

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

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May 23, 2019

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

RE: Application to the Grape Creek Independent School District from Angelo Solar, LLC

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Grape Creek Independent School District is notifying Angelo Solar, LLC, of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. The Applicant submitted the Application to the school district on May 13, 2019. The Board voted to accept the application on May 14, 2019. The application has been determined complete as of May 23, 2019. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered.

The Applicant has requested that a portion of Tab 11, specifically the detailed layout of the planned solar plant, be kept confidential until such time the Board votes to approve the application. In accordance with 34 TAC 9.1053, the information that is the subject of this request is segregated from the materials submitted contemporaneously with this application, that is, the proprietary commercial information regarding the competitive siting decisions for the possible project and proprietary information regarding the proposed layout of the project. The confidential materials are being submitted separately to protect against unintended disclosure. The maps depicting the planned location of the project display proprietary commercial information regarding the specific location of the possible project and the nature of the business that will be conducted at the site. The materials are protected by the trade secret exception set forth in Texas Government Code §552.110.

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

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Tom Green County Appraisal District
Angelo Solar, LLC

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

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

Tab 1

Page 1 through 11 of Application

See attached.

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

May 13, 2019

Date Application Received by District

Angie

First Name

Smetana

Last Name

Superintendent

Title

Grape Creek Independent School District

School District Name

8207 US Hwy. 87 North

Street Address

8207 US Hwy. 87 North

Mailing Address

San Angelo

City

325-658-7823, ext. 1000

Phone Number

Texas

State

325-658-8719

Fax Number

76901

ZIP

angie.smetana@grapecreekisd.net

Email Address

Mobile Number (optional)

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)

Mali	Hanley
First Name	Last Name
Consultant	
Title	
O'Hanlon, Demerath & Castillo	
Firm Name	
(512) 494-9949	(512) 494-9919
Phone Number	Fax Number
	mhanley@808west.com
	Email Address
Mobile Number (optional)	

4. On what date did the district determine this application complete? May 23, 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)

Gordon J.	Trousdale
First Name	Last Name
Chief Financial Officer	Apex Clean Energy
Title	Organization
310 4th Street N.E., Suite 200	
Street Address	
310 4th Street N.E., Suite 200	
Mailing Address	
Charlottesville	VA
City	State
(434) 220-7580 x1003	22902
Phone Number	ZIP
	(434) 220-3712
	Fax Number
	jim@apexcleanenergy.com
	Business Email Address
Mobile Number (optional)	

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

Ben	Semmes
First Name	Last Name
Project Developer	Apex Clean Energy
Title	Organization
310 4th Street N.E., Suite 200	
Street Address	
310 4th Street N.E., Suite 200	
Mailing Address	
Charlottesville	VA
City	State
(207) 650-2644	22902
Phone Number	ZIP
	Fax Number
	ben.semmes@apexcleanenergy.com
	Business Email Address
Mobile Number (optional)	

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

David Sewell
 First Name Last Name
 Attorney
 Title
 Stahl, Davies, Sewell, Chavarria & Friend, LLP
 Firm Name
 (512) 346-5558 (512) 346-2712
 Phone Number Fax Number
 dsewell@sbaustinlaw.com
 Business Email Address

SECTION 3: Fees and Payments

- Has an application fee been paid to the school district? Yes No
 The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.
 1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.
- For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.
- Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A
- If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

- What is the legal name of the applicant under which this application is made? Angelo Solar, LLC
- List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32067350358
- List the NAICS code 221115
- Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No
 4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

- Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Company
- Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No
 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
- Is the applicant current on all tax payments due to the State of Texas? Yes No
- Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A
- If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

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

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

1. Application approval by school board October 14, 2019
2. Commencement of construction June 2020
3. Beginning of qualifying time period February 1, 2020
4. First year of limitation January 1, 2023
5. Begin hiring new employees June 2021
6. Commencement of commercial operations June 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? June 2021

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Tom Green County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Tom Green County Appraisal District
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: Tom Green (0.545), 100% City:
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: TGC Emer. Svcs., (0.02861), 100% Water District: Lipan Kickapoo Water Dist (0.01030), 100%
(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? 40,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 40,000,000.00
Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? Yes No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).

2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? Yes No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).

3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? June 2019

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.

4. Total estimated market value of existing property (that property described in response to question 1): \$ 0.00
5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.

6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0
2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2019
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 2
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 - 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 828.25
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1,377.75
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 865.70
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 45,016.40
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 45,017.00
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No
 - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

Tab 2

Proof of Payment of Application Fee

Proof of payment attached.

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)**

Angelo Solar, LLC was formed on June 1, 2018, and has not yet filed an annual report for Texas franchise tax. A franchise tax account status certificate for the entity is attached to this Tab 3.

Angelo Solar, LLC will be included as an affiliate entity on the combined group Texas franchise tax report that will be filed by Apex Clean Energy Holdings, LLC under Texas Taxpayer Number 32051152893 for Report Year 2019. A copy of the Form 05-165 filed by Apex Clean Energy Holdings, LLC for Report Year 2018 is attached to this Tab 3.



Franchise Tax Account Status

As of : 05/08/2019 12:30:24

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

ANGELO SOLAR, LLC	
Texas Taxpayer Number	32067350358
Mailing Address	1601 ELM ST STE 4360 DALLAS, TX 75201-4701
Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	06/01/2018
Texas SOS File Number	0803032282
Registered Agent Name	COGENCY GLOBAL INC.
Registered Office Street Address	1601 ELM ST., SUITE 4360 DALLAS, TX 75201

Texas Franchise Tax Extension Request

■ Tcode 13258 ANNUAL

■ Taxpayer number	■ Report year	Due date
32051152893	2018	05/15/2018

Taxpayer name APEX CLEAN ENERGY HOLDINGS, LLC				Secretary of State file number or Comptroller file number	
Mailing address 310 4TH STREET NE, SUITE 200				0802838280	
City CHARLOTTESVILLE	State VA	Country USA	ZIP code plus 4 22902	Blacken box if the address has changed ■ <input type="checkbox"/>	
Blacken box if this is a combined report <input checked="" type="checkbox"/>					

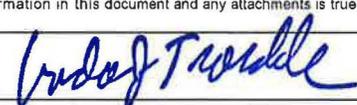
If this extension is for a combined group, you must also complete and submit Form 05-165.

Note to mandatory Electronic Fund Transfer(EFT) payers:
 When requesting a second extension do not submit an Affiliate List Form 05-165.

1. Extension payment (Dollars and cents)

1. ■

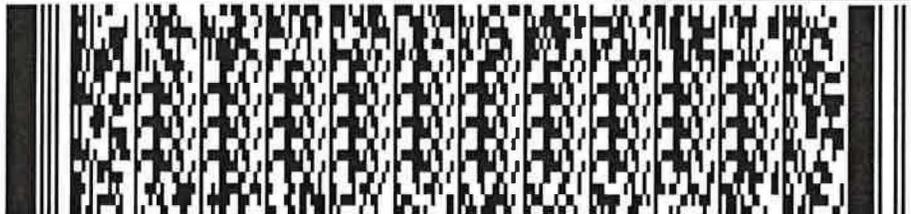
	235000.00
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Print or type name G. JAMES TROUSDALE		Area code and phone number (434) 220-7595
I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.		Mail original to: Texas Comptroller of Public Accounts P.O. Box 149348 Austin, TX 78714-9348
sign here ▶ 	Date 4/27/18	

Instructions for each report year are online at www.comptroller.texas.gov/taxes/franchise/forms. If you have any questions, call 1-800-252-1381.

Taxpayers who paid \$10,000 or more during the preceding fiscal year (Sept. 1 thru Aug. 31) are required to electronically pay their franchise tax.
 For more information visit www.comptroller.texas.gov/taxes/franchise/filing-requirements.php.

Texas Comptroller Official Use Only



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



7003

Texas Franchise Tax Extension Affiliate List

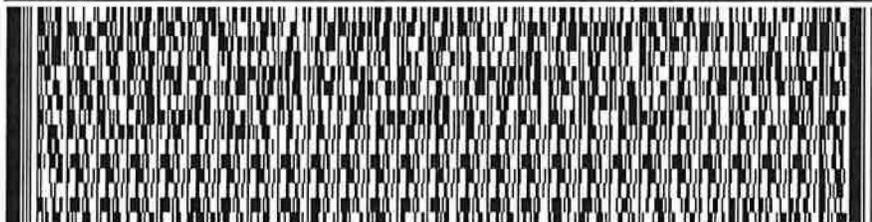
Tcode 13298

■ Reporting entity taxpayer number 32051152893	■ Report year 2018	Reporting entity taxpayer name APEX CLEAN ENERGY HOLDINGS, LLC
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LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	BLACKEN BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. APEX SOUTH TEXAS WIND, LLC	32050705865	<input type="checkbox"/>
2. APEX WIND ASSET MGMT, LLC	32061018423	<input type="checkbox"/>
3. APEX WIND CONSTRUCTION, LLC	32061018399	<input type="checkbox"/>
4. COLDWATER WIND, LLC	32052008615	<input type="checkbox"/>
5. HARMONY WIND, LLC (FKA DOLPHIN FLOYD WIND, LLC)	32060172791	<input type="checkbox"/>
6. ESPIRITU WIND, LLC	32058255459	<input type="checkbox"/>
7. FLOYD COUNTY INTERCONNECT, LLC	32061782077	<input type="checkbox"/>
8. OSWPS HOLDINGS, LLC	32059746779	<input type="checkbox"/>
9. PERRYTON INTERCONNECT, LLC	32058644447	<input type="checkbox"/>
10. PERRYTON LAND HOLDINGS, LLC	32060322271	<input type="checkbox"/>
11. PERRYTON PLAINS WIND, LLC	32058519797	<input type="checkbox"/>
12. PERRYTON WIND HOLDINGS II, LLC	32059761083	<input type="checkbox"/>
13. PERRYTON WIND HOLDINGS, LLC	32059746662	<input type="checkbox"/>
14. PERRYTON WIND, LLC	32051914011	<input type="checkbox"/>
15. PUMPKIN FARM WIND, LLC	32059163082	<input type="checkbox"/>
16. SAN PATRICIO WIND I, LLC	12636356557	<input type="checkbox"/>
17. SWINFORD WIND, LLC	32060322230	<input type="checkbox"/>
18. OSLO WIND, LLC	32053841212	<input type="checkbox"/>
19. APEX CLEAN ENERGY MANAGEMENT, LLC	32065609771	<input type="checkbox"/>
20. BLACK ANGUS WIND, LLC	32065383666	<input type="checkbox"/>
21. BRUNI WIND, LLC	32065710413	<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request. Do not file this form when requesting a second extension.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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Texas Franchise Tax Extension Affiliate List

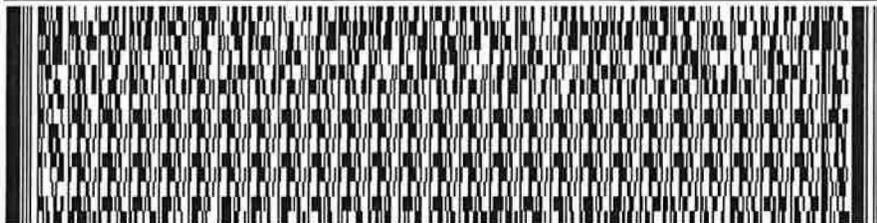
■ Tcode 13298

■ Reporting entity taxpayer number 32051152893	■ Report year 2018	Reporting entity taxpayer name APEX CLEAN ENERGY HOLDINGS, LLC
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LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	BLACKEN BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. CLEARFORK SOLAR, LLC	32066664882	■ <input type="checkbox"/>
2. GALLANT WIND, LLC	32065631908	■ <input type="checkbox"/>
3. GRAPE CREEK WIND, LLC	32065312137	■ <input type="checkbox"/>
4. LAREDO WIND, LLC	32065490677	■ <input type="checkbox"/>
5. PUMPKIN FARM SOLAR, LLC	32063876414	■ <input type="checkbox"/>
6. REEVES SOLAR, LLC	32066582134	■ <input type="checkbox"/>
7. STALLION RUN WIND, LLC	32065631932	■ <input type="checkbox"/>
8. WHITE MESA WIND, LLC	32065462809	■ <input type="checkbox"/>
9. YORKVILLE SOLAR, LLC	32065202809	■ <input type="checkbox"/>
10. YTURRIA RANCH WIND, LLC	32065175500	■ <input type="checkbox"/>
11.		■ <input type="checkbox"/>
12.		■ <input type="checkbox"/>
13.		■ <input type="checkbox"/>
14.		■ <input type="checkbox"/>
15.		■ <input type="checkbox"/>
16.		■ <input type="checkbox"/>
17.		■ <input type="checkbox"/>
18.		■ <input type="checkbox"/>
19.		■ <input type="checkbox"/>
20.		■ <input type="checkbox"/>
21.		■ <input type="checkbox"/>

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Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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7003

Tab 4

Detailed description of the project

Apex Clean Energy Holdings, LLC (“Apex”) <http://www.apexcleanenergy.com/> is an independent renewable energy company based in Charlottesville, VA. Since its founding in 2009, Apex has become one of the fastest-growing companies in the industry. Apex has completed construction of renewable energy facilities in Texas and has started construction on additional projects in Illinois, Texas, and Oklahoma. Operating assets under management by Apex have grown to approximately 1000 MW as of the first quarter of 2018. The company has a diversified portfolio of over 14,000 MW of renewable energy facilities in development around the country (including over 1000 MW in Texas), including operating both wind and solar assets. The company’s management team comprises experts from throughout the industry whose collective prior experience includes the development, financing, construction and operation of over \$10 billion in wind and solar energy facilities now operating in the United States.

Angelo Solar, LLC is proposing to construct, operate, and maintain a renewable energy facility utilizing photovoltaic solar panels and ancillary equipment to be located in Tom Green County, Texas (the “Project”). The Project will expand the local tax base in the County and contribute to employment in the County without triggering any new burden to shared services. The Project will be located entirely in Grape Creek Independent School District.

The overall Project is anticipated to have a capacity of 195 MWac consisting of approximately 702,688 photovoltaic solar panels, but the final capacity and number of panels will depend on the panel model selected for deployment and the nameplate capacity of each panel.

The Project is expected to be operational for 30 years or more. The Project site is well-suited for energy development alongside current agricultural use and is considered low-risk.

Documentation to assist in determining if limitation is a determining factor

Apex, the ultimate parent company of Angelo Solar, LLC, has been in the renewable energy sector for over nine years and has capabilities in the development, financing, construction and operation of over 14,000 MW of independent power assets throughout the United States, of which over 1000 MW have the opportunity to be developed in Texas.

The Project is in the middle stages of development as of the date of this application. This Project was selected as a candidate to explore for development because of the abundant solar resource and investment made in Tom Green County, access to the ERCOT market, and the favorable property tax incentives under the Tax Code, including the potential availability of tax abatement agreements under Tax Code Chapter 312 and a value limitation agreement under Tax Code Chapter 313.

Apex has publicly announced the Project by listing it on Apex Clean Energy's website as a project in development. At the time that the initial Project land leases were executed with landowners, the Project was known by the name "Concho Solar, LLC." The Project filed its initial application with ERCOT using this name, but ERCOT notified Apex that the proposed name conflicted with another pending application. At that time, the Project changed its name to Angelo Solar, LLC. The Project applied to ERCOT on September 6, 2018, and its GINR number is 19INR0203.

The only agreements that Applicant has entered into for this Project are written lease agreements with landowners that permit the installation of solar energy project facilities on the land. The written leases may be terminated by Applicant if it elects not to construct the Project.

The approval of the Project's application for a Chapter 313 Appraised Value Limitation remains an essential factor in the Project being selected for development by Apex. A myriad of variables remain undetermined at this early stage, and Apex could elect to allocate resources to other developable counties and/or states competing for similar projects where Apex has land interests.

Apex would like to develop and build its proposed project, but given the number of undetermined variables at this early stage, a Chapter 313 Appraised Value Limitation Agreement is necessary to make the economics of the project viable by providing relief for the greatest operational cost of the project. If Apex cannot secure a Chapter 313 Appraised Value Limitation Agreement, resources will be likely reallocated to other developable counties and/or states competing for similar projects where Apex has land interests. Apex is currently developing the following facilities that are competing for investment capital with the proposed project in Tom Green County:

- a. A large Solar farm in Texas known internally as "Wilmeth Solar;"
- b. A large Solar farm in Texas known internally as "Desert Rose;"
- c. A large Solar farm in Virginia known internally as "Carvers Creek";
- d. A large Solar farm in North Carolina known internally as "Island Creek";
- e. A large wind farm in Texas known internally as "Young Wind";
- f. A large wind farm in Texas known internally as "Black Angus Wind";
- g. A large wind farm in Illinois known internally as "Lincoln Land";

- h. A large wind farm in Minnesota known internally as "Big Bend";
- i. A large wind farm in Indiana known internally as "Roaming Bison";
- j. A large wind farm in Colorado known internally as "Antelope Creek"; and
- k. A large wind farm in New Mexico known internally as "Grady Martin"
- l. A large wind farm in Kansas known internally as "Jayhawk."

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)

Not applicable.

Tab 7

Description of Qualified Investment

The qualified investment is expected to consist of approximately 702,688 photovoltaic solar panels for a total operating capacity of approximately 195 MWac. The final Project capacity and number of panels will depend on the panel model selected for deployment and the nameplate capacity of each panel. In addition to the panels, electrical connections will be installed to permit the interconnection and transmission of electricity generated by the panels. There will also be located within the project boundary a collector substation; electrical transmission interconnects, cables, and control systems for commercial generation of electricity; security fencing with locking gates; security cameras with remote viewing capability; and a portion of a gentie line that will connect the Project's collector substation to the grid at the point of interconnection.

The point of interconnection and a portion of the Project's gentie line are located outside of Grape Creek ISD and will not be part of the Qualified Investment in this application.

Tab 8

Description of Qualified Property

The qualified investment is expected to consist of approximately 702,688 photovoltaic solar panels for a total operating capacity of approximately 195 MWac. The final Project capacity and number of panels will depend on the panel model selected for deployment and the nameplate capacity of each panel. In addition to the panels, electrical connections will be installed to permit the interconnection and transmission of electricity generated by the panels. There will also be located within the project boundary a collector substation; electrical transmission interconnects, cables, and control systems for commercial generation of electricity; security fencing with locking gates; security cameras with remote viewing capability; and a portion of a gentie line that will connect the Project's collector substation to the grid at the point of interconnection.

The point of interconnection and a portion of the Project's gentie line are located outside of Grape Creek ISD and will not be part of the Qualified Investment in this application.

Tab 9

Description of Land

Not applicable.

Tab 10

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

Not applicable.

Tab 11

Maps

See attached maps.

The locations of project improvements shown on the attached map should be considered preliminary and are subject to revision.

The following maps are attached:

1. A vicinity map that shows the boundaries of Tom Green County, Grape Creek ISD, the proposed reinvestment zone, and the Project Boundary,
2. A map of the proposed Qualified Property - **Confidential**

Tab 12

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

See attached letter. Based on the attached letter, Angelo Solar, LLC is committing to creating 2 qualifying jobs to support the project.

Angelo Solar, LLC

Tom Green County, Texas

May 13, 2019

Re: Angelo Solar, LLC Waiver Request for Qualifying Jobs

Dear Superintendent Smetana:

Please consider this letter as Angelo Solar, LLC's formal request to waive the minimum new qualifying job creation requirement for the Angelo Solar Project pursuant to Texas Tax Code § 313.025(f-1).

Solar projects create a large number of construction jobs but require a small number of highly skilled technicians to operate the project once construction is complete and commercial operations begin. The permanent employees of a solar project maintain and service the solar panels, underground electrical connections, substations, and other infrastructure associated with the safe and reliable operation of the project. Based upon Apex Clean Energy's extensive experience in solar project development and a survey of experienced developers and operators of utility scale solar projects, we find that the industry standard for solar projects between 100MW (AC) and 200MW (AC) in size is two (2) full-time employees. This industry standard is further supported by previously filed applications for value limitation agreements by other solar developers. This number can and does vary depending upon the operator, type of units selected, and support and technical assistance offered by the manufacturer. In addition to the on-site employees described above, there may be asset managers or technicians who supervise, monitor, and support the solar project's operations from off-site locations.

Based on the industry standard described above, we respectfully request that the job creation requirement be waived for the Angelo Solar Project based on Angelo Solar, LLC's commitment to create two (2) new qualifying jobs.

If you have any questions please do not hesitate to contact me at (207) 650-2644.

Sincerely,



Ben Semmes, Project Developer

Tab 13

Calculation of three possible wage requirements with TWC documentation

Average Weekly Wage for All Jobs (All Industries) in Tom Green County

YEAR	PERIOD	AREA	OWNERSHIP	IND-CODE	INDUSTRY	AVG. WEEKLY WAGES
2018	4th Qtr	Tom Green	Total All	10	Total, All Industries	\$867
2018	1st Qtr	Tom Green	Total All	10	Total, All Industries	\$816
2018	2nd Qtr	Tom Green	Total All	10	Total, All Industries	\$814
2018	3rd Qtr	Tom Green	Total All	10	Total, All Industries	\$816
Average						\$828.25

110% of \$828.25 = **\$911.08**

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for Manufacturing Jobs in Tom Green County

YEAR	PERIOD	AREA	OWNERSHIP	IND-CODE	INDUSTRY	AVG. WEEKLY WAGES
2018	1st Qtr	Tom Green	Total All	31-33	Manuf.	\$1361
2018	2nd Qtr	Tom Green	Total All	31-33	Manuf.	\$1188
2018	3rd Qtr	Tom Green	Total All	31-33	Manuf.	\$1102
2018	4th Qtr	Tom Green	Total All	31-33	Manuf.	\$1359
Average						\$1252.5

110% of \$1252.5 = **\$1377.75**

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage
2018	01	Tom Green	Total All	10	Total, All Industries	0	\$ 816.00
2018	02	Tom Green	Total All	10	Total, All Industries	0	\$ 814.00
2018	03	Tom Green	Total All	10	Total, All Industries	0	\$ 816.00
2018	04	Tom Green	Total All	10	Total, All Industries	0	\$ 867.00
Total							\$ 3,313.00
Avg							\$ 828.25

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage
2018	1	Tom Green	Private	31-33	Manufacturing	2	\$ 1,361.00
2018	2	Tom Green	Private	31-33	Manufacturing	2	\$ 1,188.00
2018	3	Tom Green	Private	31-33	Manufacturing	2	\$ 1,102.00
2018	4	Tom Green	Private	31-33	Manufacturing	2	\$ 1,359.00
Total							\$ 5,010.00
Avg							\$ 1,252.50
110%							\$ 1,377.75

Cog wages			
Concho Valley	19.67	\$	40,924.00
	786.8	\$	45,016.40
	865.48	\$	865.70

**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	\$36,931
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	\$45,869
19. South Texas Development Council	\$15.07	\$31,343
20. Coastal Bend Council of Governments	\$28.98	\$60,276
21. Lower Rio Grande Valley Development Council	\$17.86	\$37,152
22. Texoma Council of Governments	\$21.18	\$44,060
23. Central Texas Council of Governments	\$19.30	\$40,146
24. Middle Rio Grande Development Council	\$24.07	\$50,058

Source: Texas Occupational Employment and Wages

Data published: July 2018

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

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

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

Data intended for TAC 313 purposes only.

Tab 14

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

See attached.

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

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district				Not eligible to become Qualified Property				[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application	--	2019-2020	2019 (see note 1)						
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period									
Investment made before filing complete application with district		2020-2021	2020 (see note 2)	0	0	0		0	
Investment made after filing complete application with district, but before final board approval of application				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				107,193,197	0	0		107,193,197	
Complete tax years of qualifying time period	QTP1	2021-2022	2021	35,731,066	0	0		35,731,066	
	QTP2	2022-2023	2022	0	0	0		0	
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				142,924,263	0	0		142,924,263	
Total Qualified Investment (sum of green cells)				142,924,263					

Note 1: 2019 is not part of the qualifying time period.

Note 2: 2020 is part of the qualifying time period.

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

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

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

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

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

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

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

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

PROPERTY INVESTMENT AMOUNTS								
(Estimated investment in each year. Do not put cumulative totals.)								
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property [SEE NOTE]	Column E Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		142,924,263				142,924,263
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2019-2020	2019					
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2020-2021	2020	107,193,197				107,193,197
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2021-2022	2021	35,731,066				35,731,066
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2022-2023	2022					
Value limitation period***	1	2023-2024	2023					
	2	2024-2025	2024					
	3	2025-2026	2025					
	4	2026-2027	2026					
	5	2027-2028	2027					
	6	2028-2029	2028					
	7	2029-2030	2029					
	8	2030-2031	2030					
	9	2031-2032	2031					
	10	2032-2033	2032					
Total Investment made through limitation				142,924,263				
Continue to maintain viable presence	11	2033-2034	2033					
	12	2034-2035	2034					
	13	2035-2036	2035					
	14	2036-2037	2036					
	15	2037-2038	2037					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2038-2039	2038					
	17	2039-2040	2039					
	18	2040-2041	2040					
	19	2041-2042	2041					
	20	2042-2043	2042					
	21	2043-2044	2043					
	22	2044-2045	2044					
	23	2045-2046	2045					
	24	2046-2047	2046					
	25	2047-2048	2047					

* 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)

9-May-19
San Angelo
Grape Creek 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	2019-2020	2019	0	0	0	0	0	0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	0	0				
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021	0	0	\$107,193,197	\$107,193,197	\$107,193,197	\$107,193,197
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2022-2023	2022	0	0	\$142,924,263	\$142,924,263	\$142,924,263	\$142,924,263
Value Limitation Period	1	2023-2024	2023	0	0	\$133,062,489	\$133,062,489	\$133,062,489	\$40,000,000
	2	2024-2025	2024	0	0	\$122,400,339	\$122,400,339	\$122,400,339	\$40,000,000
	3	2025-2026	2025	0	0	\$110,894,936	\$110,894,936	\$110,894,936	\$40,000,000
	4	2026-2027	2026	0	0	\$98,460,525	\$98,460,525	\$98,460,525	\$40,000,000
	5	2027-2028	2027	0	0	\$85,039,936	\$85,039,936	\$85,039,936	\$40,000,000
	6	2028-2029	2028	0	0	\$70,547,416	\$70,547,416	\$70,547,416	\$40,000,000
	7	2029-2030	2029	0	0	\$54,897,209	\$54,897,209	\$54,897,209	\$40,000,000
	8	2030-2031	2030	0	0	\$37,989,269	\$37,989,269	\$37,989,269	\$37,989,269
	9	2031-2032	2031	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	10	2032-2033	2032	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
Continue to maintain viable presence	11	2033-2034	2033	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	12	2034-2035	2034	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	13	2035-2036	2035	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	14	2036-2037	2036	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	15	2037-2038	2037	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2038-2039	2038	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	17	2039-2040	2039	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	18	2040-2041	2040	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	19	2041-2042	2041	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	20	2042-2043	2042	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	21	2043-2044	2043	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	22	2044-2045	2044	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	23	2045-2046	2045	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
	24	2046-2047	2046	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853
25	2047-2048	2047	0	0	\$28,584,853	\$28,584,853	\$28,584,853	\$28,584,853	

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

9-May-19
San Angelo
Grape Creek 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	0	\$0	0	0	\$0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021	120 FTE	\$62,500	0	0	\$0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2022-2023	2022			0	0	\$0
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2023-2024	2023			0	2	\$45,017
	2	2024-2025	2024			0	2	\$45,017
	3	2025-2026	2025			0	2	\$45,017
	4	2026-2027	2026			0	2	\$45,017
	5	2027-2028	2027			0	2	\$45,017
	6	2028-2029	2028			0	2	\$45,017
	7	2029-2030	2029			0	2	\$45,017
	8	2030-2031	2030			0	2	\$45,017
	9	2031-2032	2031			0	2	\$45,017
Years Following Value Limitation Period	11 through 25	2033-248	2033-2047			0	2	\$45,017

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 X Yes No
 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
 If yes, answer the following two questions:
- C1a.** Will the applicant request a job waiver, as provided under 313.025(f-1)? X Yes No
- C1b.** Will the applicant avail itself of the provision in 313.021(3)(F)? Yes X No

Schedule D: Other Incentives (Estimated)

9-May-19
San Angelo
Grape Creek 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:					
	City:					
	Other:					
Tax Code Chapter 312	County:					
	City:					
	Other:					
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL						

Additional information on incentives for this project:

Tab 15

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

Not applicable.

Tab 16

Description of Reinvestment or Enterprise Zone

A copy of the Tom Green County Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones, adopted on June 19, 2018, is attached.

This application will be supplemented with a copy of the designated reinvestment zone as soon as it is available.

#10

COMMISSIONERS' COURT OF TOM GREEN COUNTY
COMMISSIONERS COURT ROOM
EDD B. & FRANCES FRINK KEYES BUILDING
SAN ANGELO, TEXAS

RESOLUTION AND ORDER

ELECTING TO BECOME ELIGIBLE TO PARTICIPATE IN PROPERTY TAX
ABATEMENTS AND ADOPTING GUIDELINES AND CRITERIA
FOR GRANTING PROPERTY TAX ABATEMENTS

The Commissioners' Court of Tom Green County, Texas, meeting in regular session on June 19, 2018, considered the following resolution:

WHEREAS, the Property Redevelopment and Tax Abatement Act (the "Act"), Chapter 312 of the Texas Tax Code, authorizes counties, cities, and other taxing units to provide temporary property tax abatements for limited periods of time as an inducement for the development or redevelopment of property; and

WHEREAS, the Act further requires that in order to become eligible to participate in tax abatements, a county or other taxing unit must (1) adopt a resolution stating its election to so participate and (2) adopt guidelines and criteria for property tax abatements; and

WHEREAS, Tom Green County, Texas, a "taxing unit" governed by the Act, desires to affirm its eligibility to participate in tax abatements; and,

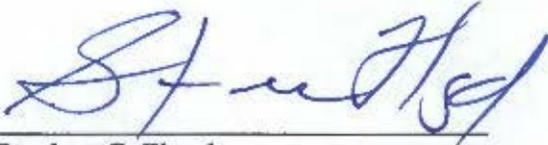
WHEREAS, the Commissioners' Court of Tom Green County, Texas, desires to adopt Guidelines and Criteria for property tax abatements;

NOW, THEREFORE, BE IT ORDERED, by the Commissioner's Court of Tom Green County, Texas, that:

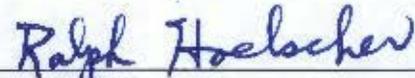
- (1) Tom Green County is eligible to participate in tax abatements; and further
- (2) the Guidelines and Criteria attached hereto as Exhibit A are hereby adopted by Tom Green County in accordance with the requirements of the Act.

[end of document – signature page follows]

The foregoing Resolution and Order was lawfully moved by Rick Bacon^{ch}, duly seconded by Steve Floyd^{ch}, and duly adopted by the Commissioner's Court of Tom Green County, Texas, on June 19, 2018.



Stephen C. Floyd
County Judge



Ralph Hoelscher
Commissioner Precinct 1



Aubrey deCordova
Commissioner Precinct 2



Rick Bacon
Commissioner Precinct 3



Bill A. Ford
Commissioner Precinct 4

The foregoing Resolution and Order is a true and correct copy of the Resolution and Order passed by the Commissioners' Court in open and regular session at the Tom Green County Courthouse on June 19, 2018.



Elizabeth McGill
County Clerk, Tom Green County, Texas



Exhibit A

Duly Adopted Guidelines and Criteria

[see attached]

GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENTS IN REINVESTMENT ZONES

Tom Green County, Texas

I. PURPOSE

Tom Green County, hereinafter referred to as “County” is committed to the promotion of quality development in all parts of the County and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider recommending tax incentives, which may include the designation of reinvestment zones, accepting applications for tax abatement, and entering into tax abatement agreements to stimulate growth and development.

It is the intent of the County that such incentives will be provided in accordance with the procedures and criteria outlined in this document and in Chapter 312 of the Texas Tax Code. However, nothing in these Guidelines and Criteria shall imply or suggest to be construed to imply or suggest that tax entities are under any obligation to provide any incentives to any applicant. All such applicants for tax incentives shall be considered on an individual basis for both the qualification for tax abatement and the amount of any tax abatement. The adoption of these Guidelines and Criteria shall not 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.

Only that increase in the fair market value of the property directly resultant from the development, redevelopment, and improvement specified in the contract will be eligible for abatement. All abatement contracts will be for a term no longer than allowed by law. Additionally, the Tom Green County Commissioners Court reserves the right to negotiate a tax abatement agreement in order to compete favorably with other communities.

II. DEFINITIONS

The attached Glossary is a list of words with their definitions that are found in this document, and the Glossary is incorporated herein by reference.

III. GUIDELINES AND CRITERIA

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

- (a) Be an authorized Facility. A facility may be eligible for abatement if it is a(n):

Aquaculture/Agriculture Facility,

Distribution Center Facility,
Manufacturing Facility,
Office Building,
Regional Entertainment/Tourism Facility,
Research Facility,
Regional Service Facility,
Historic Building in designated area,
Renewable Energy Facility, or
Other Basic Industry

- (b) The project must be reasonably expected to have an increase in positive net economic benefit to Tom Green County of at least \$15,000,000.00 over the life of the abatement, computed to include (but not limited to) new sustaining payroll and capital improvement. In consideration of the request for designation as a reinvestment zone and to receive tax abatement, the following factors will also be considered:
- (1) Jobs. The projected New Jobs created including the number of jobs, the retention of existing jobs, the type of jobs, the average payroll, the total payroll and the number of local persons hired.
 - (2) Fiscal Impact. The amount of real and personal property value that will be added to the tax roll for both eligible and ineligible property, the amount of direct sales tax that will be generated, the infrastructure improvements by the County that will be required by the facility, the infrastructure improvements made by the facility, and the compatibility of the project with the County's development goals.
 - (3) Community Impact, including:
 - i. The pollution, if any, as well as other negative environmental impacts affecting the health and safety of the community that will be created by the project;
 - ii. The revitalization of a depressed area;
 - iii. The business opportunities of existing local vendors;
 - iv. The alternative development possibilities for proposed site;
 - v. The impact on other taxing entities, including the use of municipal or county infrastructure; and/or

- vi. Whether the improvement is expected to solely or primarily have the effect of transferring employment from one part of Tom Green County to another.

IV. ABATEMENT AUTHORIZED

- (a) Authorized Date. A facility may be eligible for tax abatement for a period not to exceed ten years or one-half of the productive life of the improvement, whichever is less. The “productive life” will be calculated from the effective date of the tax abatement and the date the equipment ceased to be in service. If it has applied for such abatement prior to the commencement of construction provided that such facility meets the criteria granting tax abatement in reinvestment zones created in Tom Green County pursuant to these Guidelines and Criteria.
- (b) Creation of New Value. Abatement may only be granted for the additional value of eligible property improvements made subsequent to the filing of an application for tax abatement and specified in the abatement agreement between the County and the owner or lessee (and lessor if required pursuant to IV(f)) of the facility or improvements receiving the abatement, all subject to such limitations as the Guidelines and Criteria may require.
- (c) New and Existing Facilities. Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion. If the modernization project includes facility replacement, the abated value shall be the value of the new unit(s) less the value of the old unit(s).
- (d) Eligible Property. Abatement may be extended to the value of the following: new, expanded, replaced or modernized buildings and structures; fixed machinery and equipment; site improvements; office space and related fixed improvements necessary to the operation and administration of the facility; and all other real and tangible personal property as permitted by Chapter 312 of the Texas Tax Code.
- (e) Ineligible Property. The following types of property shall be fully taxable and ineligible for abatement:
 - i. Land,
 - ii. Animals,
 - iii. Inventories,
 - iv. Supplies,
 - v. Tools,
 - vi. Furnishings and other forms of movable personal property other than machinery and equipment that are an essential part of the facility or improvements receiving abatement,
 - vii. Vehicles,
 - viii. Vessels,

- ix. Aircraft,
- x. Housing or residential property,
- xi. Fauna,
- xii. Flora,
- xiii. Deferred Maintenance investments,
- xiv. Property to be rented or leased (except as provided in Part IV(f)),
- xv. Any improvements including those to produce, store or distribute natural gas or fluids that are not integral to the operation of the facility, and
- xvi. Property owned or used by the State of Texas or its political subdivision or by any organization owned, operated or directed by a political subdivision of the State of Texas.

(f) **Owned/Leased Facilities.** If a leased facility or leased improvements are granted an abatement, the agreement shall be executed with the lessor and lessee of the facility or improvements. The owner of the real property where the facility or improvements are located is not required to execute the abatement agreement if it is not the lessor or lessee of the facility or improvements.

(g) **Value and Term of Abatement.**

1) Abatement shall be granted effective no earlier than the January 1 valuation date immediately following the date of execution of the agreement. The agreement may provide that the period for which the abatement applies will commence on a later date. The value of new eligible property shall be abated according to the approved agreement between applicant and the governing body. The Tom Green County Commissioners Court, in its sole discretion, shall determine the amount of any abatement.

(h) **Economic Qualification.** In order to be eligible for designation as a reinvestment zone and to qualify for tax abatement the planned improvement:

1) Must create employment for at least 10 people on a full-time (40 hours per week equivalent) basis in Tom Green County for the duration of the abatement period at the abated facility site described in the tax abatement application; or alternatively, must retain and prevent the loss of employment of 10 employees or fifty percent (50%) of the existing facility containing the abated facility site described in the tax abatement application, whichever is greater, for the duration of the abate period. The following is applicable to the employment retention/preventing loss of employment requirement:

a) “Existing facility” is the facility is a Manufacturing Facility, Research Facility, Distribution Center or Regional Facility,

Regional Entertainment Facility, Other Basic Industry, or a facility the Commissioners Court determines would enhance job creation and the economic future of Tom Green County. The facility must be expanded or modernized and contain the proposed improvements to be abated. A manufacturing or processing unit or units of a larger plant complex that separately comprise a manufacturing or production sub-unit of the larger plant shall be considered the existing facility for the purposes of Section 2(h)(1) employment retention requirement (that the planned improvements cause the retention or prevention of loss of employment of 10 employees or 50% of the employees of the existing facility, whoever is greater). For example, if a large plant complex has a sub-unit that produces chlorine and 100 employees are employed at or in connection with that unit, an expansion or modernization of all or part of that facility must result in the retention of at least 50 employees employed at or in connection with the expanded or modernized “existing facility” in order for the facility improvements to qualify for abatement.

- b) Employees of a larger plant until transferred or assigned to and employed at or in connection with a new sub-unit containing the planned improvements, constructed on undeveloped land constituting the proposed abated facility site/reinvestment zone shall be considered “created” employment for purposes of this sub-section.
- c) The proposed number of employees to be employed at the abate facility as stated in the abatement application for the property that is the subject of the tax abatement agreement (including the projected creation or retention of employment) must be maintained for the duration of the abatement period at the abated facility site. For purposes of this sub-section, in order for a planned improvement to be considered as preventing the loss of employment or retaining employment, the abated facility/project must be necessary in order to retain or keep employment at levels as indicated in the application and in order to retain the proposed number of employees at the abated facility as indicated in the application. The owner/Applicant seeking to qualify on the basis of retention or preventing loss of employment must provide a detailed statement as an attachment to its application affirmatively representing compliance with this sub-subsection and explaining the necessity of this project to prevent loss of employment. Any variance from the requirements of this sub-section is subject to approval of Commissioners Court in accordance with the variance section of these Guidelines & Criteria.
- d) Full-time employee creation requirements for Renewable Energy Facilities to be determined by Commissioners Court.

- 2) Must be not expected to solely or primarily have the effect of transferring employment from one part of the county to another part of the county. A variance may be request relative to this provision which approval shall be at the sole discretion of the County.
- 3) Must be necessary because capacity cannot be provided efficiently utilizing existing improved property.

Additionally, the owner of the project:

- 4) Will be wholly responsible for all County roads and right-of-way (including bridges, culverts, ditches, etc) and damaged caused thereto as a result of the construction of an on-going maintenance and operations of the Abated Facility Site as well as associated facilities to the Abated Facility Site, including but not limited to, the following:
 - a) Cost to maintain the roads, if needed, utilized for construction of the Abated Facility Site in an effort to keep the road safe for the traveling public will be tracked by Tom Green County and invoiced on a regular basis to the Abatee.
 - b) Cost to reconstruct the roadway, if needed, will be actual cost to repair the County roads and right-of-way incurred by the County and invoiced to the Abatee. These costs will include all construction costs as well as all related professional services for the repair work.
- (i) Taxability. From the execution of the abatement contract to the end of the period during which the abatement applies, taxes shall be payable as follows:
 - (1) The value of ineligible property as provided in Part IV(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 taxable in the manner described in the abatement agreement.

V. APPLICATION FOR TAX ABATEMENT

- (a) Any present or potential owner, assignee, or lessee of taxable property in Tom Green County may request the creation of a reinvestment zone and the consideration of a tax abatement agreement by filing a written request with the County. The completed Application must be accompanied by the payment of a one thousand dollar (\$1000) non-refundable application fee for administrative

costs associated with the processing of the tax abatement request. All checks in payment of the administrative fee shall be made payable to Tom Green County.

- (b) The application shall consist of a completed application form (if provided by the County) accompanied by:
 - (1) A general description of the proposed use and the general nature and extent of the modernization, expansion, or new improvements to be undertaken;
 - (2) A descriptive list of the improvements which will be part of the facility;
 - (3) A map and property description or a site plan;
 - (4) A time schedule for undertaking and completing the planned improvements; and
 - (5) In the case of modernizing or replacing existing facilities in whole or in part, a statement of the assessed value of the facility separately stated for real and personal property for the tax year immediately preceding the year in which the application is filed.

The County may require that the application be supplemented with such financial and other information as deemed appropriate for evaluating the financial capacity and other factors of the applicant.

- (c) Upon receipt of a completed application, the County shall, through public hearings, afford the applicant and the designated representative of any Affected Jurisdiction the opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on an agenda of the Tom Green County Commissioners Court to be posted at least seven (7) days prior to the hearing.
- (d) The County shall consider the application for tax abatement within thirty (30) days after receipt of the application and notify the applicant of the approval or disapproval promptly thereafter.
- (e) A request for reinvestment zone for the purpose of abatement shall not be granted by the County if the County finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of taxable improvements related to a proposed modernization expansion or new facility. Before the Tom Green County Commissioners Court holds a public hearing to designate a reinvestment zone, it shall do the following:

- (1) Not later than the seventh day before the date of the hearing, publish notice of the hearing in a newspaper having general circulation in the County; and
 - (2) Not later than the seventh day before the date of the hearing, deliver written notice of the hearing to the presiding officer of the governing body of each taxing unit that includes in its boundaries any real property that is to be included in the proposed reinvestment zone.
- (f) Requested Variances. Requests for variance from any provision of these Guidelines and Criteria may be made in written form to the Tom Green County Commissioners Court. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a three-fourths (3/4) vote of the Tom Green County Commissioners Court.
- (g) Deemed Variances. The Tom Green County Commissioners' Court may approve a tax abatement agreement that varies from any requirement in these Guidelines and Criteria so long as such variance is permitted by Chapter 312 of the Texas Tax Code. Any aspect of a tax abatement agreement duly authorized and approved by the Tom Green County Commissioners' Court that varies in any respect from any requirement in these Guidelines and Criteria shall be deemed to have been granted a variance from the Guidelines and Criteria by the Court. It is the express intention of the Tom Green County Commissioners Court that no tax abatement agreement that has been duly authorized and approved by the Court shall be challenged or held to be invalid because such authorized and approved tax abatement agreement varies from any requirement contained in these Guidelines and Criteria.

VI. PUBLIC HEARING

- (a) Should any Affected Jurisdiction be able to show cause in the public hearing why the granting of abatement by the County will have a substantial adverse effect on its bonds, tax revenue, service incapacity or the provision of service, that showing shall be considered by the Tom Green County Commissioners Court when deciding to approve or disapprove of the application for tax abatement.
- (b) Neither a reinvestment zone nor an abatement shall be authorized if it is determined that:
 - (1) There would be a substantial adverse effect on the provision of a government service or the tax base of an Affected Jurisdiction;
 - (2) The applicant has insufficient financial capacity to construct and operate the proposed facility or improvements;

- (3) The planned or potential use of the property would constitute a hazard to public safety, health, or morals; or
- (4) The planned or potential use of the property violates other governmental codes or laws.

VII. AGREEMENT

- (a) If an application for tax abatement is approved by the Tom Green County Commissioners Court, the Court shall formally pass a resolution and execute an agreement with the owner and/or lessee of the facility which shall include:
 - (1) The percentage of value to be abated each year as provided in Part IV(g) of these Guidelines and Criteria.
 - (2) The commencement date and the termination date of abatement.
 - (3) The proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description, and improvements list as provided in Part V of these Guidelines and Criteria.
 - (4) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes recapture, administration and assignment (as provided in the agreement), and other provisions that may be required for uniformity or by state law or that are mutually agreed to by the County and the applicant.
 - (5) Amount of investment and/or average number of jobs applicant commits to create for the period of abatement.
 - (6) Any other provisions required by Chapter 312 of the Texas Tax Code.
- (b) The County will use its best efforts to cause such agreement to be executed within thirty (30) days after the later of the date applicant has forwarded all necessary information to the jurisdiction receiving the application or the date of the approval of the application. Prior to the execution of the Agreement, the County will comply with the following notice requirement in Tax Code § 312.2041(a):

Not later than the seventh day before the date on which a municipality or county enters into an abatement agreement, the governing body of the municipality or county or a designated officer or employee of the municipality or county shall deliver to the presiding officer of the governing body of each other taxing unit in which the property to be subject to the agreement is located

a written notice that the municipality or county intends to enter into the agreement. The notice must include a copy of the proposed agreement.

- (c) Each other taxing unit that has jurisdiction over the facility or improvements for which the County approves or disapproves an application for tax abatement shall make its own determination of abatement (if requested by the applicant) which shall not bind any other Affected Jurisdiction.

VIII. RECAPTURE

- (a) In the event that the facility or improvements are completed and begin operating but subsequently discontinue operating for any reason excepting a force majeure event (as such event may be more specifically defined in the tax abatement agreement) for a period of more than one (1) year during the abatement period, then the abatement agreement shall terminate along with the abatement of taxes for the calendar year during which the agreement is terminated. The taxes otherwise abated for that calendar year shall be paid to the County within sixty (60) days from the date of termination. The County is permitted to enter into a tax abatement agreement that varies from the provisions of this paragraph without being deemed to be in violation of these Guidelines and Criteria so long as the agreement provides for the recapture of property taxes in the event that the approved facility or improvement discontinue operations during the period of tax abatement.
- (b) If the County determines that a party to a tax abatement agreement is in default according to the terms and conditions of its agreement, the County shall notify the party in writing at the address stated in the agreement, and if such is not cured within sixty (60) days from the date of such notice, then the agreement shall be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination. Further, it will be a default under a tax abatement granted pursuant to these Guidelines and Criteria if the owner of the eligible property subject to the abatement is delinquent in paying any undisputed taxes to any taxing authority in Tom Green County, Texas. The County is permitted to enter into a tax abatement agreement that varies from the provisions of this paragraph without being deemed to be in violation of these Guidelines and Criteria so long as the agreement provides for the recapture of property tax in the event that the applicant named in the tax abatement agreement defaults in its obligations under the agreement.

IX. ADMINISTRATION

- (a) The Chief Appraiser of the Tom Green County Appraisal District shall annually determine an assessment of any real and/or personal property that is the subject of a tax abatement agreement. Each party to a tax abatement agreement shall be

required to furnish the assessor with such information as may be necessary to determine an assessment. Once a value has been established, the Chief Appraiser shall notify the Affected Jurisdictions of the appraised value.

- (b) The abatement agreement shall stipulate that employees and/or designated representatives of the County will have access to the facility or improvements that are the subject of the agreement during the term of the abatement to inspect the facility or improvements to determine if the terms and conditions of the agreement are being met. The terms, guidelines, and requirements concerning inspections shall be set forth in the abatement agreement.
- (c) After the period of abatement begins, the County shall annually evaluate each facility receiving abatement and report possible violations of the abatement agreement to the Tom Green County Commissioners Court. The abatement agreement may also require the party receiving the abatement to file annual certifications with the County.
- (d) All proprietary information acquired by the County for purposes monitoring compliance with the terms and conditions of an abatement agreement shall be considered confidential.
- (e) “Buy Local” Provision. Each recipient of property tax abatement shall additionally agree to give preference and priority to local manufacturers, suppliers, contractors and labor, except where not reasonably possible to do so without added expense, substantial inconvenience, or sacrifice in operating efficiency.
- (f) Right to Modify or Cancel. Notwithstanding anything herein, Tom Green County may cancel or modify Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones if an owner fails to comply with the Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones.

X. ASSIGNMENT

- (a) Except as otherwise provided in the abatement agreement, an abatement agreement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the Tom Green County Commissioners Court, subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of an assignment and assumption agreement between the holder of the agreement and the assignee. Approval shall not be unreasonably withheld.
- (b) No assignment or transfer shall be approved if the party/parties to the existing agreement or the proposed assignee is liable to any taxing jurisdiction for outstanding taxes or other obligations.

XL SUNSET PROVISION

- (a) These Guidelines and Criteria are effective upon the date of the adoption and will remain in force for two (2) years unless amended by three quarters vote of the Tom Green County Commissioners Court, at which time all reinvestment zones and tax abatement contracts created pursuant hereto will be reviewed by each Affected Jurisdiction to determine whether the goals have been achieved. Based on that review, these Guidelines and Criteria may be modified, renewed, or not renewed, providing that such actions shall not affect existing abatement agreements.
- (b) These Guidelines and Criteria do not amend any existing Industrial District Contracts or agreements with the owners of real property in areas deserving of specific attention as agreed by the Affected Jurisdiction.

XII. SEVERABILITY AND LIMITATIONS

- (a) In the event that any section, clause, sentence, paragraph or any part of these Guidelines and Criteria shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of these Guidelines and Criteria.
- (b) Property that is located in a reinvestment zone and that is owned or leased by a person who is a member of the Commissioners Court may not be subject to a tax abatement agreement entered into with the County.
- (c) If these Guidelines and Criteria have omitted any mandatory requirements of the applicable tax abatement laws of the State of Texas, then such requirements are hereby incorporated as a part of these Guidelines and Criteria.

XIII. TAX ABATEMENT DETERMINATION

- (a) Nothing herein shall imply or suggest Tom Green County is under any obligation or duty to provide tax abatement to any applicant, and reserves the right to make exceptions, approve, and deny based on concerns including, however not limited to environmental and quality of life issues and/or compatibility with the economic goals and objectives of Tom Green County.

GLOSSARY:

- (a) “Abatement” means the full or partial exemption from ad valorem taxes of certain real or tangible personal property in a reinvestment zone designated by the County or a municipality for economic development purposes.

- (b) “Aquaculture/Agriculture Facility” means building, structures and major earth structure improvements, including fixed machinery and equipment, the primary purpose of which is of food and/or fiber products in commercially marketable quantities.
- (c) “Affected Jurisdiction” means Tom Green County and any municipality, or school district, the majority of which is located in Tom Green County that levies ad valorem taxes upon and/or provides services to property located within the proposed or existing reinvestment zone designated by Tom Green County or any municipality.
- (d) “Agreement” means a contractual agreement between a property owner and/or lessee and the County for the purpose of tax abatement.
- (e) “Base year value” means the assessed value of eligible property on January 1 preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1 but before the filing of an application for tax abatement.
- (f) “Deferred maintenance” means improvements necessary for continued operations which do not improve productivity or alter the process of technology.
- (g) “Distribution Center Facility” means building and structures, including machinery and equipment, used or to be used primarily to receive, store, service, or distribute goods or materials owned by the facility from which a majority of revenue generated by activity at the facility are derived from outside of Tom Green County.
- (h) “Expansion” means the addition of buildings, structures, machinery or equipment for purposes of increasing production capacity.
- (i) “Facility” means property improvements completed or in the process of construction which together comprise an integral whole.
- (j) “Manufacturing Facility” means buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (k) “Modernization” means the upgrading and or replacement of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.

- (l) “New Facility” means improvements to real estate previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (m) “New Jobs” means a newly created employment position on a full-time permanent basis. Two or more part-time permanent employees totaling an average of not less than 40 hours per week may be considered as one full-time permanent employee.
- (n) “Office Building” means a new office building.
- (o) “Other Basic Industry” means buildings and structures, including fixed machinery and equipment not elsewhere described used or to be used for the production of products or services which serve a market primarily outside the County and results in the creation of new permanent jobs and new wealth in the County.
- (p) “Regional Entertainment/Tourism Facility” means buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment and/or tourism related services, from which a majority of revenues generated by activity at the facility are derived from outside Tom Green County.
- (q) “Research Facility” means buildings and structures, including fixed machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production process thereto.
- (r) “Regional Service Facility” means buildings and structures, including fixed machinery and equipment, used or to be used to provide a service from which a majority of revenues generated by activity at the facility are derived from outside Tom Green County.
- (s) “Renewable Energy Facility” means buildings and structures, including but not limited to electricity generating equipment (such as wind turbines or photovoltaic solar panels), electric transmission lines, electric power substations, electrical gathering equipment, communications systems and roads, fixed machinery and equipment, used or to be used to provide electrical energy, and which meet the definition of “Renewable Energy Electric Generation” in Chapter 313 of the Texas Tax Code.

Tab 17

Signature and Certification page

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 [Signature] Anajie Smetana
Print Name (Authorized School District Representative)

Title Superintendent

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

Date May 14, 2019

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.

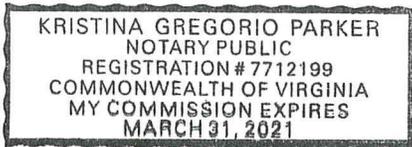
I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here [Signature] Gordon J. Traustdale
Print Name (Authorized Company Representative (Applicant))

Title Chief Financial Officer

sign here [Signature] Gordon J. Traustdale
Signature (Authorized Company Representative (Applicant))

Date 5/12/19



(Notary Seal)

GIVEN under my hand and seal of office this, the

12 day of May, 2019

[Signature] Kristina Parker
Notary Public in and for the State of Texas Virginia

My Commission expires: 3/31/21

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.