

UNDERWOOD

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April 8, 2019

John Villarreal
Stephanie Jones
Michelle Luera
Economic Development and Analysis Division
Texas Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774

Via Email and Federal Express

Re: 313 Application – Las Lomas Wind Energy, LLC

Dear John, Stephanie and Michelle:

Enclosed please find an application for appraised value limitation on qualified property submitted to Zapata County ISD by Las Lomas Wind Energy, LLC on March 27, 2019, along with the schedules in Excel format. A CD containing these documents is also enclosed.

The Zapata County ISD Board elected to accept the application on March 27, 2019. The application was determined to be complete on April 8, 2019. We ask that the Comptroller's Office prepare the economic impact report for this application.

A copy of the application will also be submitted to the Zapata County Appraisal District in accordance with 34 Tex. Admin. Code §9.1054. Please feel free to contact me if you have any questions or concerns.

Sincerely,



Fred A. Stormer

Encl.
0D3QZ0

cc: Chief Appraiser, Zapata County Appraisal District
Keith Kurtz, Sr. Project Developer
ENGIE, North America
Sam Gregson

via US Mail
via email: keith.kurtz@engie.com

via email: sgregson@cwlp.net

UNDERWOOD LAW FIRM, P.C.

AMARILLO

AUSTIN

FORT WORTH

LUBBOCK

PAMPA



TAB 1

Pages 1 through 9 of application

Application for Appraised Value Limitation on Qualified Property

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

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

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

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

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

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

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

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

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

March 27, 2019

Date Application Received by District

Carlos Gonzalez

First Name Last Name

Superintendent

Title

Zapata County Independent School District

School District Name

1302 Glenn Street

Street Address

1302 Glenn Street

Mailing Address

Zapata TX 78076

City State ZIP

956-765-6546 956-765-8350

Phone Number Fax Number

Mobile Number (optional) cgonzalez@zcisd.org

Email Address

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Fred	Stormer
First Name	Last Name
Attorney	
Title	Title
Underwood Law Firm, P.C.	
Firm Name	Firm Name
806-379-0306	
Phone Number	Fax Number
	Fred.Stormer@uwlaw.com
Mobile Number (optional)	Email Address

4. On what date did the district determine this application complete? April 8, 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)

Matt	Riley
First Name	Last Name
Vice President	ENGIE North America
Title	Organization
3760 State Street, Suite 200	
Street Address	Street Address
3760 State Street, Suite 200	
Mailing Address	Mailing Address
Santa Barbara	CA
City	State
805-569-6181	93105
Phone Number	ZIP
	805-569-6190
Mobile Number (optional)	Fax Number
	matt.riley@engie.com
	Business Email Address

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? Yes No
- 2a. If yes, please fill out contact information for that person.

Keith	Kurtz
First Name	Last Name
Senior Project Developer	ENGIE, North America
Title	Organization
150 S. Wacker Drive, Suite 2400	
Street Address	Street Address
150 S. Wacker Drive, Suite 2400	
Mailing Address	Mailing Address
Chicago	Illinois
City	State
217-306-6452	60606
Phone Number	ZIP
217-306-6452	805-896-6190
Mobile Number (optional)	Fax Number
	Keith.Kurtz@engie.com
	Business Email Address

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Sam _____ Gregson _____
 First Name Last Name
 Senior Consultant _____
 Title _____
 Cummings Westlake LLC _____
 Firm Name _____
 713-266-4456 _____ 713-266-2333 _____
 Phone Number Fax Number
 sgregson@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? Las Lomas Wind Energy, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32057777529
3. List the NAICS code 221115
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 Company
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No
 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? Yes No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

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

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
3. Does the applicant have current business activities at the location where the proposed project will occur? Yes No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? Yes No
5. Has the applicant received any local or state permits for activities on the proposed project site? Yes No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? Yes No
7. Is the applicant evaluating other locations not in Texas for the proposed project? Yes No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? Yes No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? Yes No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? Yes No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

SECTION 9: Projected Timeline

- 1. Application approval by school board July 2019
- 2. Commencement of construction March 2020
- 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 January 1, 2021
- 7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (*date your application is finally determined to be complete*)? Yes No
Note: Improvements made before that time may not be considered qualified property.
- 8. When do you anticipate the new buildings or improvements will be placed in service? January 1, 2021

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Zapata County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Zapata 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: Zapata County; 100%; \$0.694026 City: _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: _____ Water District: Zapata Co. Water Control; 100%; \$0.36
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): _____ Other (describe): _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
- 5. Is the project located entirely within the ISD listed in Section 1? Yes No
5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
- 6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

- 1. At the time of application, what is the estimated minimum qualified investment required for this school district? 20,000,000.00
- 2. What is the amount of appraised value limitation for which you are applying? 25,000,000.00
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 [x] 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 [x] 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? 3
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 - 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 993.25
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 2,169.48
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 663.00
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 34,447.00
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 34,447.00
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**.

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

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



TAB 2

Proof of Payment of Application Fee

Please find on the attached page, copy of the check for the \$75,000 application fee to Zapata County Independent School District.

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)

Note – The attached is the most recent report filed and Las Lomas Wind Energy, LLC had not been formed during the reporting time period of the 2017 report. Las Lomas Wind Energy, LLC will be reported on the 2018 Report for ENGIE Holdings, Inc.



Franchise Tax Account Status

As of : 02/22/2019 11:47:37

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

LAS LOMAS WIND ENERGY, LLC	
Texas Taxpayer Number	32057777529
Mailing Address	3000 EL CAMINO REAL STE 5-700 PALO ALTO, CA 94306-2116
Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	07/14/2015
Texas SOS File Number	0802253164
Registered Agent Name	CORPORATION SERVICE COMPANY DBA CSC - LAWYERS INCO
Registered Office Street Address	211 E. 7TH STREET, SUITE 620 AUSTIN, TX 78701



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.

Las Lomas Wind Energy, LLC (the "Project") is requesting an appraised value limitation from Zapata County Independent School District (ZCISD) for a proposed renewable energy project using wind turbines, located in Zapata County, Texas. Las Lomas Wind Energy, LLC anticipates that the project will have a capacity of approximately 200 megawatts (MW), comprised of between 44 and 80 wind turbines with a nameplate generating capacity rating of between 2.5MW to 4.5MW each. The exact number of turbines and the size of each turbine may vary depending upon the wind turbines selected and the generating capacity of the completed project. The Point of Interconnect will be located next to the Project substation as shown on the map in Tab 11. The project will be located on approximately 32,200 acres in southern Zapata County. The ERCOT IGNR Number for this project is 16INR0111 and was issued on September 14, 2018. The project is not known by any other names.

The property for which the applicant is requesting an appraised value limitation shall include, but not be limited to

- 44 to 80 wind turbines with 2.75MW - 4.5MW nameplate capacity.
- Pad Mount Transformers.
- Reinforced concrete slabs supporting the weight of each turbine tower.
- Equipment and towers used to gather meteorological data.
- Buried and overhead electrical conductor cables (including poles) used to transport electricity from the turbine towers to an electrical substation.
- The electrical substation and electrical conductor cables used to transport electricity away from the project site.
- Buried and overhead communication cables.
- FAA-required wind turbine obstruction lighting.
- One Operation and Maintenance (O & M) building
- Associated equipment to safely operate, maintain and deliver electricity to the grid.



TAB 5

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

ENGIE North America, a division of ENGIE, manages a range of energy businesses throughout North America, including retail energy sales and energy services to commercial, industrial and residential customers, natural gas and liquefied natural gas (LNG) distribution and sales, and electricity generation and cogeneration. In 2015, ENGIE recorded \$77.6 billion in global revenues. More than 3,500 employees work in the region, with Houston serving as ENGIE North America's corporate headquarters.

ENGIE is one of the largest non-residential retail electricity suppliers in the United States and currently serves commercial, industrial, and institutional customers in 14 markets. Supplying energy to nearly 50 percent of Fortune 100 companies, ENGIE serves over 89,000 accounts, with an estimated peak load totaling nearly 13,000 MW.

In the United States and Canada, ENGIE owns and/or operates cogeneration, steam, and chilled water facilities, including more than 1,000 MW in the portfolio produced by combined heat and power (CHP) units located within commercial or industrial facilities and using waste heat from an onsite generation system to provide for heating and chilling needs. The North America renewables portfolio consists of wind, solar and biomass/biogas assets, with a capacity of close to 1,000 MW. In Canada, ENGIE is among the Top 5 wind developers, with assets in Ontario, the Maritimes and British Columbia.

As a developer with international scope and capabilities, the Applicant has the ability to locate projects of this type in other countries as well as in states within the United States and other regions within Texas with favorable wind characteristics. The Applicant is actively assessing and developing opportunities for this project in Oklahoma, Nebraska, Indiana, South Dakota and Colorado. With Texas wholesale electricity prices already below the international average, it is necessary to limit the property tax liabilities for a wind project in order to be able to offer electricity at prices that are marketable to Texas customers at competitive rates. Global markets that have various available subsidies for renewable energy projects, and which have higher average contracted power rates, offer an attractive incentive for developers to build projects in those markets over Texas.

The property tax liability of a project without tax incentives in Texas would reduce the return to investors and financiers to an unacceptable level at today's contracted power rates under a power purchase agreement (PPA). Therefore, the applicant would be unable to finance and build the project in Texas even with a signed PPA because of the low price in the PPA. Without the 313 Value Limitation, the applicant would be forced to walk away from this project and spend the potential investment in other states where the rate of return is higher.



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)

District	Percentage	Tax Rate
1) Zapata County	100%	\$0.694026
2) Zapata County Water Control Dist.	100%	\$0.360000
3) Zapata County ISD	100%	\$1.040000



TAB 7

Description of Qualified Investment

The Qualified Investment for which the applicant is requesting an appraised value limitation shall include, but not be limited to

- 44 to 80 wind turbines with 2.75MW - 4.5MW nameplate capacity.
- Pad Mount Transformers.
- Reinforced concrete slabs supporting the weight of each turbine tower.
- Equipment and towers used to gather meteorological data.
- Buried and overhead electrical conductor cables (including poles) used to transport electricity from the turbine towers to an electrical substation.
- The electrical substation and electrical conductor cables used to transport electricity away from the project site.
- Buried and overhead communication cables.
- FAA-required wind turbine obstruction lighting.
- One Operation and Maintenance (O & M) building
- Associated equipment to safely operate, maintain and deliver electricity to the grid.



TAB 8

Description of Qualified Property

The Qualified Property for which the applicant is requesting an appraised value limitation shall include, but not be limited to

- 44 to 80 wind turbines with 2.75MW - 4.5MW nameplate capacity.
- Pad Mount Transformers.
- Reinforced concrete slabs supporting the weight of each turbine tower.
- Equipment and towers used to gather meteorological data.
- Buried and overhead electrical conductor cables (including poles) used to transport electricity from the turbine towers to an electrical substation.
- The electrical substation and electrical conductor cables used to transport electricity away from the project site.
- Buried and overhead communication cables.
- FAA-required wind turbine obstruction lighting.
- One Operation and Maintenance (O & M) building
- Associated equipment to safely operate, maintain and deliver electricity to the grid.



TAB 9

Description of Land

Not applicable. The land on which the new buildings and new improvements will be built, is not being claimed as part of the qualified property described by §313.021(2)(A).



TAB 10

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

None



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



Las Lomas Wind Project

02/19/2019

Legend

Roads



Texas Land Survey



Project Boundary



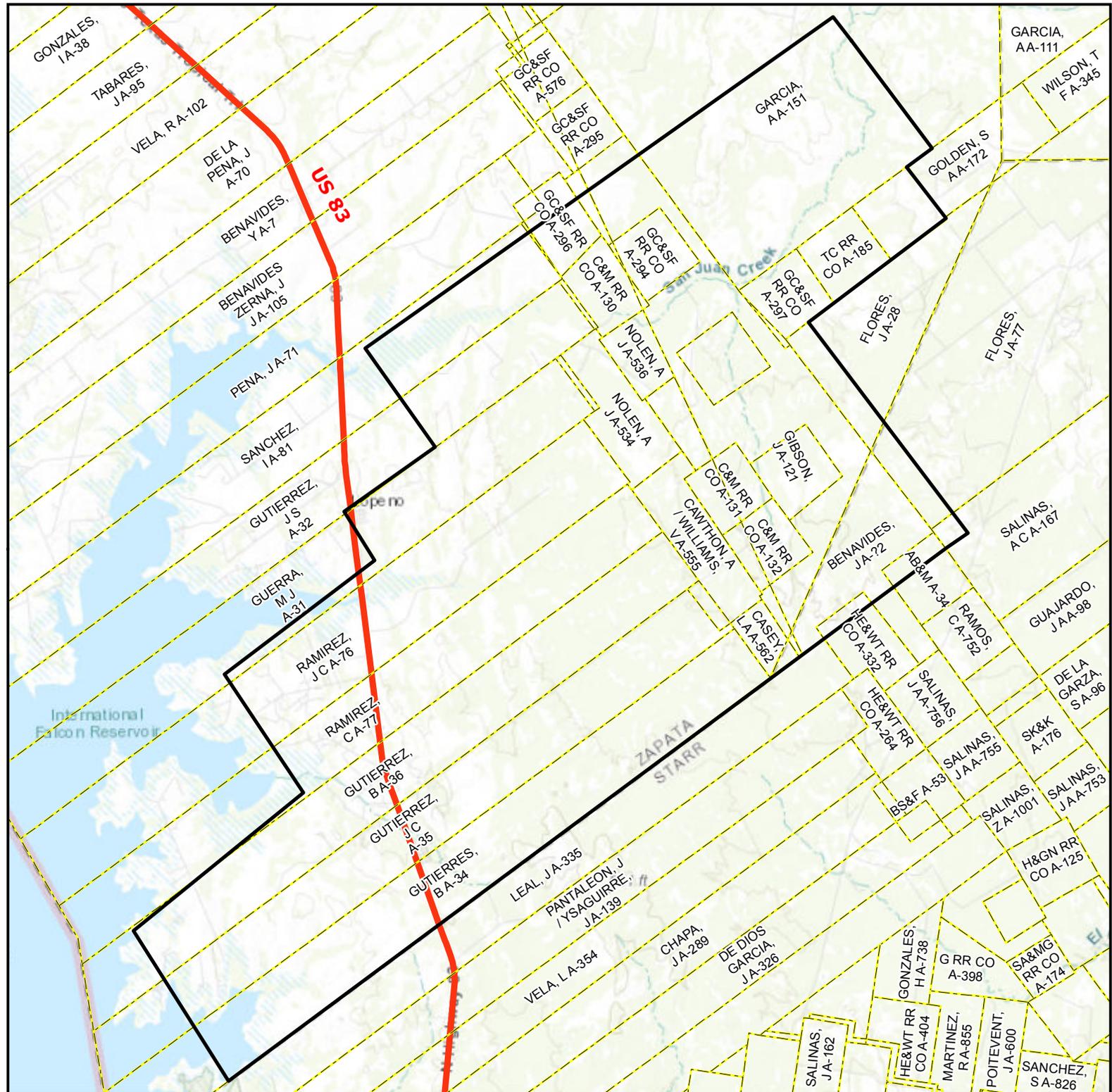
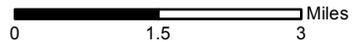
The entirety of Zapata County has been designated as a Reinvestment Zone as noted in Tab 16

Project Location



Reference

NAD83 State Plane Texas South, US Feet



GONZALES, IA-38

TABARES, JA-95

VELA, RA-102

DE LA PEÑA, J A-70

BENAVIDES, YA-7

BENAVIDES ZERNA, J JA-105

PENA, J A-71

SANCHEZ, IA-81

GUTIERREZ, JS A-32

GUERRA, M J A-31

RAMIREZ, J C A-76

RAMIREZ, CA-77

GUTIERREZ, BA-36

GUTIERREZ, J C A-35

GUTIERRES, BA-34

LEAL, J A-335

PANTALEON, J / YSAGUIRRE, JA-139

VELA, L A-354

CHAPA, J A-289

DE DIOS GARCIA, JA-326

GC&SF RR CO A-576

GC&SF RR CO A-295

GC&SF RR CO A-296

GC&SF RR CO A-244

C&M RR CO A-130

NOLEN, A JA-536

NOLEN, A JA-534

C&M RR CO A-731

C&M RR CO A-132

CASEY, LA A-562

CANTON, A / WILLIAMS, VA-555

HE&WT RR CO A-332

HE&WT RR CO A-264

BS&F A-53

SALINAS, Z A-1001

H&GN RR CO A-125

SA&MG RR CO A-174

GARCIA, AA-151

GOLDEN, S AA-172

GARCIA, AA-111

WILSON, T F A-345

TC RR CO A-185

GC&SF RR CO A-297

GC&SF RR CO A-121

BENAVIDES, JA-72

AB&M A-34

RAMOS, C A-752

SALINAS, J A A-756

SALINAS, J A A-755

SALINAS, J A A-753

SALINAS, J A-162

HE&WT RR CO A-404

FLORES, JA-28

FLORES, JA-77

SALINAS, A C A-167

GUJARDO, J A A-98

DE LA GARZA, S A-96

SK&K A-176

SALINAS, J A A-753

GONZALES, H A-738

G R R CO A-398

MARTINEZ, R A-855

POITEVENT, JA-600

SANCHEZ, SA-826

ZAPATA STARR

International Falcon Reservoir

San Juan Creek



TAB 12

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

See Attached



CUMMINGS WESTLAKE
PROPERTY TAX ADVISORS

February 22, 2019

Mr. Carlos M. Gonzales
Superintendent
Zapata County Independent School District
1302 Glenn Street
Zapata, TX 78076

Re: Chapter 313 Jobs Waiver Request

Dear Superintendent Gonzales,

Las Lomas Wind Energy, LLC requests that the Zapata County 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.

Zapata County Wind Energy, LLC requests that the Board of Trustees make such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, Las Lomas Wind Energy, LLC has committed to create three total jobs for the project.

Wind 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 industry standard for employment is typically one full-time employee for approximately every 15 turbines. This number will vary depending on the operations and maintenance requirements of the turbines selected as well as the support and technical assistance offered by the turbine manufacturer. The permanent employees of a wind project maintain, and service wind turbines, 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 blue ink that reads "Sam A. Gregson". The signature is written in a cursive style with a large initial "S" and "G".

Sam A. Gregson
Senior Consultant
Cummings Westlake, LLC



TAB 13

Calculation of three possible wage requirements with TWC documentation

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

**LAS LOMAS WIND, LLC
TAB 13 TO CHAPTER 313 APPLICATION**

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

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2018	\$ 901	\$ 46,852
SECOND	2018	\$ 939	\$ 48,828
THIRD	2018	\$ 945	\$ 49,140
FOURTH	2017	\$ 972	\$ 50,544
AVERAGE		\$ 939.25	\$ 48,841

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

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2018	\$ 2,208	\$ 114,816
SECOND	2018	\$ 1,937	\$ 100,724
THIRD	2018	\$ 1,893	\$ 98,436
FOURTH	2017	\$ 1,851	\$ 96,252
AVERAGE		\$ 1,972.25	\$ 102,557
		X 110%	110%
		\$ 2,169.48	\$ 112,813

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

YEAR	AVG WEEKLY WAGES*	ANNUALIZED
2017	\$ 603	\$ 31,343
		X 110%
		\$ 663
		\$ 34,477

* 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
2018	1st Qtr	Zapata County	Total All	00	0	10	Total, all industries	\$901
2018	2nd Qtr	Zapata County	Total All	00	0	10	Total, all industries	\$939
2017	4th Qtr	Zapata County	Total All	00	0	10	Total, all industries	\$972
2018	3rd Qtr	Zapata County	Total All	00	0	10	Total, all industries	\$945

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
2018	1st Qtr	Zapata County	Private	31	2	31-33	Manufacturing	\$2,208
2018	2nd Qtr	Zapata County	Private	31	2	31-33	Manufacturing	\$1,937
2017	4th Qtr	Zapata County	Private	31	2	31-33	Manufacturing	\$1,851
2018	3rd Qtr	Zapata County	Private	31	2	31-33	Manufacturing	\$1,893

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

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

110% X \$31,343 = \$34,477

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

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 new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	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)		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	198,000,000	2,000,000	0	0
	QTP2	2021-2022	2021	0	0	0	0	0
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				198,000,000	2,000,000	0	0	200,000,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				200,000,000				

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		198,000,000	2,000,000	0	0	200,000,000
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				198,000,000	2,000,000	0	0	200,000,000
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 **2/21/2019**
 Applicant Name **LAS LOMAS WIND, LLC**
 ISD Name **ZAPATA COUNTY ISD**

Form 50-296A

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	196,000,000	196,000,000	196,000,000	25,000,000
	2	2022-2023	2022	0	0	182,280,000	182,280,000	182,280,000	25,000,000
	3	2023-2024	2023	0	0	169,520,000	169,520,000	169,520,000	25,000,000
	4	2024-2025	2024	0	0	157,654,000	157,654,000	157,654,000	25,000,000
	5	2025-2026	2025	0	0	146,618,000	146,618,000	146,618,000	25,000,000
	6	2026-2027	2026	0	0	136,355,000	136,355,000	136,355,000	25,000,000
	7	2027-2028	2027	0	0	126,810,000	126,810,000	126,810,000	25,000,000
	8	2028-2029	2028	0	0	117,933,000	117,933,000	117,933,000	25,000,000
	9	2029-2030	2029	0	0	109,678,000	109,678,000	109,678,000	25,000,000
	10	2030-2031	2030	0	0	102,001,000	102,001,000	102,001,000	25,000,000
Continue to maintain viable presence	11	2031-2032	2031	0	0	96,901,000	96,901,000	96,901,000	96,901,000
	12	2032-2033	2032	0	0	92,056,000	92,056,000	92,056,000	92,056,000
	13	2033-2034	2033	0	0	87,453,000	87,453,000	87,453,000	87,453,000
	14	2034-2035	2034	0	0	83,080,000	83,080,000	83,080,000	83,080,000
	15	2035-2036	2035	0	0	78,926,000	78,926,000	78,926,000	78,926,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036	0	0	74,980,000	74,980,000	74,980,000	74,980,000
	17	2037-2038	2037	0	0	71,231,000	71,231,000	71,231,000	71,231,000
	18	2038-2039	2038	0	0	67,669,000	67,669,000	67,669,000	67,669,000
	19	2039-2040	2039	0	0	64,286,000	64,286,000	64,286,000	64,286,000
	20	2040-2041	2040	0	0	61,072,000	61,072,000	61,072,000	61,072,000
	21	2041-2042	2041	0	0	58,018,000	58,018,000	58,018,000	58,018,000
	22	2042-2043	2042	0	0	55,117,000	55,117,000	55,117,000	55,117,000
	23	2043-2044	2043	0	0	52,361,000	52,361,000	52,361,000	52,361,000
	24	2044-2045	2044	0	0	50,000,000	50,000,000	50,000,000	50,000,000
	25	2045-2046	2045	0	0	50,000,000	50,000,000	50,000,000	50,000,000

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

Schedule C: Employment Information

Date 2/21/2019
Applicant Name LAS LOMAS WIND, LLC
ISD Name ZAPATA COUNTY 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	Column B	Column C	Column D	Column E
				Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	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	2020-2021	2020	75 FTE	40,000	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	3	34,477
	2	2022-2023	2022	N/A	N/A	0	3	34,477
	3	2023-2024	2023	N/A	N/A	0	3	34,477
	4	2024-2025	2024	N/A	N/A	0	3	34,477
	5	2025-2026	2025	N/A	N/A	0	3	34,477
	6	2026-2027	2026	N/A	N/A	0	3	34,477
	7	2027-2028	2027	N/A	N/A	0	3	34,477
	8	2028-2029	2028	N/A	N/A	0	3	34,477
	9	2029-2030	2029	N/A	N/A	0	3	34,477
	10	2030-2031	2030	N/A	N/A	0	3	34,477
Years Following Value Limitation Period	11 through 25	2031-2045	2031-2045	N/A	N/A	0	3	34,477

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 2/21/2019
Applicant Name LAS LOMAS WIND, LLC
ISD Name ZAPATA COUNTY 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: Zapata County	2021	10 Years	See Details Below	See Details Below	See Details Below
	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				\$ 1,003,000		\$ 82,600

Additional information on incentives for this project:

County Terms: Zapata Wind Energy, LLC has applied for and anticipates receiving received a 100% abatement of all County Ad Valorem taxes and will pay an annual PILOT based on \$413/MW of



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 an 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*

- a) Not applicable
- b) The entire County has been designated as a Reinvestment Zone
- c) See Attached
- d) See Attached

**RESOLUTION OF THE COMMISSIONERS COURT
OF ZAPATA COUNTY, TEXAS
DESIGNATING REINVESTMENT ZONE**

A RESOLUTION DESIGNATING THE AREA OF ZAPATA COUNTY, TEXAS AS A REINVESTMENT ZONE FOR A COMMERCIAL-INDUSTRIAL TAX ABATEMENT IN ZAPATA COUNTY, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Commissioners Court of Zapata County, Texas desires to promote the development or redevelopment of the geographic area within its jurisdiction by the creation of a reinvestment zone as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Property Code §312.001, et. seq.), and Tax Abatement Guidelines and Criteria of Zapata County (the "Guidelines"); and

WHEREAS, on March 26, 2018, a hearing before the Commissioners Court of Zapata County, Texas was held, and such date at least seven days (7) days after the date of publication of the notice of such public hearing in the local newspaper of general circulation in Zapata County and the delivery of written notice to the respective presiding officer of each taxing entity that includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

WHEREAS, the Commissioners Court of Zapata County, Texas at such public hearing invited any interested person to appear and speak for or against the creation of the reinvestment zone and whether all or part of the real property to be included should be included in the proposed reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone; and opponents, if any, of the reinvestment zone appeared to contest the creation of the reinvestment zone;

BE IT RESOVLED BY THE COMMISSIONERS COURT OF ZAPATA COUNTY, TEXAS

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the Commissioners Court of Zapata County, Texas, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on adoption of the reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and mailed to the respective presiding officers of the governing

bodies of all taxing units inside the proposed reinvestment zone; and

- (b) That the boundaries of the proposed reinvestment zone should be the area depicted on the map attached hereto as Exhibit "A", said Exhibit being incorporated herein by reference for all purposes; and,
- (c) That creation of the reinvestment zone will result in benefits to Zapata County, Texas and to land included in the reinvestment zone and that the improvements sought are feasible and practical; and
- (d) The reinvestment zone meets the criteria set forth in Texas Property Tax Code Chapter 312 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property that would contribute to the economic development of Zapata County, Texas, and that the entire tract of land is located entirely within an unincorporated area of Zapata County, Texas, that being of all of Zapata County.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, the Zapata County Commissioners Court hereby creates the Zapata County Reinvestment Zone; a reinvestment zone for commercial-industrial tax abatement encompassing only the area described in Exhibit "A", and such investment zone is hereby designated and shall hereafter be referred to as Zapata County Reinvestment Zone Number 2018-01.

SECTION 4. That Zapata County Reinvestment Zone Number 2018-01 shall take effect on March 26, 2018 and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation and may be renewed for an additional five (5) year period thereafter.

SECTION 5. That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

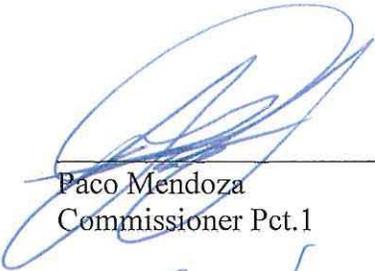
SECTION 6. That it is hereby found, determined and declared that sufficient notice of the date, hour, place and subject, of the meeting of the Zapata County Commissioners Court at which this Resolution was adopted was posted at a place convenient and readily accessible at all times as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of general circulation within the County, and furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this the 26th day of March, 2018.

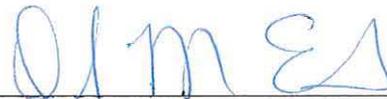
ZAPATA COUNTY, TEXAS



Honorable Joseph Rathmell
Zapata County Judge



Paco Mendoza
Commissioner Pct.1



Olga M. Elizondo
Commissioner Pct.2



Eddie Martinez
Commissioner Pct.3

Norberto Garza
Commissioner Pct.4

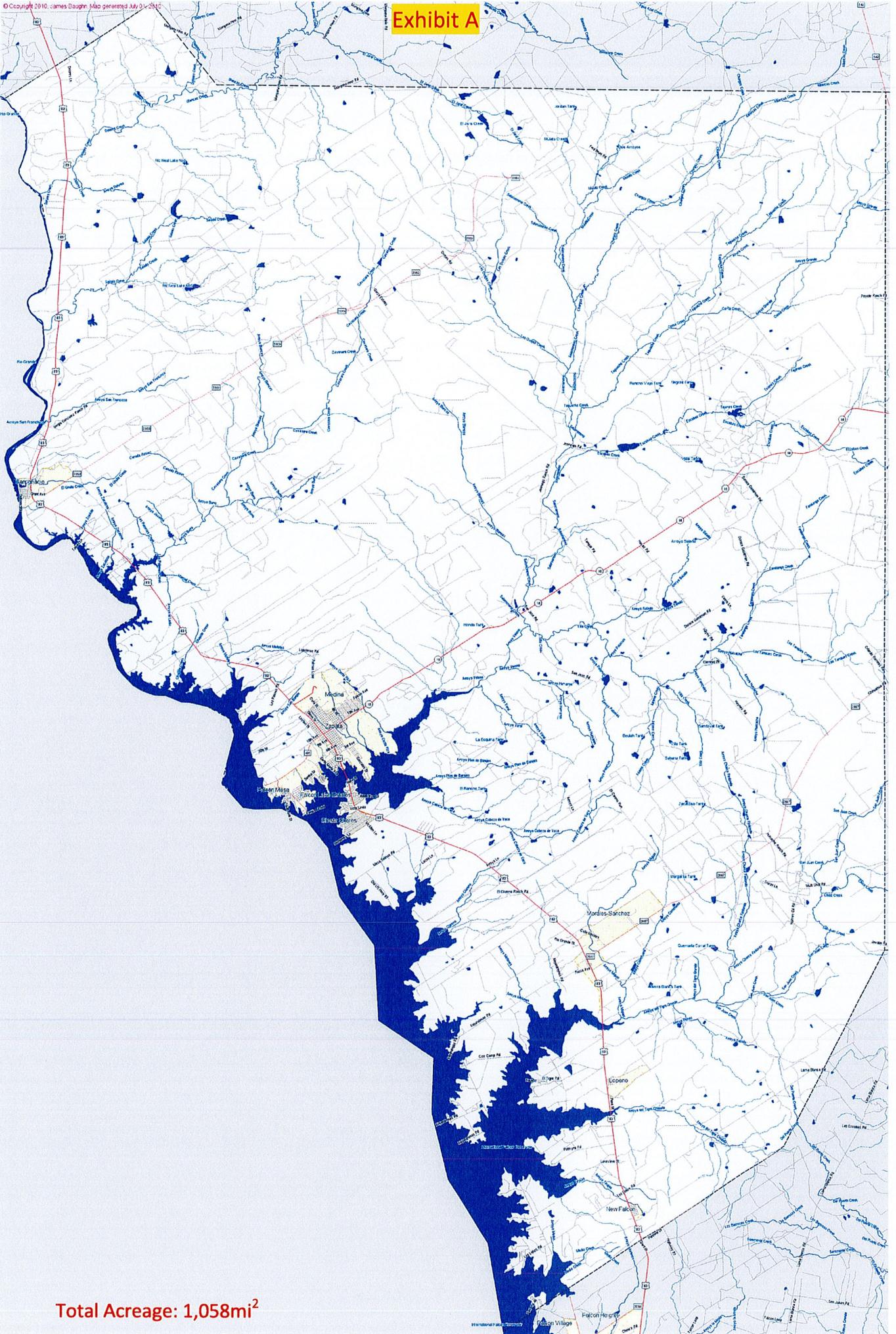
ATTEST:



Mary Jayne Villarreal-Bonoan
County Clerk



Exhibit A



Total Acreage: 1,058mi²

Note: The entire boundary of Zapata County is designated as a Reinvestment Zone as indicated in the resolution.

STATE OF TEXAS

ZAPATA COUNTY

TAX ABATEMENT GUIDELINES AND CRITERIA

Zapata County (the "County") is committed to the promotion of quality development in all parts of Zapata County and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider providing Tax Abatements (as defined below) to stimulate economic development. It is the policy of the County that such an incentive will be provided in accord with the guidelines and criteria outlined in this document. All applicants for Tax Abatements shall be considered on an individual basis.

In order to be eligible for designation as a Reinvestment Zone and receive Tax Abatement, and unless otherwise approved by the County, the planned improvement:

1. must be an Eligible Facility (as defined below);
2. must add at least Ten Million Thousand (\$10,000,000.00) to the tax roll of eligible property;
3. must be reasonably expected to have an increase in positive net economic benefit to Zapata County of at least Twenty Million Dollars (\$20,000,000.00) over the life of the Abatement, computed to include (but not limited to) new sustaining payroll and/or capital improvement; and
4. must not be expected to solely or primarily have the effect of transferring employment from one part of Zapata County to another.

In addition to the criteria set forth above, the County reserves the right to negotiate a Tax Abatement Agreement in order to compete favorably with other communities.

Only that increase in the fair market value of the property that is a direct result of the development, redevelopment, and improvement specified in the Agreement will be eligible for Abatement and then only to the extent that such increase exceeds any reduction in the fair market value of the other property of the applicant located within the jurisdiction creating the reinvestment zone.

All Tax Abatement Agreements will remain in effect no longer than allowed by law.

It is the goal of the County to grant Tax Abatements on the same terms and conditions as the other taxing units having jurisdiction of the property. **HOWEVER, NOTHING HEREIN SHALL IMPLY OR SUGGEST THAT THE COUNTY IS UNDER ANY OBLIGATION TO PROVIDE ANY TAX ABATEMENT, OR PROVIDE ANY LENGTH, LEVEL OR VALUE OF TAX ABATEMENT, TO ANY APPLICANT.**

This policy is effective as of the 11th day of December, 2017, and shall at all times be kept current with regard to the needs of Zapata County and reflective of the official views of the County, and shall be reviewed every two (2) years.

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

1. limit the discretion of the governing body to decide whether to enter into a specific Tax Abatement Agreement;
2. limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for Tax Abatement; or
3. create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application or request for Tax Abatement.

SECTION I. DEFINITIONS

A. **“Abatement” or “Tax Abatement”** means the full or partial exemption from County ad valorem taxes of the increased values of eligible properties in a reinvestment zone designated as such in accordance with state law.

B. **“Agreement” or “Abatement Agreement”** means a contractual Agreement between a property owner and/or lessee and the County for the purpose of a tax abatement.

C. **“Base Year Value”** means the assessed value on the eligible property as of January 1 preceding the execution of the Agreement.

D. **“Deferred Maintenance”** means improvements necessary for continued operation which do not improve productivity or alter the process technology.

E. **“Eligible Facilities”** means new, expanded, or modernized buildings and structures, including fixed machinery and equipment, which is reasonably likely as a result of granting the Abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment zone that would be a benefit to the property and that would contribute to the economic development of Zapata County, but does not include facilities which are intended to be primarily to provide goods or services to residents for existing businesses located in Zapata County such as, but not limited to, restaurants and retail sales establishments. Eligible facilities may include, but shall not be limited to a(n):

aquaculture/agriculture facility;
distribution center facility;
manufacturing facility;
office building;

regional entertainment/tourism facility;
research service facility;
regional service facility;
historic building in a designated area;
renewable energy facility; or
other basic industrial facility.

F. **“Expansion”** means the addition of building structures, machinery, equipment, or payroll for purposes of increasing production capacity.

G. **“Facility”** means property improvement(s) completed or in the process of construction which together comprise an interregional whole.

H. **“Lease”** means a relationship whereby the applicant applying for a tax abatement has a contract for exclusive possession of the real property on which improvements are to be made and/or personal property to be used for the operation of the business for a defined period of time.

I. **“Modernization”** means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, or equipment. Modernization shall not include reconditioning, refurbishing, repairing or completion of deferred maintenance.

J. **“New Facility”** means a property previously undeveloped which is placed into service by means other than or in conjunction with Expansion or Modernization.

K. **“Personal Property”** means machinery, equipment and/or tools used, or bought or leased for use, in the operations of the person applying for tax abatement, other than that which was located on the real property at any time before execution of the tax abatement agreement. “Personal property” shall not include inventory supplies, office furniture, office equipment, motor vehicles, aircraft, housing, hotel accommodations, or deferred maintenance investments.

L. **“Productive Life”** means the number of years property improvement(s) is/are expected to be in service in a facility.

M. **“Real Property”** means the area of land defined by legal description as being owned or leased by the applicant applying for a tax abatement, including any improvements thereto, which is to be improved and valued for property tax purposes, and which is to be included in the Reinvestment Zone.

N. **“Reinvestment Zone”** is an area designated as such for the purpose of a tax abatement as authorized by the County in accordance with the Texas Tax Code (hereinafter Code”).

SECTION II. REINVESTMENT ZONE DESIGNATION

- A. A Reinvestment Zone may only be designated in accordance with the Code.
- B. A Reinvestment Zone may only be designated by the Commissioners Court in an area of the County that does not include an area within the taxing jurisdiction of a municipality.
- C. An area may be designated as a Reinvestment Zone if the Commissioners Court, after a public hearing on the proposed designation, finds that the designation would attract major investment into the Reinvestment Zone that would be a benefit to the property to be included in the Reinvestment Zone and would contribute to the economic development of the County.
- D. A public hearing on a proposed Reinvestment Zone designation must be held prior to the findings and action of the Commissioners Court on the proposal. The public hearing shall be conducted in accordance with applicable provisions of the Code. The public hearing must also be posted as an agenda item in accordance with Chapter 551 of the Texas Government Code (the "Texas Open Meetings Act").
- F. If the Commissioners Court finds that designation of an area as a Reinvestment Zone is proper, such proposed designation shall be put to a vote of the Commissioners Court, and will pass if a majority of the members of the Commissioners Court in attendance vote to approve the designation. The order of the Commissioners Court designating the area as a Reinvestment Zone shall contain a sufficient description of the Reinvestment Zone.
- G. The designation of a Reinvestment Zone shall be for a period of five (5) years. No designation of a Reinvestment Zone shall exceed five (5) years, and a designation of a Reinvestment Zone shall automatically expire five (5) years after the date of designation unless renewed by the Commissioners Court for one or more subsequent periods not to exceed five (5) years each. The expiration of a designation of a Reinvestment Zone does not affect any existing tax abatement agreement relating to property in such Reinvestment Zone.
- H. Tax abatement agreements entered by the County shall be in compliance with all applicable requirements set forth in the Code.

SECTION III. ABATEMENT AUTHORIZED

A. **Eligible Facilities/Value of Abatement.** Upon application, Eligible Facilities shall be considered for Tax Abatement as hereinafter provided. Eligible Facilities may be granted abatement on all or a portion of the increased value of eligible property, as described below, over the base year value for a period not to exceed ten (10) years. Such abatement, if granted as to real property, is not with regard to the entire value of the real property, but only to the extent that the value of the real property exceeds the value for the year in which the abatement is granted (i.e. the Base Year Value). Ad valorem taxes on tangible Personal Property may be abated to the extent of additions, but cannot be abated as to Personal Property located on the real property at any time before the tax abatement is executed, and cannot be abated for

inventory, supplies, office furniture, office equipment, motor vehicles, aircraft, housing, hotel accommodations, or deferred maintenance investments.

B. **Creation of New Values.** Abatement may only be granted for the additional value of eligible property improvement(s) 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.

C. **New and Existing Facilities.** Abatement may be granted for the additional value of eligible property improvement(s) 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.

D. **Eligible Property.** Abatement may be extended to the value of new, expanded, or modernized buildings, structures, fixed machinery and equipment, site improvements, and related fixed improvements necessary to the operation and administration of the facility, and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code.

E. **Ineligible Property.** The following types of property shall be fully taxable and ineligible for Tax Abatement: land; animals; inventories, supplies; tools; furnishings; vehicles; vessels; aircraft; deferred maintenance investments; housing and property to be rented or leased, except as provided in Section II(F); property owned or used by the State of Texas.

F. **Owned/Leased Facilities.** If a leased facility is granted Abatement, the Agreement shall be executed with the lessor and the lessee. If the land is leased, but the facility constructed or installed thereon is owned by the lessee, the lessee shall execute the Agreement.

G. **Economic Qualifications.** In order to be eligible for designation as a reinvestment zone and receive Tax Abatement, the planned improvement:

- (1) must be an Eligible Facility;
- (2) must add at least Five Hundred Thousand Dollars (\$500,000.00) to the tax roll of eligible property;
- (3) must be reasonably expected to have an increase in positive net economic benefit to Zapata County of at least One Million Dollars (\$1,000,000.00) over the life of the Abatement, computed to include (but not be limited to) new sustaining payroll and/or capital improvement. The creation of new jobs will also factor into the decision to grant an Abatement; and
- (4) must not be expected to solely or primarily have the effect of transferring employment from one part of Zapata County to another.

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

- (1) value of existing improvements, if any;
- (2) type and value of proposed improvements;
- (3) productive life of proposed improvements;
- (4) number of existing jobs to be retained by proposed improvements;
- (5) number and type of new jobs to be created by proposed improvements;
- (6) amount of local payroll to be created;
- (7) whether the new jobs to be created will be filled by persons residing or projected to reside within the affected taxing jurisdiction;
- (8) amount by which property tax base valuation will be increased during the term of Abatement and after Abatement, which shall include a definitive commitment that such valuation shall not, in any case, be less than Five Hundred Thousand Dollars (\$500,000.00);
- (9) expenses to be incurred in providing facilities directly resulting from the new improvements;
- () the amount of ad valorem taxes to be paid to 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;
- (1) the population growth of Zapata County that occurs directly as a result of new improvements;
- (2) the types and values of public improvements, if any, to be made by applicant seeking Abatement;
- (3) whether the proposed improvements compete with existing businesses to the detriment of the local economy;
- (4) the impact on the business opportunities of existing business;
- (5) the attraction of other new businesses to the area;
- (6) the overall compatibility with the zoning ordinances and comprehensive plan for the area; and
- (7) whether the project obtains all necessary permits from the applicable environmental agencies.

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

I. **Denial of Abatement.** An Abatement Agreement shall not be authorized if it is determined that:

- (1) there would be substantial adverse effect on the provision of government services or tax base;
- (0) the applicant has insufficient financial capacity;
- (1) applicant activities would violate applicable codes or laws; or
- (2) any other reason deemed appropriate by the County.

J. **Taxability.** From the execution of the Abatement to the end of the Agreement period, taxes shall be payable as follows:

- (1) the value of ineligible property as provided in Section II(E) shall be fully taxable;
- (2) the base year value of existing eligible property as determined each year shall be fully taxable; and
- (3) the additional value of new eligible property shall be fully taxable at the end of the Abatement period.

SECTION IV. APPLICATION

A. Any present or potential owner of taxable property in the County may request Tax Abatement by filing a written application with the County Judge for submission to the Commissioners Court.

B. The application shall consist of a general description of the new improvements to be undertaken; a descriptive list of the improvements for which an Abatement is requested; a list of the kind, number and location of all proposed improvements of a property; a map and property description (i.e survey); and a time schedule for undertaking and completing the proposed improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The Commissioners Court may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the applicant to be attached to the application. The completed application must be accompanied by the payment of a nonrefundable application fee for administrative costs and legal fees associated with the processing of the Tax Abatement request. All checks in payment of

the administrative fee shall be made payable to the County. The fee for Abatement requests shall be One Thousand and No/100 Dollars (\$1,000.00).

C. The County shall give notice as provided by the Property Tax Code, including written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to the Agreement is located, not later than seven (7) days before acting upon the application.

D. The application process described in this Section III shall be followed regardless of whether a particular reinvestment zone is created by Zapata County or a taxing entity within Zapata County. No other notice or hearing shall be required except compliance with the open meetings act, unless the Commissioners deem them necessary in a particular case.

SECTION V. AGREEMENT

A. After approval, the Commissioners shall formally pass a resolution and execute an Agreement with the owner of the facility and lessee, as required, which shall:

- (1) include a list of the kind, number and location of all proposed improvements to the property;
- (2) provide access to and authorize inspection of the property by the taxing unit to insure compliance with the Agreement;
- (3) limit the use of the property consistent with the taxing unit's development goals;
- (4) provide for recapturing property tax revenues that are lost if the owner fails to make improvements as provided by the Agreement;
- (5) include each term that was agreed upon with the property owner and require the owner to annually certify compliance with the terms of the Agreement to each taxing unit; and
- () allow the taxing unit to cancel or modify the Agreement at any time if the property owner fails to comply with the terms of the Agreement.

SECTION VI. RECAPTURE

A. In the event that the applicant or its assignee (1) allows its ad valorem taxes owed to become delinquent and fails to timely and property follow the legal procedures for their protest and/or content; or (2) violates any of the terms and conditions of the Abatement Agreement and fails to cure during the cure period, the Agreement may be terminated and all taxes previously abated by virtue of the Agreement will be recaptured and paid within ninety

(90) days of the termination.

Should the County determine that the applicant or its assignee is in default according to the terms and conditions of its Agreement, the County shall notify the applicant in writing at the address stated in the Agreement, and if such is not cured within the time set forth in such notice (the "Cure Period"), then the Agreement may be terminated.

SECTION VII. ADMINISTRATION

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

B. The County may execute a contract with any other jurisdiction(s) to inspect the facility to determine if the terms and conditions of the Abatement Agreement are being met. The Abatement Agreement shall stipulate that employees and/or designated representatives of 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 inspections will be made only after giving forty-eight (48) hours prior notice and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the applicant present and in accordance with its safety standards.

Upon completion of construction, a designated representative of the County shall annually evaluate each facility receiving Abatement to insure compliance with the Agreement and shall formally report such evaluations to the Commissioners.

SECTION VIII. ASSIGNMENT

The Abatement Agreement may be transferred and assigned by the holder to a new owner or lessee of the same facility either upon the approval by resolution of the Commissioners or in accordance with the terms of an existing Tax Abatement Agreement. No assignment or transfer shall be approved if the parties to the existing Agreement, the new owner, or new lessee are liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably delayed or withheld. Notice shall be given to the Commissioners at least twenty (20) days in advance of any transfer or assignment.

SECTION VIII. SUNSET PROVISION

These Guidelines and Criteria are effective upon the date of their adoption, and shall supersede and replace any and all prior guidelines and criteria for Tax Abatement in the County. These Guidelines and Criteria shall remain in force for two (2) years, unless amended by a three-

quarters (3/4) vote of the Commissioners, at which time all reinvestment zones and Tax Abatement Agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on such review, the Guidelines and Criteria will be modified, renewed or eliminated; provided, however, no modification or elimination of the Guidelines and Criteria shall affect Tax Abatement Agreements that have been previously approved until the parties thereto shall agree to amend such Agreements.

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PASSED, APPROVED AND ADOPTED on this the 11th day of December, 2017.



HON. JUDGE JOE RATHMELL
Zapata County Judge



HON. PACO MENDOZA
County Commissioner, Precinct 1



HON. EDDIE MARTINEZ
County Commissioner, Precinct 3



HON. OLGA M. ELIZONDO
County Commissioner, Precinct 2



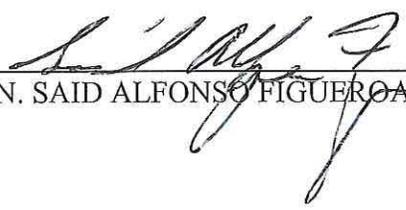
HON. NORBERTO GARZA
County Commissioner, Precinct 4

ATTEST:



HON. MARY JAYNE VILLARREAL-BONOAN, County Clerk

APPROVED TO FORM:



HON. SAID ALFONSO FIGUEROA, County Attorney





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 Carlos Gonzales Gonzalez
Print Name (Authorized School District Representative)

Superintendent
Title

sign here [Signature]
Signature (Authorized School District Representative)

3/27/19
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 Matt Riley
Print Name (Authorized Company Representative (Applicant))

Vice President
Title

sign here [Signature]
Signature (Authorized Company Representative (Applicant))

3/29/19
Date

see attached

GIVEN under my hand and seal of office this, the

day of

Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires:

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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)

County of Santa Barbara)

On March 29, 2019 before me, Katherine A. Dowling, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Matt T. Riley
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Katherine Dowling
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____