

**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

September 18, 2020

AMENDED CERTIFICATION

John Anderson
Superintendent
Seymour Independent School District
409 W. Idaho
Seymour, Texas 76380

Re: Amended Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Seymour Independent School District and Griffin Trail Wind, LLC, Application 1357

Dear Superintendent Anderson:

This application (Application 1357) was originally submitted on March 28, 2019, to the Seymour Independent School District (school district) by Griffin Trail Wind, LLC (applicant) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ On July 16, 2019, the Comptroller issued written notice that the applicant submitted a completed application; and later issued a certificate for a limitation on appraised value on September 4, 2019. The applicant and school district executed an agreement for a limitation on appraised value (agreement) on October 17, 2019.

On June 25, 2020, Comptroller received an amendment to the agreement to change the start of the limitation and increase the number of turbines. This presents the Comptroller's review of that amendment per Section 10.2 of the agreement and determinations required:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

The information provided by the applicant related to eligibility has not changed and therefore, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

¹ All statutory references are to the Texas Tax Code, unless otherwise noted.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

Based on the amended information provided by the applicant, the Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem tax* revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller previously determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value for the amendment.

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the amendment to the agreement by December 31, 2020.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at will.counihan@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,

DocuSigned by:

11EA8DEF0EC441E...
Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Amended Attachment A - Economic Impact Analysis

The following tables summarize the Comptroller's economic impact analysis of Griffin Trail Wind, LLC (project) applying to Seymour Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Griffin Trail Wind, LLC.

	Original	Amendment No. 1
Applicant	Griffin Trail Wind, LLC	Griffin Trail Wind, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Wind	Renewable Energy - Wind
School District	Seymour ISD	Seymour ISD
2017-2018 Average Daily Attendance	544	544
County	Knox	Knox
Proposed Total Investment in District	\$114,250,500	\$123,234,000
Proposed Qualified Investment	\$114,250,500	\$123,234,000
Limitation Amount	\$30,000,000	\$30,000,000
Qualifying Time Period (Full Years)	2020-2021	2020-2021
Number of new qualifying jobs committed to by applicant	3*	3*
Number of new non-qualifying jobs estimated by applicant	0	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,032	\$1,032
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,032	\$1,032
Minimum annual wage committed to by applicant for qualified jobs	\$53,668	53,668
Minimum weekly wage required for non-qualifying jobs	\$676	\$676
Minimum annual wage required for non-qualifying jobs	\$35,140	\$35,140
Investment per Qualifying Job	\$38,083,500	41,078,000
Estimated M&O levy without any limit (15 years)	\$9,886,833	10,453,955
Estimated M&O levy with Limitation (15 years)	\$4,961,487	5,101,265
Estimated gross M&O tax benefit (15 years)	\$4,925,346	5,352,690

* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).

Table 2 is the estimated statewide economic impact of Griffin Trail Wind, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2020	10	13	23	\$500,000	\$1,135,000	\$1,635,000
2021	120	146	266,494	\$6,000,000	\$13,980,000	\$19,980,000
2022	3	17	20	\$161,004	\$2,785,996	\$2,947,000
2023	3	13	16	\$161,004	\$2,199,996	\$2,361,000
2024	3	7	10	\$161,004	\$1,497,996	\$1,659,000
2025	3	3	6	\$161,004	\$1,066,996	\$1,228,000
2026	3	2	5	\$161,004	\$824,996	\$986,000
2027	3	2	5	\$161,004	\$714,996	\$876,000
2028	3	2	5	\$161,004	\$702,996	\$864,000
2029	3	3	6	\$161,004	\$747,996	\$909,000
2030	3	4	7	\$161,004	\$821,996	\$983,000
2031	3	5	8	\$161,004	\$907,996	\$1,069,000
2032	3	5	8	\$161,004	\$936,996	\$1,098,000
2033	3	5	8	\$161,004	\$987,996	\$1,149,000
2034	3	6	9	\$161,004	\$1,042,996	\$1,204,000
2035	3	6	9	\$161,004	\$1,093,996	\$1,255,000
2036	3	6	9	\$161,004	\$1,132,996	\$1,294,000

Source: CPA REMI, Griffin Trail Wind, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Seymour ISD I&S Tax Levy	Seymour ISD M&O Tax Levy	M&O and I&S Tax Levies	Knox County Tax Levy	Knox County Hospital District Tax Levy	Rolling Plains Groundwater Tax Levy	Estimated Total Property Taxes
				0.0800	0.9700		0.7448	0.3930	0.0262	
2021	\$2,875,000	\$2,875,000		\$2,300	\$27,888	\$30,188	\$21,413	\$11,298	\$752	\$63,651
2022	\$120,481,800	\$120,481,800		\$96,385	\$1,168,673	\$1,265,059	\$897,348	\$473,481	\$31,518	\$2,667,407
2023	\$110,843,300	\$110,843,300		\$88,675	\$1,075,180	\$1,163,855	\$825,561	\$435,603	\$28,997	\$2,454,015
2024	\$101,975,800	\$101,975,800		\$81,581	\$989,165	\$1,070,746	\$759,516	\$400,755	\$26,677	\$2,257,693
2025	\$93,817,700	\$93,817,700		\$75,054	\$910,032	\$985,086	\$698,754	\$368,694	\$24,543	\$2,077,077
2026	\$86,312,300	\$86,312,300		\$69,050	\$837,229	\$906,279	\$642,854	\$339,199	\$22,579	\$1,910,911
2027	\$79,407,300	\$79,407,300		\$63,526	\$770,251	\$833,777	\$591,426	\$312,063	\$20,773	\$1,758,038
2028	\$73,054,700	\$73,054,700		\$58,444	\$708,631	\$767,074	\$544,111	\$287,098	\$19,111	\$1,617,395
2029	\$67,210,400	\$67,210,400		\$53,768	\$651,941	\$705,709	\$500,583	\$264,130	\$17,582	\$1,488,005
2030	\$61,833,500	\$61,833,500		\$49,467	\$599,785	\$649,252	\$460,536	\$242,999	\$16,176	\$1,368,963
2031	\$56,886,900	\$56,886,900		\$45,510	\$551,803	\$597,312	\$423,694	\$223,560	\$14,882	\$1,259,448
2032	\$52,335,900	\$52,335,900		\$41,869	\$507,658	\$549,527	\$389,798	\$205,675	\$13,691	\$1,158,691
2033	\$48,149,100	\$48,149,100		\$38,519	\$467,046	\$505,566	\$358,614	\$189,221	\$12,596	\$1,065,997
2034	\$44,297,100	\$44,297,100		\$35,438	\$429,682	\$465,120	\$329,925	\$174,083	\$11,588	\$980,716
2035	\$40,753,400	\$40,753,400		\$32,603	\$395,308	\$427,911	\$303,531	\$160,157	\$10,661	\$902,260
2036	\$37,493,100	\$37,493,100		\$29,994	\$363,683	\$393,678	\$279,249	\$147,344	\$9,808	\$830,078
			Total	\$862,182	\$10,453,955	\$11,316,137	\$8,026,913	\$4,235,361	\$281,933	\$23,860,344

Source: CPA, Griffin Trail Wind, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Knox County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Seymour ISD I&S Tax Levy	Seymour ISD M&O Tax Levy	M&O and I&S Tax Levies	Knox County Tax Levy	Knox County Hospital District Tax Levy	Rolling Plains Groundwater Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.0800	0.9700		0.7448	0.3930	0.0262	
2021	\$2,875,000	\$2,875,000		\$2,300	\$27,888	\$30,188	\$21,413	\$11,298	\$752	\$62,899
2022	\$120,481,800	\$30,000,000		\$96,385	\$291,000	\$387,385	\$897,348	\$473,481	\$31,518	\$1,758,215
2023	\$110,843,300	\$30,000,000		\$88,675	\$291,000	\$379,675	\$825,561	\$435,603	\$28,997	\$1,640,839
2024	\$101,975,800	\$30,000,000		\$81,581	\$291,000	\$372,581	\$759,516	\$400,755	\$26,677	\$1,532,851
2025	\$93,817,700	\$30,000,000		\$75,054	\$291,000	\$366,054	\$698,754	\$368,694	\$24,543	\$1,433,503
2026	\$86,312,300	\$30,000,000		\$69,050	\$291,000	\$360,050	\$642,854	\$339,199	\$22,579	\$1,342,103
2027	\$79,407,300	\$30,000,000		\$63,526	\$291,000	\$354,526	\$591,426	\$312,063	\$20,773	\$1,258,014
2028	\$73,054,700	\$30,000,000		\$58,444	\$291,000	\$349,444	\$544,111	\$287,098	\$19,111	\$1,180,653
2029	\$67,210,400	\$30,000,000		\$53,768	\$291,000	\$344,768	\$500,583	\$264,130	\$17,582	\$1,109,482
2030	\$61,833,500	\$30,000,000		\$49,467	\$291,000	\$340,467	\$460,536	\$242,999	\$16,176	\$1,044,002
2031	\$56,886,900	\$30,000,000		\$45,510	\$291,000	\$336,510	\$423,694	\$223,560	\$14,882	\$983,763
2032	\$52,335,900	\$52,335,900		\$41,869	\$507,658	\$549,527	\$389,798	\$205,675	\$13,691	\$1,145,000
2033	\$48,149,100	\$48,149,100		\$38,519	\$467,046	\$505,566	\$358,614	\$189,221	\$12,596	\$1,053,401
2034	\$44,297,100	\$44,297,100		\$35,438	\$429,682	\$465,120	\$329,925	\$174,083	\$11,588	\$969,128
2035	\$40,753,400	\$40,753,400		\$32,603	\$395,308	\$427,911	\$303,531	\$160,157	\$10,661	\$891,599
2036	\$37,493,100	\$37,493,100		\$29,994	\$363,683	\$393,678	\$279,249	\$147,344	\$9,808	\$820,270
			Total	\$862,182	\$5,101,265	\$5,963,447	\$8,026,913	\$4,235,361	\$281,933	\$18,225,720
			Diff	\$0	\$5,352,690	\$5,352,690	\$0	\$0	\$0	\$5,634,623

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Griffin Trail Wind, LLC

*Tax Rate per \$100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller’s determination that Griffin Trail Wind, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2019	\$0	\$0	\$0	\$0
	2020	\$0	\$0	\$0	\$0
	2021	\$27,888	\$27,888	\$0	\$0
Limitation Period (10 Years)	2022	\$291,000	\$318,888	\$877,673	\$877,673
	2023	\$291,000	\$609,888	\$784,180	\$1,661,853
	2024	\$291,000	\$900,888	\$698,165	\$2,360,019
	2025	\$291,000	\$1,191,888	\$619,032	\$2,979,050
	2026	\$291,000	\$1,482,888	\$546,229	\$3,525,280
	2027	\$291,000	\$1,773,888	\$479,251	\$4,004,531
	2028	\$291,000	\$2,064,888	\$417,631	\$4,422,161
	2029	\$291,000	\$2,355,888	\$360,941	\$4,783,102
	2030	\$291,000	\$2,646,888	\$308,785	\$5,091,887
	2031	\$291,000	\$2,937,888	\$260,803	\$5,352,690
Maintain Viable Presence (5 Years)	2032	\$507,658	\$3,445,546	\$0	\$5,352,690
	2033	\$467,046	\$3,912,592	\$0	\$5,352,690
	2034	\$429,682	\$4,342,274	\$0	\$5,352,690
	2035	\$395,308	\$4,737,582	\$0	\$5,352,690
	2036	\$363,683	\$5,101,265	\$0	\$5,352,690
Additional Years as Required by 313.026(c)(1) (10 Years)	2037	\$334,588	\$5,435,853	\$0	\$5,352,690
	2038	\$307,821	\$5,743,674	\$0	\$5,352,690
	2039	\$283,195	\$6,026,869	\$0	\$5,352,690
	2040	\$260,540	\$6,287,409	\$0	\$5,352,690
	2041	\$239,697	\$6,527,106	\$0	\$5,352,690
	2042	\$220,521	\$6,747,627	\$0	\$5,352,690
	2043	\$202,879	\$6,950,506	\$0	\$5,352,690
	2044	\$186,648	\$7,137,154	\$0	\$5,352,690
	2045	\$171,717	\$7,308,871	\$0	\$5,352,690
	2046	\$157,980	\$7,466,851	\$0	\$5,352,690
		\$7,466,851	is greater than	\$5,352,690	

Analysis Summary

Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	Yes
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Source: CPA, Griffin Trail Wind, LLC

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.