027	0	0	0	0	0
	8	2028-2029	2028	0	0	0	0	0
	9	2029-2030	2029	0	0	0	0	0
	10	2030-2031	2030	0	0	0	0	0
Total Investment made through limitation				110,000,000	0	0	0	110,000,000
Continue to maintain viable presence	11	2031-2032	2031			0		0
	12	2032-2033	2032			0		0
	13	2033-2034	2033			0		0
	14	2034-2035	2034			0		0
	15	2035-2036	2035			0		0
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036			0		0
	17	2037-2038	2037			0		0
	18	2038-2039	2038			0		0
	19	2039-2040	2039			0		0
	20	2040-2041	2040			0		0
	21	2041-2042	2041			0		0
	22	2042-2043	2042			0		0
	23	2043-2044	2043			0		0
	24	2044-2045	2044			0		0
	25	2045-2046	2045			0		0

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

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

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

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

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

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

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

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

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

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

Date

2/1/2019

Applicant Name

Bluebell Solar II, LLC

Form 50-296A

ISD Name

Sterling City ISD

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	0	0	0	0	0	0
Value Limitation Period	1	2021-2022	2021	0	0	70,840,000	70,840,000	70,840,000	30,000,000
	2	2022-2023	2022	0	0	64,680,000	64,680,000	64,680,000	30,000,000
	3	2023-2024	2023	0	0	58,520,000	58,520,000	58,520,000	30,000,000
	4	2024-2025	2024	0	0	51,590,000	51,590,000	51,590,000	30,000,000
	5	2025-2026	2025	0	0	44,660,000	44,660,000	44,660,000	30,000,000
	6	2026-2027	2026	0	0	37,730,000	37,730,000	37,730,000	30,000,000
	7	2027-2028	2027	0	0	30,030,000	30,030,000	30,030,000	30,000,000
	8	2028-2029	2028	0	0	23,100,000	23,100,000	23,100,000	23,100,000
	9	2029-2030	2029	0	0	18,480,000	18,480,000	18,480,000	18,480,000
	10	2030-2031	2030	0	0	16,170,000	16,170,000	16,170,000	16,170,000
Continue to maintain viable presence	11	2031-2032	2031	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	12	2032-2033	2032	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	13	2033-2034	2033	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	14	2034-2035	2034	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	15	2035-2036	2035	0	0	16,170,000	16,170,000	16,170,000	16,170,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	17	2037-2038	2037	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	18	2038-2039	2038	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	19	2039-2040	2039	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	20	2040-2041	2040	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	21	2041-2042	2041	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	22	2042-2043	2042	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	23	2043-2044	2043	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	24	2044-2045	2044	0	0	16,170,000	16,170,000	16,170,000	16,170,000
	25	2045-2046	2045	0	0	16,170,000	16,170,000	16,170,000	16,170,000

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date 2/1/2019
 Applicant Name Bluebell Solar II, LLC
 ISD Name Sterling City ISD

Form 50-296A
 Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	150 FTE	50,000	0	0	0
	0	2020-2021	2020	150 FTE	50,000	0	0	0
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2021-2022	2021	N/A	N/A	0	1	45,016
	2	2022-2023	2022	N/A	N/A	0	1	45,016
	3	2023-2024	2023	N/A	N/A	0	1	45,016
	4	2024-2025	2024	N/A	N/A	0	1	45,016
	5	2025-2026	2025	N/A	N/A	0	1	45,016
	6	2026-2027	2026	N/A	N/A	0	1	45,016
	7	2027-2028	2027	N/A	N/A	0	1	45,016
	8	2028-2029	2028	N/A	N/A	0	1	45,016
	9	2029-2030	2029	N/A	N/A	0	1	45,016
10	2030-2031	2030	N/A	N/A	0	1	45,016	
Years Following Value Limitation Period	11 through 25	2031-2046	2031-2045	N/A	N/A	0	1	45,016

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

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

Schedule D: Other Incentives (Estimated)

Date 2/1/2019
Applicant Name Bluebell Solar II, LLC
ISD Name Sterling City ISD

Form 50-296A
 Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Tax Code Chapter 312	County: Sterling County	2021	10 Years	Annual Avg. of \$218,759	100%	0
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Local Government Code Chapters 380/381	County:	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Freeport Exemptions	N/A	N/A	N/A	N/A	N/A	N/A
Non-Annexation Agreements	N/A	N/A	N/A	N/A	N/A	N/A
Enterprise Zone/Project	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development Corporation	N/A	N/A	N/A		N/A	
Texas Enterprise Fund	N/A	N/A	N/A		N/A	
Employee Recruitment	N/A	N/A	N/A		N/A	
Skills Development Fund	N/A	N/A	N/A		N/A	
Training Facility Space and Equipment	N/A	N/A	N/A		N/A	
Infrastructure Incentives	N/A	N/A	N/A		N/A	
Permitting Assistance	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
TOTAL				218,759		0

Additional information on incentives for this project:

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**
- d) Guidelines and criteria for creating the zone**

16a) Not Applicable

16b) See Attached

16c) See Attached

16d) See Attached

STATE OF TEXAS

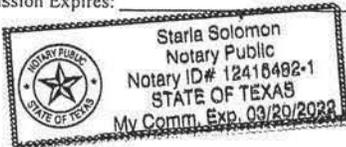
County of Texas ss:

Before me Starla Solomon on this day personally appeared Ashley H Old and William Smith, known to me (or proven to me on the oath of _____ or through DK) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 29 day of June, 2018.

My Commission Expires: _____

(Seal)



[Signature]
Notary Public

Loan originator (Organization): Mortgage Financial Services, LLC; NMLS #: 43021
Loan originator (Individual): Lindsey Renee Bozeman Biggs; NMLS #: 315828



023109

FILED

AT 2:50 O'CLOCK P M
ON THE 10 DAY OF July
A.D., 2018.

STATE OF TEXAS
COUNTY OF STERLING
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the OPR Records of Sterling County, Texas.

[Signature] DEPUTY

JERRI McCUTCHEN
COUNTY AND DISTRICT CLERK
STERLING COUNTY, TEXAS



JERRI McCUTCHEN
County and District Clerk,
Sterling County, Texas

VOL. 102 PAGE 236
RECORDED July 10, 2018

023110

FILED July 9 2013
AT 4:45 o'clock M
JERRI McCUTCHEN
County Clerk, Sterling County, Texas
By Deputy

ORDER NO. 2013-001

AN ORDER OF THE COMMISSIONERS COURT OF STERLING COUNTY, TEXAS: (1) APPROVING AN ECONOMIC DEVELOPMENT PROGRAM REGARDING REAL PROPERTY LOCATED IN SAID COUNTY PURSUANT TO CHAPTER 381 OF THE TEXAS LOCAL GOVERNMENT CODE AND OTHER AUTHORITY; (2) DECLARING COUNTY INTENT TO PARTICIPATE IN TAX ABATEMENT AGREEMENTS, AND AUTHORIZING AND APPROVING COUNTY ELIGIBILITY TO PARTICIPATE IN TAX ABATEMENT; (3) APPROVING CREATION OF A TAX ABATEMENT REINVESTMENT ZONE ON REAL PROPERTY LOCATED IN SAID COUNTY PURSUANT TO CHAPTER 312 OF THE TEXAS TAX CODE AND OTHER AUTHORITY; AND (4) ESTABLISHING AN EFFECTIVE DATE AND COMPLIANCE WITH THE TEXAS OPEN MEETING ACT.

WHEREAS, Sterling County, Texas ("County") is a county of the State of Texas, having been duly created and organized under the constitution and laws of Texas, and further, the Sterling County Commissioners Court ("Commissioners Court") is the governing body of said County; and

WHEREAS, pursuant to Article V, Section 18 and Article III Section 52-a of the Texas Constitution, Chapters 81 and 381 of the Texas Local Government Code, Chapter 312 of the Texas Tax Code, and other authority, the County may develop and administer economic development programs to stimulate business and commercial activity in Sterling County, Texas, including the creation of tax abatement reinvestment zones to be created, designated, and administered regarding tax abatement agreements; and

WHEREAS, the Commissioners Court, in the public interest and through the use of its lawful authority, discretion, and best business judgment, finds it should directly engage and assist in the effort to stimulate and improve business and commercial activity in Sterling County, Texas through the successful enactment, implementation, and administration of worthwhile economic development programs for said county as allowed by law, including but not limited to the (1) execution and implementation of economic development and tax abatement agreements, (2) creation and administration of tax abatement reinvestment zones, (3) use of County personnel, employees, funds, and services, (4) acceptance of contributions, donations, and gifts of authorized resources, (5) making of loans or grants of public funds, and (7) performance of other activities allowed by law, and further, finds these activities are authorized economic development tools available to the County to stimulate business and commercial activity pursuant to the authority herein described; and

WHEREAS, there exists certain real property, more particularly described as follows: all those certain contiguous tracts or parcels of land, being and situated in Sterling County, Texas, as described in the attached Exhibit A ("Property"); and

WHEREAS, in order to stimulate business and commercial activity in Sterling County, Texas, the Commissioners Court desires by this order to establish, implement, and administer the following economic development program ("Project") for the Property: the acquisition, placement, location, construction, maintenance, repair, and operation, by a private party or business entity, or by a governmental entity, on all or part of the Property, of machinery, equipment, materials, structures, improvements, and infrastructure actually constructed and operated on the Property to generate, produce, and/or distribute electricity, including but not limited to machinery, equipment, materials, structures, improvements, and infrastructure related to solar energy facilities; and

WHEREAS, the acquisition, placement, location, construction, maintenance, repair, and operation of the Project on the Property, due to its size and scope, will result over time in increased economic opportunity for the people of Sterling County, Texas and have a positive effect regarding local economic issues, including but not limited to (1) increased local tax bases, (2) increased employment and wages, (3) increased wholesale and retail sales, and (4) a decrease in the number of families living in poverty; and

WHEREAS, Bluebell Solar, LLC, has filed an application with the County and (1) indicated a desire to develop the Property in accordance with the Project requirements herein described, and (2) requested the County's creation of a tax abatement reinvestment zone regarding the Property prior to the negotiation for and potential execution of a tax abatement agreement with the County regarding the Property and Project; and

WHEREAS, all prerequisites to the creation and designation of a tax abatement reinvestment zone for the Property and Project, including public notice and a public hearing, have been established and accomplished by the County as required by law and the active Sterling County Tax Abatement Guidelines and Criteria dated June 6, 2017; and

WHEREAS, the Commissioners Court desires by this order to approve (1) the Project for the Property, (2) the County's eligibility to participate in tax abatement, and (3) a tax abatement reinvestment zone regarding the Property and Project; and

WHEREAS, the Commissioners Court finds that all public purposes described in this order shall be obtained or substantially achieved through the creation, designation, implementation, and administration of a tax abatement reinvestment zone on and regarding the Property for the Project.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Commissioners Court of Sterling County, Texas, for and on behalf of the County and in the public interest, as follows:

- (1) Unless otherwise designated, the past, present, or future tense shall each include the other, the masculine, feminine, or neuter gender shall each include the other, and the singular and plural number shall each include the other where necessary for a correct meaning.

- (2) All statements made in the caption, preamble, and preliminary recitals of this order and all attached documents are incorporated by reference.
- (3) The following economic development program (or Project) is approved regarding the Property to stimulate business and commercial activity in Sterling County, Texas: the acquisition, placement, location, construction, maintenance, repair, and operation, by a private party or business entity, or by a governmental entity, on all or part of the Property, of machinery, equipment, materials, structures, improvements, and infrastructure actually constructed and operated on the Property to generate, produce, and/or distribute electricity, including but not limited to machinery, equipment, materials, structures, improvements, and infrastructure related to solar energy facilities.
- (4) All lawful economic development tools available to the County, including tax abatement, shall be considered for use and implementation regarding the Property and Project through the exercise of the lawful authority, discretion, and best business judgment of the Commissioners Court.
- (5) The Commissioners Court declares: (a) the County's intent to participate in tax abatement agreements, from time to time and through the exercise of its lawful authority, discretion, and best business judgment to stimulate business and commercial activity in Sterling County, Texas; and (b) that the County elects to become eligible to participate in tax abatement as allowed by law.
- (6) The following tax abatement reinvestment zone is hereby approved, created, designated, and established, and shall be implemented and administered, by the County regarding the Property and Project: **Sterling County, Texas Tax Abatement Reinvestment Zone No. 2018-001** ("Zone"), with the land area for the Zone being more particularly described pursuant to the public records of the Offices of the County Clerk of Sterling County, Texas and the Sterling County Appraisal District, to which reference is made for all purposes, as a contiguous land area, containing approximately 35,488 acres, more or less, located in Sterling County, Texas and a part of Abstract Nos. 667, 94, 984, 469, 1111, 468, 1056, 95, 1069, 96, 890, 97, 1160, 909, 1225, 104, 917, 114, 846, 132, 20, 142, 807, 976, 146, 833, 147, 159, 318, 158, 834, 721, 1107, 402, 805, 401, 406, 806, 754, 407, 412, 848, 969, 835, 413, 103, 102, 1229, 1230, 101, 1158, 879, 115, 1067, 116, 1228, 117, 958, 1333, 1238, 1283, 323, 118, 1114, 918, 1331, 893, 1237, 122, 778, 121, 1068, 725, 1217, 316, 120, 1330, 119, 612, 136, 1234, 649, 861, 133, 919, 134, 865, 135, 1223, 1037, 181, 1115, 141, 1005, 140, 864, 139, 1242, 779, 138, 1086, 137, 957, 650, 1088, 849, 148, 1006, 149, 880, 150, 1087, 151, 1043, 152, 1070, 813, 157, 1295, 156, 946, 155, 796, 154, 856, 793, 153, 1232, 828, 651, 776, 161, 162, 914, 915, 163, 1096, 164, 877, 165, 804, 170, 777,

169, 913, 168, 883, 167, 1099, 166, 907, 652, 937, 171, 912, 172, 885, 173, 954, 174, 955, 175, 906, 180, 313, 179, 774, 775, 178, 887, 177, 892, 176, 1118, 653, 886, 366, 517, 956, 518, 1004, 672, 1236, 1140, 371, 888, 1231, 1108, 1207, 520, 1003, 519, 878, 522, 826, 673, 523, 675, 870, 1001, and 871 therein, and more particularly described in the attached Exhibit A.

- (7) The Commissioners Court finds that: (a) all public notice requirements for the creation and designation of the Zone and Project on the Property were accomplished as required by law; (b) a public hearing regarding a proposed Zone for the Property was properly conducted at a public meeting of the Commissioners Court, after notice for said meeting and hearing was accomplished as required by law; (c) the improvements sought within the Zone are feasible and practical and will be a benefit to the land to be included in the Zone and to the County after the expiration of any tax abatement agreement; and (d) the Zone area designation and Project on the Property will contribute to the retention or expansion of primary employment or will attract major investment in the Zone that will be a benefit to the Property included in the Zone and will contribute to the economic development of Sterling County, Texas.
- (8) This order shall take effect immediately after its passage.
- (9) All prior acts of the County, including its elected officials, appointed officials, officers, employees, agents, attorneys, and representatives, are hereby ratified, confirmed, and approved regarding this and any related matter.
- (10) This matter was ordered, adopted, and approved at a meeting held in compliance with Chapter 551 of the Texas Government Code, the Texas Open Meetings Act.

ORDERED, ADOPTED, AND APPROVED on the 9 day of July, 2018.

THE COMMISSIONERS COURT OF
STERLING COUNTY, TEXAS

Lonnie Maerk

County Judge
Sterling County, Texas

Edna J. ...

County Commissioner, Precinct 2
Sterling County, Texas

County Commissioner, Precinct 1
Sterling County, Texas

County Commissioner, Precinct 3
Sterling County, Texas

Reed Stewart

County Commissioner, Precinct 4
Sterling County, Texas

ATTEST:

[Signature]

County Clerk
Sterling County, Texas

EXHIBIT A

Property Description:

Sterling County, Texas Tax Abatement Reinvestment Zone No. 2018-001

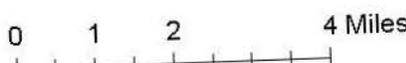
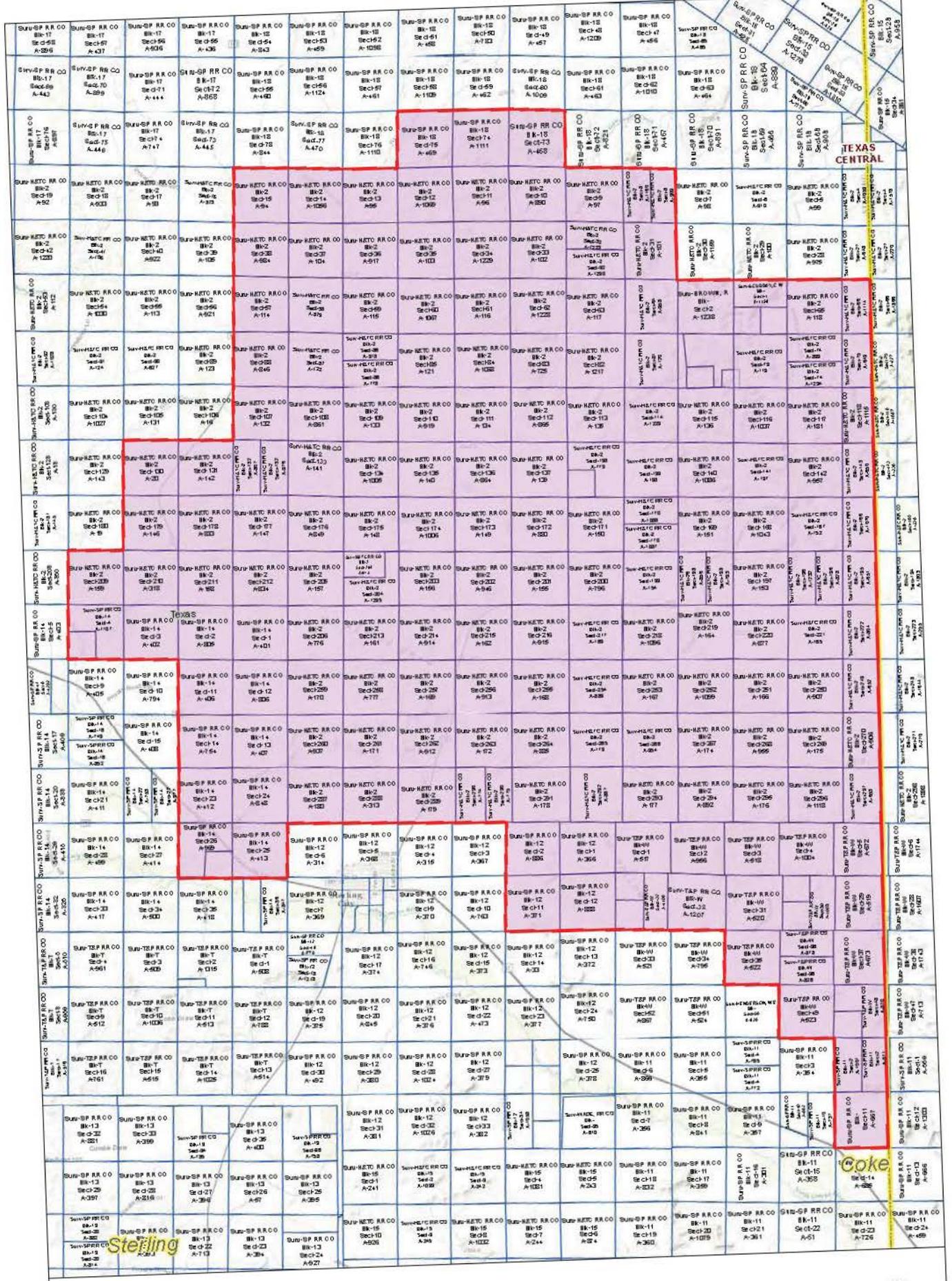
Survey Name	Abstract	Block	Section	Alt Survey Name
SP RR CO	667	11	11	
H&TC RR CO	94	2	15	
H&TC RR CO	984	2	38	SMITH, M
SP RR CO	469	18	75	
SP RR CO	1111	18	74	MORROW, J R
SP RR CO	468	18	73	
H&TC RR CO	1056	2	14	LOVELESS, T B
H&TC RR CO	95	2	13	
H&TC RR CO	1069	2	12	POWELL, L
H&TC RR CO	96	2	11	
H&TC RR CO	890	2	10	HOLLOWAY, D E
H&TC RR CO	97	2	9	
H&TC RR CO	1160	2	8	SCUDDAY, C W
H&TC RR CO	909	2	8	POWELL, R L
H&TC RR CO	1225	2	32	POWELL, L
H&TC RR CO	104	2	37	
H&TC RR CO	917	2	36	ROBERTS, B F
H&TC RR CO	114	2	57	
H&TC RR CO	846	2	88	SMITH, M
H&TC RR CO	132	2	107	
H&TC RR CO	20	2	130	BRENNANDE, T
H&TC RR CO	142	2	131	
H&TC RR CO	807	2	132	DAVIS, H
H&TC RR CO	976	2	132	REED, N
H&TC RR CO	146	2	179	
H&TC RR CO	833	2	178	KELLIS, J H
H&TC RR CO	147	2	177	
H&TC RR CO	159	2	209	
H&TC RR CO	318	2	210	LACKEY, J
H&TC RR CO	158	2	211	
H&TC RR CO	834	2	212	KELLIS, J H
SP RR CO	721	14	4	SLATON, G B
SP RR CO	1107	14	4	KELLIS, MRS H
SP RR CO	402	14	3	
SP RR CO	805	14	2	DAVIS, H
SP RR CO	401	14	1	
SP RR CO	406	14	11	
SP RR CO	806	14	12	DAVIS, H
SP RR CO	754	14	14	DAVIS, H
SP RR CO	407	14	13	

SP RR CO	412	14	23	
SP RR CO	848	14	24	SULLIVAN, M T
SP RR CO	969	14	26	MORROW, J L
SP RR CO	835	14	26	LATHAM, J L
SP RR CO	413	14	25	
H&TC RR CO	103	2	35	
H&TC RR CO	102	2	33	
H&TC RR CO	1229	2	34	THOMAS, J K
H&TC RR CO	1230	2	32	THOMAS, J K
H&TC RR CO	101	2	31	
SCUDDAY, C W	1158		1	
H&TC RR CO	879	2	58	CRAWFOR, C N
H&TC RR CO	115	2	59	
H&TC RR CO	1067	2	60	POWELL, L
H&TC RR CO	116	2	61	
H&TC RR CO	1228	2	62	THOMAS, J K
H&TC RR CO	117	2	63	
H&TC RR CO	958	2	64	HULL, S L
HALL, M B J ESTATE	1333			
BROWN, R	1238		2	
TINNEY, J	1283		6	
MURRAY, W W	323		5	
H&TC RR CO	118	2	65	
H&TC RR CO	1114	2	66	NUNLEY, A B
H&TC RR CO	918	2	86	ROBERTS, B F
DAVIS, W R / WALTER, R	1331			
H&TC RR CO	893	2	74	HULLS, S L
BROWN, R	1237		3	
H&TC RR CO	122	2	87	
H&TC RR CO	778	2	86	ROBERTS, B F
H&TC RR CO	121	2	85	
H&TC RR CO	1068	2	84	POWELL, L
H&TC RR CO	725	2	83	
H&TC RR CO	1217	2	82	DAVIS, M H
LONGACRE, D	316			
H&TC RR CO	120	2	81	
DAVIS, W R / WALTER, R	1330			
H&TC RR CO	119	2	73	
WAIBEL, W	612		1	
H&TC RR CO	136	2	115	
H&TC RR CO	1234	2	74	DECK, H

H&TC RR CO	649	2	75	
H&TC RR CO	861	2	108	BRENNAND, T
H&TC RR CO	133	2	109	
H&TC RR CO	919	2	110	ROBERTS, B F
H&TC RR CO	134	2	111	
H&TC RR CO	865	2	112	BURDETT, M C
H&TC RR CO	135	2	113	
H&TC RR CO	1223	2	114	MUNN, N
H&TC RR CO	1037	2	116	HULL, S L
H&TC RR CO	181	2	117	
H&TC RR CO	1115	2	118	NUNLEY, A B
H&TC RR CO	141	2	133	
H&TC RR CO	1005	2	134	CHAMBERS, R A
H&TC RR CO	140	2	135	
H&TC RR CO	864	2	136	BURDETT, M C
H&TC RR CO	139	2	137	
H&TC RR CO	1242	2	138	PHILLIPS, C W
H&TC RR CO	779	2	138	TOLLESON, W B
H&TC RR CO	138	2	139	
H&TC RR CO	1086	2	140	WILEY, J D
H&TC RR CO	137	2	141	
H&TC RR CO	957	2	142	HULL, S L
H&TC RR CO	650	2	143	
H&TC RR CO	1088	2	170	WILEY, J D
H&TC RR CO	849	2	176	SULLIVAN, M T
H&TC RR CO	148	2	175	
H&TC RR CO	1006	2	174	CHAMBERS, R A
H&TC RR CO	149	2	173	
H&TC RR CO	880	2	172	DAVIS, M H
H&TC RR CO	150	2	171	
H&TC RR CO	1087	2	170	WILEY, J D
H&TC RR CO	151	2	169	
H&TC RR CO	1043	2	168	HUMBLE, P A
H&TC RR CO	152	2	167	
H&TC RR CO	1070	2	166	POWELL, R L
H&TC RR CO	813	2	204	DUNN, C J
H&TC RR CO	157	2	205	
H&TC RR CO	1295	2	204	MARAK, T
H&TC RR CO	156	2	203	
H&TC RR CO	946	2	202	DAVIS, M H
H&TC RR CO	155	2	201	

H&TC RR CO	796	2	200	BYNUM, J A
H&TC RR CO	154	2	199	
H&TC RR CO	856	26	198	WESTBROOK, J W
H&TC RR CO	793	2	198	BOYD, J R
H&TC RR CO	153	2	197	
H&TC RR CO	1232	2	196	BUCKNER, J B
H&TC RR CO	828	2	196	HUMBLE, P A
H&TC RR CO	651	2	195	
H&TC RR CO	776	2	206	NEWTON, W B
H&TC RR CO	161	2	213	
H&TC RR CO	162	2	215	
H&TC RR CO	914	2	214	RENSHAW, A D
H&TC RR CO	915	2	216	RENSHAW, A D
H&TC RR CO	163	2	217	
H&TC RR CO	1096	2	218	WILLINGHAM, T D
H&TC RR CO	164	2	219	
H&TC RR CO	877	2	220	COPELAND, C J
H&TC RR CO	165	2	221	
H&TC RR CO	804	2	222	COPELAND, J L
H&TC RR CO	170	2	259	
H&TC RR CO	777	2	258	NEWTON, W B
H&TC RR CO	169	2	257	
H&TC RR CO	913	2	256	RENSHAW, A D
H&TC RR CO	168	2	255	
H&TC RR CO	883	2	254	GARRETT, R A
H&TC RR CO	167	2	253	
H&TC RR CO	1099	2	252	COPELAND, J L
H&TC RR CO	166	2	251	
H&TC RR CO	907	2	250	OWEN, L C
H&TC RR CO	652	2	249	
H&TC RR CO	937	2	260	WESTBROOK, W A
H&TC RR CO	171	2	261	
H&TC RR CO	912	2	262	RENSHAW, A D
H&TC RR CO	172	2	263	
H&TC RR CO	885	2	264	HILL, B T
H&TC RR CO	173	2	265	
H&TC RR CO	954	2	266	HOLLOWAY, M A
H&TC RR CO	174	2	267	
H&TC RR CO	955	2	268	HOLLOWAY, M A
H&TC RR CO	175	2	269	
H&TC RR CO	906	2	270	OWEN, L C

H&TC RR CO	180	2	287	
H&TC RR CO	313	2	288	KENNEDY, G
H&TC RR CO	179	2	289	
H&TC RR CO	774	2	290	NEWTON, W B
H&TC RR CO	775	2	290	NEWTON, W B
H&TC RR CO	178	2	291	
H&TC RR CO	887	2	292	HILL, B T
H&TC RR CO	177	2	293	
H&TC RR CO	892	2	294	HOLLOWAY, M A
H&TC RR CO	176	2	295	
H&TC RR CO	1118	2	296	PRICE, R H
H&TC RR CO	653	2	297	
SP RR CO	886	12	2	HILL, B T
SP RR CO	366	12	1	
T&P RR CO	517	W	1	
T&P RR CO	956	W	2	HOLLOWAY, M A
T&P RR CO	518	W	3	
T&P RR CO	1004	W	4	CRAWFORD, C N
T&P RR CO	672	W	5	
T&P RR CO	1236	W	32	PERRY, T
T&P RR CO	1140	W	30	HUBBS, J T
SP RR CO	371	12	11	
SP RR CO	888	12	12	HILL, B T
T&P RR CO	1231	W	32	APPLETON, J H
T&P RR CO	1108	W	32	LEWTER, D T
T&P RR CO	1207	W	32	BROWN, J H
T&P RR CO	520	W	31	
T&P RR CO	1003	W	30	CRAWFORD, C N
T&P RR CO	519	W	29	
T&P RR CO	878	W	36	COPE, J E
T&P RR CO	522	W	35	
T&P RR CO	826	W	36	HUBBS, J T
T&P RR CO	673	W	37	
T&P RR CO	523	W	49	
T&P RR CO	675	W	48	TATOM, E G
T&P RR CO	870	W	48	CONE, M L
SP RR CO	1001	11	2	BUGG, J H
SP RR CO	871	11	2	CONE, M L



Proposed Reinvestment Zone
 County
 TX SURVEY



ORDER

**AN ORDER OF THE STERLING COUNTY COMMISSIONERS COURT:
(1) APPROVING THE TAX ABATEMENT GUIDELINES AND
CRITERIA FOR STERLING COUNTY, TEXAS; AND (2)
ESTABLISHING AN EFFECTIVE DATE AND COMPLIANCE WITH
THE TEXAS OPEN MEETING ACT.**

WHEREAS, Sterling County, Texas ("County") is a county of the State of Texas, having been duly created and organized under the constitution and laws of Texas, and further, the Sterling County Commissioners Court ("Commissioners Court") is the governing body of said County; and

WHEREAS, pursuant to Article V, Section 18, Chapter 312 of the Texas Tax Code ("Chapter 312"), and other authority, the County may develop and administer tax abatement guidelines and criteria as part of an economic development program designed to stimulate business and commercial activity in the County; and

WHEREAS, pursuant to Chapter 312 and other authority, the Commissioners Court desires to consider, order, enact, and approve the Tax Abatement Guidelines and Criteria for Sterling County, Texas ("Guidelines") in the form and scope described in the attached Exhibit A;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Sterling County Commissioners Court, for and in behalf of said County and in the public interest, as follows:

- (1) Singular nouns and pronouns shall include the plural, and the masculine gender shall include the feminine gender, where necessary for a correct meaning of this instrument.
- (2) All statements made in the caption, preamble, and preliminary recitals of this instrument, and all documents attached to this instrument, are true, correct, and incorporated by reference for all purposes.
- (3) It is ordered that: (a) the Tax Abatement Guidelines and Criteria for Sterling County, Texas are approved and enacted in the form and scope described in the attached Exhibit A; and (b) said Guidelines are approved for execution by the Commissioners Court, and approved for attestation by the District/County Clerk.
- (4) This order shall take effect immediately from and after its passage.
- (5) This order may be amended or revised by a subsequent order of the Commissioners Court.

(6) This matter was considered, passed, ordered, adopted, and approved at a meeting held in compliance with Chapter 551 of the Texas Government Code, the Texas Open Meetings Act.

PASSED, ORDERED, ADOPTED, AND APPROVED on the 12th day of August, 2013.

SIGNED on the 12th day of August, 2013.

COMMISSIONERS COURT OF
STERLING COUNTY, TEXAS

Joseph D. ...
County Judge

Ed ...
County Commissioner, Precinct 2
Sterling County, Texas

Reed Stewart
County Commissioner, Precinct 4
Sterling County, Texas

John ...
County Commissioner, Precinct 1
Sterling County, Texas

Deborah ...
County Commissioner, Precinct 3
Sterling County, Texas

ATTEST:

Susan Wyatt
District/County Clerk
Sterling County, Texas

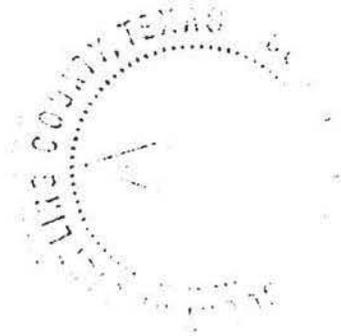


EXHIBIT A

**TAX ABATEMENT GUIDELINES AND CRITERIA
FOR STERLING COUNTY, TEXAS**

EFFECTIVE DATE: AUGUST 12, 2013

I. Introduction and Definitions

Sterling County, Texas (“County”) is committed to the promotion of development in all portions of the County and to improving the quality of life for its citizens. These Tax Abatement Guidelines and Criteria for Sterling County, Texas (“Guidelines”) will establish a uniform policy of tax abatement designed to provide a long term, significant, and positive economic impact on the County.

The Commissioners Court of Sterling County, Texas (“Commissioners Court”) reserves the right, through the exercise of its discretion and best business judgment, to negotiate a tax abatement agreement as authorized by law in order to compete favorably with other communities. It is the goal of the County to grant tax abatements on the same terms and conditions as the other taxing entities having jurisdiction on the property; however, nothing herein shall limit the discretion of the Commissioners Court to consider, adopt, modify or decline any tax abatement request as authorized by law.

These Guidelines are enacted pursuant to Chapter 312 of the Texas Tax Code (“Chapter 313”) and other authority. These Guidelines shall be: (a) effective on August 12, 2013; (b) at all times kept current with regard to the needs of the County; (c) reflective of the official views of the Commissioners Court regarding the matters herein described; and (d) reviewed by the Commissioners Court every two years.

As used in these Guidelines, unless otherwise designated, the following terms have the following meanings:

“Appraiser” shall mean the Chief Appraiser of the Sterling County, Texas Appraisal District.

“Abatement” shall mean the full or partial exemption from ad valorem taxes of certain property in a reinvestment zone designated by the County for economic development purposes.

“Affected jurisdiction” shall mean Sterling County, Texas, any municipality, taxing entity or school district which is located in said County that levies ad valorem taxes upon and/or provides services to property located within the proposed or existing reinvestment zone designated by the Commissioners Court of Sterling County, Texas.

“Agreement” shall mean a contractual agreement between a property owner and/or lessee and the County.

“Applicant” shall mean the legal entity seeking tax abatement.

“Base year value” shall mean the assessed value of eligible property on January 1 of the year of the execution of the agreement, plus the agreed upon value of real and personal property improvements made after January 1, but before the execution of the agreement.

“Commencement of Construction” shall mean the placement or construction of any improvements that are part of the project in the reinvestment zone. The storage of building materials in the reinvestment zone that are to be used in construction of the improvements does not constitute commencement of construction. Engineering, site preparation and similar activity shall not be considered commencement of construction so long as permanent improvements that are part of the project have not been constructed and placed in the reinvestment zone.

“Commissioners Court” shall mean the Commissioners Court of Sterling County, Texas;

“County” shall mean Sterling County, Texas, acting by and through its governing body, the Commissioners Court.

“County Judge” shall mean the County Judge of Sterling County, Texas.

“Facility” shall mean property improvements completed or in the process of construction, which together comprise an integral whole.

“Guidelines” shall mean these Tax Abatement Guidelines and Criteria for Sterling County, Texas.

“Modernization” shall mean the upgrading and/or replacement of existing facilities which increases the productive input or output, updates the technology, or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.

“New facility” shall mean improvements to real estate previously undeveloped which is placed into service by means other than, or in conjunction with, expansion or modernization.

“New jobs” shall mean a newly created employment position on a full-time permanent basis. Two or more part-time permanent employees totaling an average of not less than forty (40) hours per week may be considered as one full-time permanent employee.

Unless specially defined, words or phrases used in these Guidelines shall be interpreted according to their common usage in order to result in the most reasonable application.

Singular nouns and pronouns shall include the plural, and the masculine gender shall include the feminine gender, where necessary for a correct interpretation of these Guidelines.

When legal authority is cited or described in these Guidelines, it shall be interpreted to include the active version of said authority.

II. Guidelines and Criteria

In order to be eligible for designation as a tax abatement reinvestment zone and receive tax abatement, the planned improvement must add at least \$2,000,000.00 in taxable value to the tax roll of eligible properties.

In consideration of the request for designation as a reinvestment zone and to receive tax abatement, the following factors are adopted for consideration by the County:

- **Jobs** -- The projected new jobs created, the retention of existing jobs, the types of jobs, the average payroll and the number of local persons hired shall be considered.
- **Fiscal Impact** -- The amount of real and personal property value that will be added to the tax roll, the infrastructure improvements by the County that will be required by the facility, and the infrastructure improvements made by the facility shall be considered.
- **Community Impact** -- The business opportunities of existing local vendors, the revitalization of a depressed area, the impact on the taxing entities, and the employment opportunities of the project shall be considered.

III. Abatement Authorization

Authorized Date -- A facility shall be eligible to apply for tax abatement if it has applied for such abatement prior to the commencement of construction provided that such facility meets the criteria granting tax abatement in reinvestment zones created in the County.

Creation of New Values -- Abatement may only be granted for the additional value of eligible property improvements made subsequent to the filing of the application for tax abatement and specified in the abatement agreement between the County and the property owner or lessee, subject to such limitations as the County may require.

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 the County and the property owner or lessee, subject to such limitations as the County may require.

Eligible Property -- Abatement may be extended to the value above the Base Year Value of buildings, structures, fixed machinery and equipment, fixed personal property, and site improvements, plus that office space and related fixed improvements necessary to the operation and administration of the facility.

Ineligible Property -- The following types of property shall be fully taxable and ineligible for abatement: (a) land; (b) inventories; (c) supplies; (d) tools; (e) animals; (f)

furnishings and other forms of movable personal property; (g) vehicles; (h) vessels; (i) private aircraft; (j) deferred maintenance investments; (k) property to be rented or leased except as provided in "Owned/Leased Facilities below in this Section III; and (l) any property included in the calculation of base year value as herein defined.

Owned/Leased Facilities -- If a leased facility is granted abatement, the agreement shall be executed with the lessor and the lessee.

IV. Standards for Tax Abatement

The following factors, among others, shall be considered in determining whether to grant tax abatement:

- the value of existing improvements, if any;
- the type and value of proposed improvement;
- the productive life of proposed improvements;
- the number of existing jobs to be retained by proposed improvements;
- the number and type of new jobs to be created by proposed improvements;
- the amount of local payroll to be created;
- whether new jobs to be created will be filled by persons residing, or projected to reside, within the County;
- the amount which property tax base valuation will be increased during the term of abatement and after abatement;
- the costs to be incurred by the County resulting from the new improvements;
- the amount of ad valorem taxes to be paid by the 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;
- the population growth of the County as a direct result of new improvements;
- the types and values of public improvements, if any, to be made by the applicant;
- the impact on the business opportunities of existing businesses; and

- the attraction of other new businesses into the area.

Each eligible applicant 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.

V. Taxability

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

- The value of ineligible property as provided in the Abatement Authorization herein described shall be fully taxable.
- The base tax 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.

VI. Application for Tax Abatement and Related Procedure

Any present or potential owner or lessee of taxable property in the County may request the creation of a reinvestment zone and tax abatement by filing a written application with the County Judge. The application shall contain the following:

- a general description of the new improvements to be undertaken;
- a descriptive list of the improvement for which an abatement is requested;
- a map and property description, or site plan;
- 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 for the tax year immediately preceding the application; and
- financial and other information as deemed appropriate for evaluating the financial capacity of the applicant.

Upon receipt of completed application, the County shall set the matter for a public hearing to create a tax abatement reinvestment zone if the applicant is requesting to locate in an area which is not already in such a reinvestment zone. The County shall notify in writing the presiding officer of the governing body of each taxing unit in the County which has taxing

jurisdiction in the proposed zone. A public hearing is required. Notice of a public hearing shall be clearly identified on an agenda posted prior to the hearing and published in a newspaper of general circulation at least seven days before the hearing.

A request for a variance from the provisions of these Guidelines must be made in written form to the County Judge and submitted with the application for abatement. The total duration of a tax abatement period shall not exceed ten (10) years. A variance request shall include a complete description of all alleged facts and circumstances to support the grant of a variance. A variance request may be approved only by a majority vote of the Commissioners Court conducted in an open meeting held in compliance with Chapter 551 of the Texas Government Code, the Texas Open Meetings Act.

VII. Agreement

Upon the approval of the tax abatement request, the Commissioners Court shall formally pass an order and execute an agreement with the owner and/or lessee of the facility which shall include:

- the estimated value to be abated and the base year value;
- the percent of value to be abated each year;
- the commencement date and termination date of the abatement;
- the proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description and improvements list;
- the contractual obligations in the event of default, violation of terms or conditions and delinquent tax recapture; and
- the provision for access and inspection of the property by the County to ensure compliance with agreement.

The tax abatement agreement typically shall be executed within sixty (60) days after the applicant has forwarded all necessary information and documentation to the Commissioners Court, subject to the County's review and consideration of the issues, and the County's scheduling considerations pursuant to the Texas Open Meetings Act.

VIII. Recapture

In the event that the facility is completed and begins producing product or service, but subsequently discontinues for any reason except fire, explosion, accident or natural disaster for a period of more than one (1) year during the abatement period, then: (a) the tax abatement agreement shall terminate; and (b) a termination also shall occur regarding the abatement of taxes for the calendar year during which the agreement is terminated. The taxes otherwise

abated for that calendar year shall be paid to the County within sixty (60) days from the date of termination.

Should the County determine that a company or individual is in default according to the terms and conditions of the tax abatement agreement, the County shall notify the company or individual of the default in writing at the address stated in the agreement. If the default is not cured within sixty (60) days from the date of such notice, the agreement shall be terminated.

In the event that the company or individual (a) allows its ad valorem taxes owed to the County to become delinquent and fails to timely and properly follow the legal procedures for a tax protest and/or contest, or (b) violates any of the terms and conditions of the tax abatement agreement and fails to cure same during the cure period, then the tax abatement agreement shall be terminated and all taxes previously abated by virtue of the agreement shall be recaptured and paid to the County within sixty (60) days of the termination date.

IX. Administration

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

The tax abatement agreement shall stipulate that employees and/or designated representatives of the 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 County inspections will be: (a) made only after giving twenty-four (24) hours prior notice; (b) conducted only in such manner as to not unreasonably interfere with the construction and/or operation of the facility; and (c) made with one or more representatives of the company or individual and in accordance with the facility's safety standards.

Upon completion of construction, a designated representative of the County shall annually evaluate each facility receiving tax abatement to ensure compliance with the tax abatement agreement. A tax abatement agreement compliance report shall be made annually to the Commissioners Court by the County's compliance representative. All proprietary information acquired by the County for purposes of monitoring compliance with the terms and conditions of a tax abatement agreement shall be considered confidential.

X. Assignment

Tax Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by an order of the Commissioners Court, subject to the financial capacity of the assignee. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all duties and obligations of the assignor upon the same terms and conditions as set out in the tax abatement agreement. Any assignment of a tax

abatement agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. The contractual agreement with the new owner or lessee shall not exceed the termination date of the abatement agreement with the original owner and/or lessee.

No assignment or transfer shall be approved by the Commissioners Court if the parties to the existing agreement, the new owner, or the new lessee are liable to any affected jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably delayed or withheld.

XI. Sunset Provision

These Guidelines are effective upon the date of their adoption and will remain in force for two (2) years, unless amended by the Commissioners Court, at which time all tax abatement reinvestment zones and tax abatement agreements created pursuant to these Guidelines will be reviewed to determine whether the goals have been achieved.

Based on that review, these Guidelines may be modified, renewed or eliminated, providing that such actions shall not affect existing contracts.

PASSED, ORDERED, ADOPTED, AND APPROVED on the 12th day of August, 2013.

SIGNED on the 12th day of August, 2013.

**COMMISSIONERS COURT OF
STERLING COUNTY, TEXAS**

Paige Scales

County Judge
Sterling County, Texas

Edell McPherson

County Commissioner, Precinct 2
Sterling County, Texas

Poss Copeland

County Commissioner, Precinct 1
Sterling County, Texas

Abonah W. Howard

County Commissioner, Precinct 3
Sterling County, Texas

Reed Stewart

County Commissioner, Precinct 4
Sterling County, Texas

ATTEST:

Susan Wyatt

District/County Clerk, Sterling County, Texas

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.

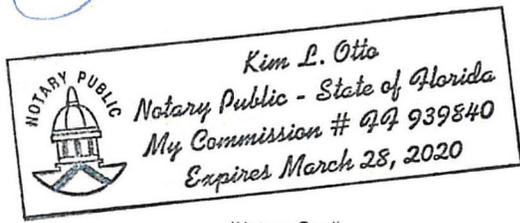
print here Bob Rauch Superintendent
Print Name (Authorized School District Representative) Title
sign here [Signature] 2-13-19
Signature (Authorized School District Representative) Date

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 John DiDonato President
Print Name (Authorized Company Representative (Applicant)) Title
sign here [Signature] 2-1-19
Signature (Authorized Company Representative (Applicant)) Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

1 day of February 2019

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

My Commission expires: 3-28-2020

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