

TAB 1

Pages 1 through 7 of application.



Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

Economic Development
and Analysis
Form 50-296-A

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

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

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

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

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

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

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

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

June 19, 2019

Date Application Received by District

Mike

First Name

Superintendent

Title

Valley Mills ISD

School District Name

One Eagle Way

Street Address

P.O. Box 518

Mailing Address

Valley Mills

City

254-932-5210

Phone Number

Mobile Number (optional)

Kelly

Last Name

TX

State

254-932-6601

Fax Number

mike.kelly@vmisd.net

Email Address

76689

ZIP

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Sara	Leon
First Name	Last Name
Principal	
Title	
Sara Leon & Associates, LLC	
Firm Name	
512-637-4244	512-637-4245
Phone Number	Fax Number
	sleon@saraleonlaw.com
	Email Address

4. On what date did the district determine this application complete? June 21, 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)

Roger	Linn	
First Name	Last Name	
Owner	Glory Leasing, LLC	
Title		
212 La Jolla Cv.		
Street Address		
212 La Jolla Cv.		
Mailing Address		
Westworth Village	TX	76114
City	State	ZIP
214-437-7844		
Phone Number	Fax Number	
	roger@linnpartners.com	
	Business Email Address	

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? Yes No

2a. If yes, please fill out contact information for that person.

First Name	Last Name	
Title	Organization	
Street Address		
Mailing Address		
City	State	ZIP
Phone Number	Fax Number	
Mobile Number (optional)	Business Email Address	

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Wes Jackson
 First Name Last Name
 Partner
 Title
 Cummings Westlake, LLC
 Firm Name
 (713) 266-4456 (713) 266-2333
 Phone Number Fax Number
 wjackson@cwlp.net
 Business Email Address

SECTION 3: Fees and Payments

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

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Glory Leasing, LLC
 2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32034709793
 3. List the NAICS code 221114
 4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No
 4a. If yes, please list application number, name of school district and year of agreement
Pending Application with China Springs ISD

SECTION 5: Applicant Business Structure

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

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

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

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
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 December 2019
- 2. Commencement of construction Q4 - 2020
- 3. Beginning of qualifying time period January 1, 2021
- 4. First year of limitation January 1, 2022
- 5. Begin hiring new employees January 2022
- 6. Commencement of commercial operations January 2022
- 7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? Yes No
- Note:** Improvements made before that time may not be considered qualified property.
- 8. When do you anticipate the new buildings or improvements will be placed in service? January 2022

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Bosque County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Bosque CAD
- 3. Will this CAD be acting on behalf of another CAD to appraise this property? Yes No
- 4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

County: <u>Bosque County, \$0.5220, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Conservation Groundwater, \$0.0097, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>ESD, \$0.04540, 100%</u> <small>(Name, tax rate and percent of project)</small>
- 5. Is the project located entirely within the ISD listed in Section 1? Yes No
 - 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
- 6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 - 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

- 1. At the time of application, what is the estimated minimum qualified investment required for this school district? 10,000,000.00
- 2. What is the amount of appraised value limitation for which you are applying? 20,000,000.00
- 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? September 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? 1

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No

6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

a. Average weekly wage for all jobs (all industries) in the county is 744.50

b. 110% of the average weekly wage for manufacturing jobs in the county is 1095.05

c. 110% of the average weekly wage for manufacturing jobs in the region is 947.29

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? 49,259.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 49,260.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No

12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No

13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (not required)

3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

TAB 2

Proof of Payment of Application Fee

Please find on the attached page, a copy of the check for the application fee paid to Valley Mills ISD.

Proof of payment of filing fee received by the
Comptroller of Public Accounts per TAC Rule
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of Public
Accounts)*

TAB 3

*Documentation of Combined Group membership under Texas Tax Code 171.0001(7),
history of tax default, delinquencies and/or material litigation (if applicable)*

Not Applicable

TAB 4

Detailed Description of the Project

Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.

Glory Leasing, LLC (Glory Leasing) is requesting an appraised value limitation from Valley Mills Independent School District (ISD) for the Glory Leasing Project (the “Project”), a proposed solar powered electric generating facility in Bosque County. The proposed Valley Mills ISD Project (this application) will be constructed within a Reinvestment Zone to be created by Valley Mills Independent School District. A map showing the location of the project is included in TAB 11.

The proposed Project is anticipated to have a capacity of approximately 78 MW located in Valley Mills ISD. The exact number and location of panels and inverters will vary depending upon ongoing siting analysis, manufacturer’s availability, prices, and the megawatt generating capacity of the Project when completed. Current estimated plans are to install approximately 232,800 PV modules and 23 inverters with all improvements located in Valley Mills ISD. The Applicant requests a value limitation for all facilities and equipment installed for the Project, including but not limited to; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, collection system and interconnection facilities.

Full construction of the Project is anticipated to begin in the 4th Quarter of 2020 with completion by December 31, 2021.

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

TAB 5

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

Linn Partners is family investment firm established in 2005 and based out of Fort Worth. As a firm, we invest in real estate, agriculture and ranch opportunities, and other business ventures where we can add value. Renewable energy projects are slowly becoming synonymous with ranching investments not only in Texas but also neighboring states, especially to the north in Oklahoma and Kansas, and to the west in New Mexico.

Linn Partners is keen to develop and build the proposed Glory Leasing Solar Project as per this application on L Bar L Ranch, which is situated within the Valley Mills Independent School District, but since this Project is still in early- to mid- stage of development, further investment could be redeployed to other counties within the state of Texas or an entirely different state within the United States. Linn Partners is currently considering comparable solar development opportunities within New Mexico, Arizona, and Colorado. This Project, as with the aforementioned projects, are limited to a finite amount of capital investment.

In addition to the capital that will be deployed by Glory Leasing LLC, the solar project's ultimate financier/operator will be a nationally-renowned entity with limited investment capital to deploy across the U.S. Consistent with the 313 applications filed by these companies on other renewable energy projects, the successful completion of market-competitive tax incentives is a necessity that provides a level playing field for all successful utility-scale solar projects in Texas. Key development characteristics, such as securing tax abatement commercial terms for example, will determine the ultimate location of the Glory Leasing Solar Project. Tax abatements, along with a few several other development variables, have a significant impact on the competitiveness of the project's generation and ultimately likelihood for success. Therefore, Linn Partners is continually comparing investment opportunities, rate of return, and market viability of each project based upon financial metrics.

Due to an extremely competitive power market in ERCOT, the Chapter 313 appraised value limitation agreement is a necessity for a solar project of this size, and the commercial terms associated have a significant impact on the project's likelihood for success. There are only a few developmental variables for solar project which enhance the economics (i.e. property taxes, land rental payment, geotechnical adders), and since solar projects all compete with each other within ERCOT, a project without an appraised value limitation agreement is not competitive and is very unlikely to reach the point of construction. Therefore, this

Glory Leasing, LLC

Chapter 313 Application to Valley Mills ISD

Cummings Westlake, LLC

appraised value limitation is critical to the ability of the proposed project to move forward as currently sited within the Valley Mills Independent School District.

TAB 6

Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor (if applicable).

- | | |
|-----------------------------|--------|
| 1) Bosque County | - 100% |
| 2) Valley Mills ISD | - 100% |
| 3) Conservation Groundwater | - 100% |
| 4) ESD | - 100% |

TAB 7

Description of Qualified Investment

Glory Leasing, LLC plans to construct a 78 MW solar farm in Bosque County.

This application covers all qualified property within Valley Mills ISD necessary for the commercial operations of the proposed solar farm described in Tab 4. Seventy-eight megawatts (78 MW) will be located in Valley Mills ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 232,800 PV modules or equivalent and 23 inverters.

This application covers all qualified investment and qualified property necessary for the commercial operations of the solar farm.

Qualified Investment and qualified property includes but is not limited to; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, collection system, interconnection facilities and control systems necessary for commercial generation of electricity.

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

TAB 8

Description of Qualified Property

Glory Leasing, LLC plans to construct a 78 MW solar farm in Bosque County.

This application covers all qualified property within Valley Mills ISD necessary for the commercial operations of the proposed solar farm described in Tab 4. Seventy-eight megawatts (78 MW) will be located in Valley Mills ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 232,800 PV modules or equivalent and 23 inverters.

This application covers all qualified investment and qualified property necessary for the commercial operations of the solar farm.

Qualified Investment and qualified property includes but is not limited to; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, collection system, interconnection facilities and control systems necessary for commercial generation of electricity.

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

TAB 9

Description of Land

Not Applicable

TAB 10

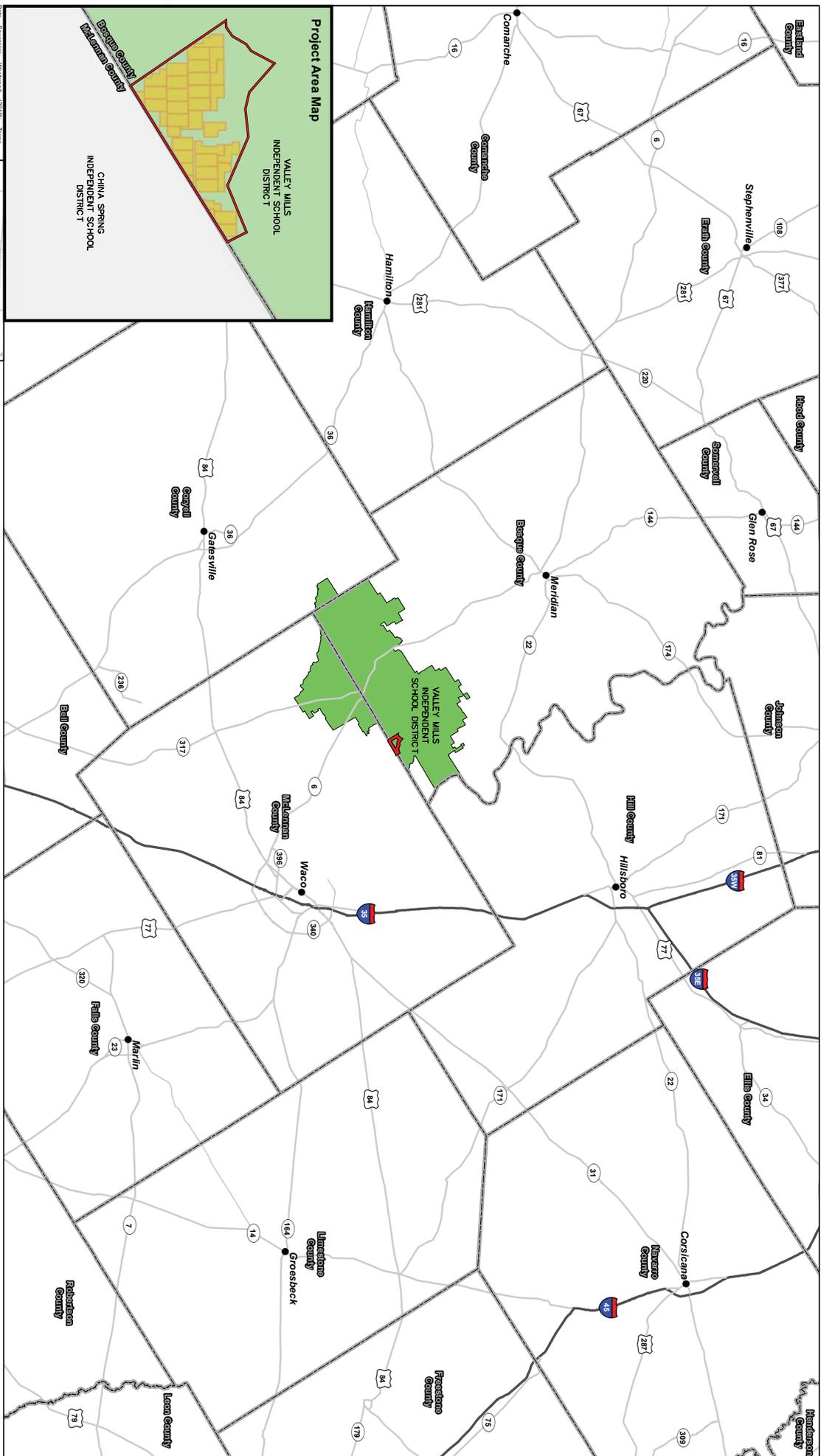
Description of all property not eligible to become qualified property (if applicable)

Not Applicable

TAB 11

Maps that clearly show:

- a) Project vicinity
- b) Qualified investment including location of new building or new improvements
- c) Qualified property including location of new building or new improvements
- d) Existing property
- e) Land location within vicinity map
- f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size



Westwood
 (888) 937-6160 westwoodpro.com
 Westwood Professional Services, Inc.

Source: Westwood (2019), Base
 Department of Transportation (2015, 2018),
 Esri (2019), Esri/ArcGIS Online (2019),
 2015).

CHINA SPRING
 INDEPENDENT SCHOOL
 DISTRICT

VALLEY MILLS
 INDEPENDENT SCHOOL
 DISTRICT

Project Area Map

Legend

- Project Boundary/Proposed Reinvestment Zone
- Valley Mills ISD
- Proposed PV Panels
- County Boundary
- Interstate Highway
- State/Federal Highway
- County Road

Scale: 0 to 9 Miles

Glory Leasing LLC
 (Markum Solar Project)
 Bosque County, Texas
 Vicinity Map
 March 12, 2019

Legend

- Project Boundary/Proposed Reinvestment Zone
- Valley Mills ISD
- Proposed PV Panels
- County Boundary
- Interstate Highway
- State/Federal Highway
- County Road

Scale: 0 to 9 Miles

Glory Leasing LLC
 (Markum Solar Project)
 Bosque County, Texas
 Vicinity Map
 March 12, 2019

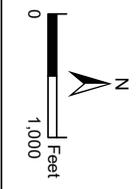
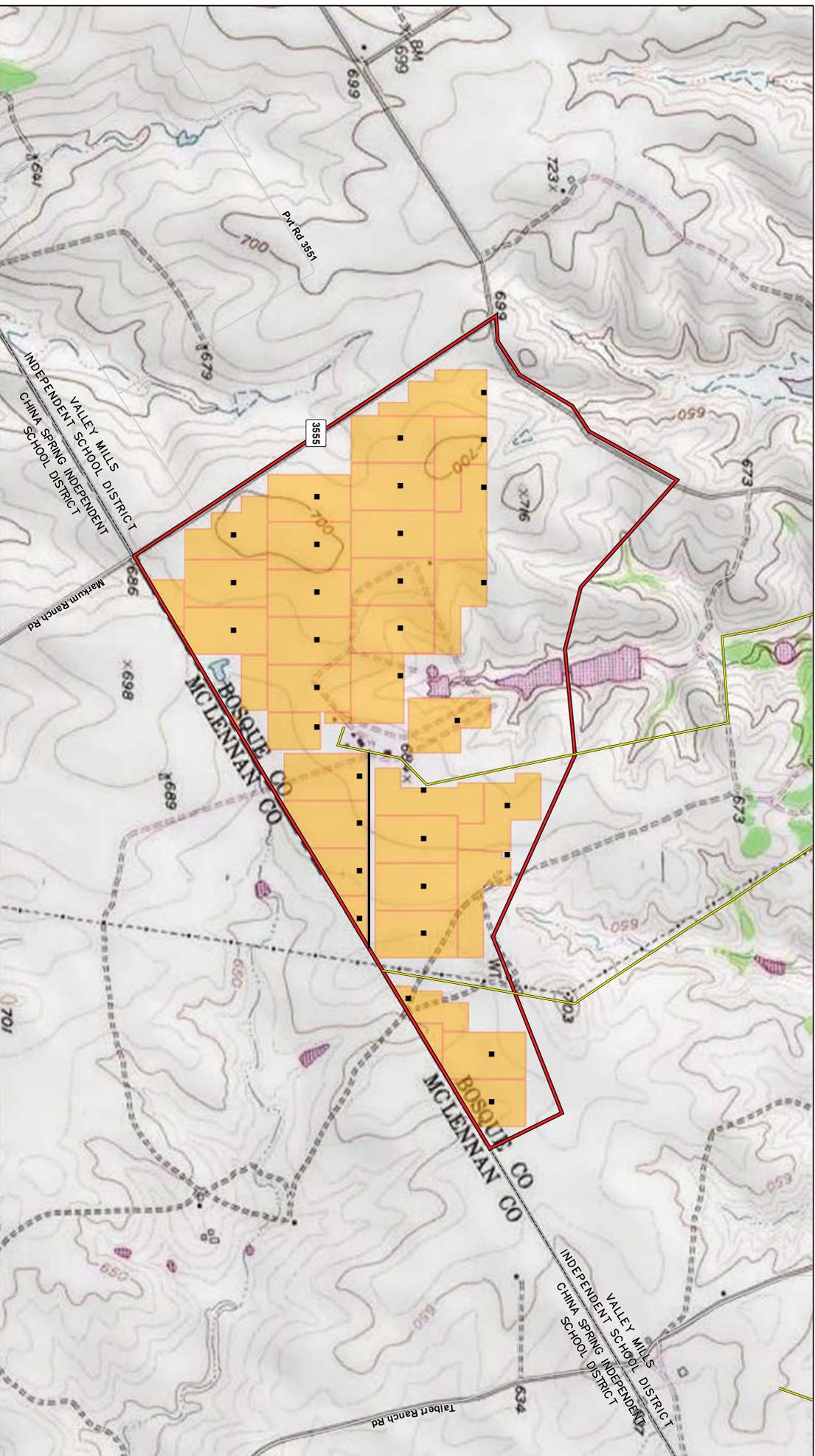
Westwood
 (888) 937-6199 westwoodps.com
 Westwood Professional Services, Inc.

DATA SOURCE(S): Westwood (2019), Esri (2019), NOAA (2019), USGS (2019), Texas (2019), Texas Education Agency (2019), Statewide (2019).



Legend

- Project Boundary/Proposed
- Reinvestment Zone Boundary
- Proposed PV Panels
- Proposed Overhead Electric Route
- Existing Overhead Electric
- County / Independent School District Boundary
- Proposed Solar Inverter
- Road



Glory Leasing LLC
 (Markum Solar Project)
 Bosque County, Texas
 Improvement Map
 March 13, 2019

TAB 12

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

See Attached



CUMMINGS WESTLAKE
PROPERTY TAX ADVISORS

June 19, 2019

Dr. Mike Kelly
Superintendent
Valley Mills Independent School District
One Eagle Way
Valley Mills, TX 76689

Re: Chapter 313 Jobs Waiver Request

Dear Superintendent Kelly,

Glory Leasing, LLC requests that the Valley Mills Independent School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the Tax Code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

Glory Leasing, LLC requests that the Board of Trustees make such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, Glory Leasing, LLC has committed to create one total job for the project.

Solar projects create a large number of full and part-time, but temporary, jobs during the construction phase of the project, but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences. The single job committed to in this application is in line with the industry standard for a solar project this size. This is evidenced by previously certified limitation agreement applications by solar developers who also requested a waiver of the job requirements. In addition, there are educational materials and other documentation that also suggest that Glory Leasing, LLC has the appropriate number of jobs for this project at one permanent job per 135MW of installed capacity.

12837 Louetta Road, Suite 201 | Cypress, Texas 77429-5611

P: 713.266.4456 W: cwlp.net

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

Sincerely,

A handwritten signature in black ink that reads "J. West Jackson". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Wes Jackson
Partner

TAB 13

Calculation of three possible wage requirements with TWC documentation

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

GLORY LEASING, LLC
TAB 13 TO CHAPTER 313 APPLICATION

BOSQUE COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2018	\$ 748	\$ 38,896
SECOND	2018	\$ 729	\$ 37,908
THIRD	2018	\$ 720	\$ 37,440
FOURTH	2018	\$ 781	\$ 40,612
AVERAGE		\$ 744.50	\$ 38,714

BOSQUE COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2018	\$ 1,039	\$ 54,028
SECOND	2018	\$ 941	\$ 48,932
THIRD	2018	\$ 1,003	\$ 52,156
FOURTH	2018	\$ 999	\$ 51,948
AVERAGE		\$ 996	\$ 51,766
		X 110%	110%
		\$ 1,095.05	\$ 56,943

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
Heart of Texas	2017	\$ 861	\$ 44,781
		X 110%	110%
		\$ 947.29	\$ 49,259

* SEE ATTACHED TWC DOCUMENTATION

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	01	Bosque	Total All	10	Total, All Industries	748
2018	02	Bosque	Total All	10	Total, All Industries	729
2018	03	Bosque	Total All	10	Total, All Industries	720
2018	04	Bosque	Total All	10	Total, All Industries	781

Showing 4 items



Follow the Texas Workforce Commission
 Enter your email address

Subscribe

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	01	Bosque	Private	31-33	Manufacturing	1,039
2018	02	Bosque	Private	31-33	Manufacturing	941
2018	03	Bosque	Private	31-33	Manufacturing	1,003
2018	04	Bosque	Private	31-33	Manufacturing	999

Showing 4 items



Follow the Texas Workforce Commission
 Enter your email address

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

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

Source: Texas Occupational Employment and Wages

Data published: July 2018

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

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

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

Data intended for TAC 313 purposes only.

TAB 14

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

See attached Schedules A1, A2, B, C and D

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

PROPERTY INVESTMENT AMOUNTS					(Estimated Investment in each year. Do not put cumulative totals.)				
	Year	School Year (YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will not 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									
Investment made after filing complete application with district, but before final board approval of application	-	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals or qualifying time period)	2019	0	0	0	0	0	
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	Pre	2020-2021	2020	6,630,000	0	0	0	6,630,000	
	QTP1	2021-2022	2021	59,670,000	0	0	0	59,670,000	
Complete tax years of qualifying time period	QTP2	2022-2023	2022	0	0	0	0	0	
	Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				66,300,000	0	0	0	66,300,000
Total Qualified Investment (sum of green cells)				59,670,000					

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

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

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

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

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

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

		PROPERTY INVESTMENT AMOUNTS						
		(Estimated Investment in each year. Do not put cumulative totals.)						
		Column A	Column B	Column C	Column D	Column E		
		New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent non-removable components of buildings that will become Qualified Property	Other investment made during this year that will not become Qualified Property (SEE NOTE)	Other investment made during this year that will become Qualified Property (SEE NOTE)	Total Investment (A+B+C+D)		
Total Investment from Schedule A1*	-	TOTALS FROM SCHEDULE A1	66,300,000	0	0	0	66,300,000	
Each year prior to start of value limitation period**	0	2021	0	0	0	0	0	
	1	2022-2023	0	0	0	0	0	
	2	2023-2024	0	0	0	0	0	
	3	2024-2025	0	0	0	0	0	
	4	2025-2026	0	0	0	0	0	
	5	2026-2027	0	0	0	0	0	
	6	2027-2028	0	0	0	0	0	
	7	2028-2029	0	0	0	0	0	
	8	2029-2030	0	0	0	0	0	
	9	2030-2031	0	0	0	0	0	
	10	2031-2032	0	0	0	0	0	
		Total Investment made through limitation	66,300,000	0	0	0	66,300,000	
Continue to maintain viable presence	11	2032-2033					0	
	12	2033-2034					0	
	13	2034-2035					0	
	14	2035-2036					0	
	15	2036-2037					0	
	16	2037-2038					0	
	17	2038-2039					0	
	18	2039-2040					0	
	19	2040-2041					0	
	20	2041-2042					0	
	21	2042-2043					0	
	22	2043-2044					0	
	23	2044-2045					0	
	24	2045-2046					0	
	25	2046-2047					0	

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

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

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

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

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

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

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

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property, is used to maintain, refurbish, renovate, modify or upgrade existing property, or is added to existing property—described in SECTION 13, question #9 of the application.

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

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

Date
Applicant Name

6/12/2019
Glory Leasing, LLC

Form 50-296A

ISD Name

Valley Mills ISD

Revised May 2014

Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	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 ISS after all reductions	Final taxable value for M&O after all reductions
Value Limitation Period	0	2021-2022	2021	0	0	1,657,500	1,657,500	42,697,200	20,000,000
	1	2022-2023	2022	0	0	42,697,200	42,697,200	38,984,400	20,000,000
	2	2023-2024	2023	0	0	38,984,400	38,984,400	35,271,600	20,000,000
	3	2024-2025	2024	0	0	35,271,600	35,271,600	26,917,800	20,000,000
	4	2025-2026	2025	0	0	31,094,700	31,094,700	22,740,900	20,000,000
	5	2026-2027	2026	0	0	26,917,800	26,917,800	18,099,900	13,923,000
	6	2027-2028	2027	0	0	22,740,900	22,740,900	18,099,900	13,923,000
	7	2028-2029	2028	0	0	18,099,900	18,099,900	11,138,400	9,746,100
	8	2029-2030	2029	0	0	13,923,000	13,923,000	9,746,100	9,746,100
	9	2030-2031	2030	0	0	11,138,400	11,138,400	9,746,100	9,746,100
10	2031-2032	2031	0	0	9,746,100	9,746,100	9,746,100	9,746,100	
Continue to maintain viable presence	11	2032-2033	2032	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	12	2033-2034	2033	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	13	2034-2035	2034	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	14	2035-2036	2035	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	15	2036-2037	2036	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	16	2037-2038	2037	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	17	2038-2039	2038	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	18	2039-2040	2039	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	19	2040-2041	2040	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	20	2041-2042	2041	0	0	9,746,100	9,746,100	9,746,100	9,746,100
Additional years for 25 year economic impact as required by 313.026(c)(1)	21	2042-2043	2042	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	22	2043-2044	2043	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	23	2044-2045	2044	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	24	2045-2046	2045	0	0	9,746,100	9,746,100	9,746,100	9,746,100
	25	2046-2047	2046	0	0	9,746,100	9,746,100	9,746,100	9,746,100

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.

Date

6/12/2019

Applicant Name

Glory Leasing, LLC

ISD Name

Valley Mills ISD

Schedule C: Employment Information

Form 50-296A

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs		Qualifying Jobs		
				Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Column C	Column D	Column E		
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	75 FTE	50,000	0	0	0	0	
	0	2021-2022	2021	175 FTE	50,000	0	0	0	0	
	1	2022-2023	2022			0	1	1	49,260	
	2	2023-2024	2023			0	1	1	49,260	
	3	2024-2025	2024			0	1	1	49,260	
	4	2025-2026	2025			0	1	1	49,260	
	5	2026-2027	2026			0	1	1	49,260	
	6	2027-2028	2027			0	1	1	49,260	
	7	2028-2029	2028			0	1	1	49,260	
	8	2029-2030	2029			0	1	1	49,260	
9	2030-2031	2030			0	1	1	49,260		
10	2031-2032	2031			0	1	1	49,260		
Years Following Value Limitation Period	11 through 25	2032-2047	2032-2046			0	1	1	49,260	

The qualifying time period could overlap the value limitation period.

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)

If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)?

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

Yes No
 Yes No
 Yes No

Date

6/12/2019

Schedule D: Other Incentives (Estimated)

Applicant Name

Glory Leasing, LLC

Form 50-296A

ISD Name

Valley Mills ISD

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Tax Code Chapter 312	County: Bosque County	2022	8 Years	Annual Avg. of \$130,800	90% for 5/80% for 3	Annual Avg. of \$18,500
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Local Government Code Chapters 380/381	County:	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Freeport Exemptions	N/A	N/A	N/A	N/A	N/A	N/A
Non-Annexation Agreements	N/A	N/A	N/A	N/A	N/A	N/A
Enterprise Zone/Project	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development Corporation	N/A	N/A	N/A	N/A	N/A	N/A
Texas Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A
Employee Recruitment	N/A	N/A	N/A	N/A	N/A	N/A
Skills Development Fund	N/A	N/A	N/A	N/A	N/A	N/A
Training Facility Space and Equipment	N/A	N/A	N/A	N/A	N/A	N/A
Infrastructure Incentives	N/A	N/A	N/A	N/A	N/A	N/A
Permitting Assistance	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL				130,800		18,500

Additional information on incentives for this project:

Empty box for additional information on incentives for this project.

TAB 15

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

None

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

- a) Evidence that the area qualifies as a enterprise zone as defined by the Governor's office*
- b) Legal description of reinvestment zone**
- c) Order, resolution, or ordinance established the reinvestment zone**
- d) Guidelines and criteria for creating the zone**

School District is to create the Reinvestment Zone

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**Tax Increment
Financing Act**

Board of Directors

Except as provided at Large Municipality below, each district that levies taxes on real property in a reinvestment zone designated by a county or municipality in accordance with the Tax Increment Financing Act, Tax Code Chapter 311, may appoint one member of the reinvestment zone board of directors if the district has approved the payment of all or part of the tax increment produced by the district into the tax increment fund for the zone. A district may waive its right to appoint a director. *Tax Code 311.009(a), (b)*

*Large
Municipality*

In a reinvestment zone designated by a municipality which is wholly or partially located in a county with a population of less than 1.8 million in which the principal municipality has a population of 1.1 million or more, each taxing unit that approves the payment of all or part of its tax increment into the tax increment fund is entitled to appoint a number of members to the board in proportion to the taxing unit's pro rata share of the total anticipated tax increment to be deposited into the tax increment fund during the term of the zone. *Tax Code 311.0091(a)–(c)*

Tax Increments
Amount

The amount of a district's tax increment for a year is the amount of property taxes levied and assessed by the district for that year on the captured appraised value of real property taxable by the district and located in a reinvestment zone or the amount of property taxes levied and collected by the district for that year on the captured appraised value of real property taxable by the district and located in a reinvestment zone. The board of the district shall determine which of the methods is used to calculate the amount of the district's tax increment.

"Captured
Appraised
Value"

The captured appraised value of real property taxable by a district for a year is the total taxable value of all real property taxable by the district and located in a reinvestment zone for that year less the tax increment base of the district.

"Tax Increment
Base"

The tax increment base of a district is the total taxable value of all real property taxable by the district and located in a reinvestment zone for the year in which the zone was designated under Tax Code Chapter 311.

Tax Code 311.012

*Collection and
Deposit*

Each district that taxes real property located in a reinvestment zone shall provide for the collection of its taxes in the zone as for any other property taxed by the district. Each district shall pay into the tax increment fund for the zone an amount equal to the tax increment produced by the district, less the sum of:

1. Property taxes produced from the tax increments that are, by contract executed before the designation of the area as a re-investment zone, required to be paid by the district to another political subdivision; and
2. A portion, not to exceed 15 percent, of the tax increment produced by the district as provided by the reinvestment zone financing plan or a larger portion as provided at Agreement Required below.

Tax Code 311.013(a)–(b)

Notwithstanding any termination of the reinvestment zone and unless otherwise specified by an agreement between the district and the municipality or county that created the zone, a district shall make the required payment not later than the 90th day after the later of the delinquency date for district property taxes or the date the municipality or county that created the zone submits to the district an invoice specifying the tax increment produced by the district and the amount the district is required to pay into the tax increment fund for the zone. A district is not required to pay into a tax increment fund the applicable portion of a tax increment attributable to delinquent taxes until those taxes are collected. *Tax Code 311.013(c), (i)*

A district whose taxable value is reduced under Government Code 403.302(d)(4) (determination of district property values by the comptroller) shall pay into the tax increment fund, in addition to the amount otherwise required to be paid, an amount equal to the amount by which the amount of taxes the district would have been required to pay into the fund in the current year if the district levied taxes at the rate the district levied in 2005 exceeds the amount the district is otherwise required to pay into the fund in the year of the reduction. This additional amount may not exceed the amount the district receives in state aid for the current tax year under Education Code 42.2514 (additional state aid for tax increment financing payments). The district shall pay the additional amount after the district receives the state aid to which the district is entitled for the current tax year under Education Code 42.2514. *Tax Code 311.013(n)*

*Agreement
Required*

A district is not required to pay into the tax increment fund any of its tax increment produced from property located in a reinvestment zone designated under Tax Code 311.005(a) or in an area added to a reinvestment zone under Tax Code 311.007 unless the district enters into an agreement to do so with the governing body of the municipality or county that designated the zone. *Tax Code 311.013(f)*

A district that participates in a zone is not required to increase the percentage or amount of the tax increment to be contributed by the district because of an amendment to the project plan or reinvestment zone financing plan for the zone unless the board by official action approves the amendment. *Tax Code 311.011(g)*

A district is not required to pay into the tax increment fund any of its tax increment produced from property located in an area added to the reinvestment zone under Tax Code 311.007(a) or (b) unless the board enters into an agreement to do so with the governing body of the municipality or county that created the zone. *Tax Code 311.013(k)*

If the governing body of the municipality or county that designated a reinvestment zone extends the term of all or a portion of the zone, a district is not required to participate in the zone or portion of the zone for the extended term unless the district enters into a written agreement to do so. *Tax Code 311.007(c)*

Notwithstanding the designation of a later termination date under Tax Code 311.017(a), a district that taxes real property located in the reinvestment zone is not required to pay any of its tax increment into the tax increment fund for the zone after the termination date designated in the ordinance or order creating the zone unless the board enters into an agreement to do so with the governing body of the municipality or county that created the zone. *Tax Code 311.017(a-1)*

**Property
Redevelopment and
Tax Abatement Act**

On or after September 1, 2001, a school district may not enter into a tax abatement agreement under Tax Code Chapter 312. *Tax Code 312.002(f)*

**Reinvestment Zone
for Chapter 313**

Notwithstanding any other provision of Tax Code Chapter 312 to the contrary, the board, in the manner required for official action and for purposes of Tax Code Chapter 313, Subchapter B or C [see Texas Economic Development Act below], may designate an area entirely within the territory of the district as a reinvestment zone if the board finds that, as a result of the designation and the granting of a limitation on appraised value, for property located in the reinvestment zone, the designation is reasonably likely to:

1. Contribute to the expansion of primary employment in the reinvestment zone; or
2. Attract major investment in the reinvestment zone that would:
 - a. Be a benefit to property in the reinvestment zone and to the district; and

- b. Contribute to the economic development of the region of this state in which the district is located.

The board may seek the recommendation of the commissioners court of each county and the governing body of each municipality that has territory in the district before designating an area as a reinvestment zone.

Tax Code 312.0025

Texas Economic Development Act

In implementing the Texas Economic Development Act, Tax Code Chapter 313, districts should strictly interpret the criteria and selection guidelines provided by Chapter 313 and approve only those applications for an ad valorem tax benefit that:

1. Enhance the local community;
2. Improve the local public education system;
3. Create high-paying jobs; and
4. Advance the economic development goals of Texas.

Tax Code 313.004(3)

Definitions

“Agreement”

“Agreement” means the written agreement between the board and the approved applicant on the form adopted by reference in 34 Administrative Code 9.1052 (relating to Forms) to implement a limitation on the appraised value for district maintenance and operations ad valorem property tax purposes on an entity’s qualified property, required by Tax Code 313.027(d).

“Agreement Holder”

“Agreement holder” means an entity that has executed an agreement with a district.

“Applicant”

“Applicant” means an entity that has applied for a limitation on appraised value for district maintenance and operations ad valorem property tax purposes on the entity’s property, as provided by Tax Code Chapter 313.

“Application”

“Application” means an application for limitation of appraised value for district maintenance and operations ad valorem property tax purposes on an entity’s qualified property on the form adopted by reference in 34 Administrative Code 9.1052 (relating to Forms), the schedules attached thereto, and the documentation submitted by an entity for the purpose of obtaining an agreement for a limitation on appraised value from a district.

“Application Review Start Date”

“Application review start date” means the later date of either the date on which the district issues its written notice that an applicant has submitted a completed application or the date on which the

comptroller issues its written notice that an applicant has submitted a completed application.

“Completed Application”

“Completed application” means an application in the form and number and containing all the information required pursuant to 34 Administrative Code 9.1053 (relating to Entity Requesting Agreement to Limit Appraised Value), that has been determined by the district and the comptroller to include all minimum requirements for consideration.

“Entity”

“Entity” means any entity upon which a tax is imposed by Tax Code 171.001, including a combined group as defined by Tax Code 171.0001(7) or members of a combined group, provided, however, an entity does not include a sole proprietorship, partnership, or limited liability partnership.

34 TAC 9.1051(1), (2), (3), (7), (10), (12), (20)

“Qualified Investment”

“Qualified investment” means:

1. Tangible personal property that is first placed in service in this state during the applicable qualifying time period that begins on or after January 1, 2002, without regard to whether the property is affixed to or incorporated into real property, and that is:
 - a. Described as Section 1245 property by Section 1245(a), Internal Revenue Code of 1986;
 - b. Used in connection with the manufacturing, processing, or fabrication in a cleanroom environment of a semiconductor product, without regard to whether the property is actually located in the cleanroom environment, including integrated systems, fixtures, and piping; all property necessary or adapted to reduce contamination or to control airflow, temperature, humidity, chemical purity, or other environmental conditions or manufacturing tolerances; and production equipment and machinery, moveable cleanroom partitions, and cleanroom lighting;
 - c. Used in connection with the operation of a nuclear electric power generation facility, including property, including pressure vessels, pumps, turbines, generators, and condensers, used to produce nuclear electric power; and property and systems necessary to control radioactive contamination;
 - d. Used in connection with operating an integrated gasification combined cycle electric generation facility, including property used to produce electric power by means of a

combined combustion turbine and steam turbine application using synthetic gas or another product produced by the gasification of coal or another carbon-based feedstock; or property used in handling materials to be used as feedstock for gasification or used in the gasification process to produce synthetic gas or another carbon-based feedstock for use in the production of electric power in the manner described herein;

- e. Used in connection with operating an advanced clean energy project, as defined by Health and Safety Code 382.003; or
2. A building or a permanent, nonremovable component of a building that is built or constructed during the applicable qualifying time period that begins on or after January 1, 2002, and that houses tangible personal property described by items 1a–e above.

Tax Code 313.021(1)

“Qualified Property”

“Qualified property” means:

- 1. Land:
 - a. That is 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;
 - b. On which a person proposes to construct a new building or erect or affix a new improvement that does not exist before the date the person submits a complete application for a limitation on appraised value under Tax Code Chapter 313, Subchapter B;
 - c. That is not subject to a tax abatement agreement entered into by a district under Tax Code Chapter 312; and
 - d. On which, in connection with the new building or new improvement described by item 1b above, the owner or lessee of, or the holder of another possessory interest in, the land proposes to:
 - (1) Make a qualified investment in an amount equal to at least the minimum amount required by Tax Code 313.023; and
 - (2) Create at least 25 new qualifying jobs, except as provided at Exception below;

2. The new building or other new improvement described by item 1b above; and
3. Tangible personal property:
 - a. That is not subject to a tax abatement agreement entered into by a district under Tax Code Chapter 312;
 - b. For which a sales and use tax refund is not claimed under Tax Code 151.3186; and
 - c. Except for new equipment described in Tax Code 151.318(q) or (q-1), that is first placed in service in the new building, in the newly expanded building, or in or on the new improvement described by item 1b above, or on the land on which that new building or new improvement is located, if the personal property is ancillary and necessary to the business conducted in that new building or in or on that new improvement.

Tax Code 313.021(2); see also 34 TAC 9.1051(16) (additional requirements for "Qualified Property")

Exception

For purposes of Tax Code Chapter 313, Subchapter C, applicable to certain rural districts, a property owner is required to create at least 10 qualifying jobs. *Tax Code 313.051(b)*

"Qualifying Job"

"Qualifying job" means a permanent full-time job that:

1. Requires at least 1,600 hours of work a year;
2. Is not transferred from one area in this state to another area in this state;
3. Is not created to replace a previous employee;
4. Is covered by a group health benefit plan for which the business offers to pay at least 80 percent of the premiums or other charges assessed for employee-only coverage under the plan, regardless of whether an employee may voluntarily waive the coverage; and
5. Pays at least 110 percent of the county average weekly wage for manufacturing jobs in the county where the job is located.

Tax Code 313.021(3); 34 TAC 9.1051(30)

To be eligible for a limitation on appraised value under Tax Code Chapter 313, the property owner must create the required number of new qualifying jobs and the average weekly wage for all jobs

created that are not qualifying jobs must exceed the county average weekly wage for all jobs in the county where the jobs are located. *Tax Code 313.024(d)*

Waiver of New
Jobs Creation
Requirement

Notwithstanding any other provision of Tax Code Chapter 313 to the contrary, the board may waive the new jobs creation requirement and approve an application if the board makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application. *Tax Code 313.025(f-1)*

“Qualifying Time
Period”

“Qualifying time period” means:

1. The period that begins on the date that a person’s application for a limitation on appraised value under Tax Code Chapter 313 is approved by the board and ends on December 31 of the second tax year that begins after that date, except as provided by items 2 and 3 below or Tax Code 313.027(h);
2. In connection with a nuclear electric power generation facility, the first seven tax years that begin on or after the third anniversary of the date the district approves the property owner’s application for a limitation on appraised value, unless a shorter time period is agreed to by the board and the property owner; or
3. In connection with an advanced clean energy project, the first five tax years that begin on or after the third anniversary of the date the district approves the property owner’s application for a limitation on appraised value, unless a shorter time period is agreed to by the board and the property owner.

Tax Code 313.021(4)

“Substantive
Document”

“Substantive document” means a document or other information or data in electronic media determined by the comptroller to substantially involve or include information or data significant to an application, the evaluation or consideration of an application, or the agreement or implementation of an agreement for limitation of appraised value pursuant to Tax Code Chapter 313. The term includes, but is not limited to, any application requesting a limitation on appraised value and any amendments or supplements, any economic impact evaluation made in connection with an application, any agreement between applicant and the district and any subsequent amendments or assignments, any district written finding or report filed with the comptroller as required under 34 Administrative Code Chapter 9, Subchapter F; and any completed annual eligibility report (Form 50-772A) submitted to the comptroller. *34 TAC 9.1051(19)*

School District
Categories

For purposes of determining the required minimum amount of a qualified investment and the minimum amount of a limitation on appraised value, districts to which Tax Code Chapter 313, Subchapter B applies are categorized according to the taxable value of property in the district for the preceding tax year under Government Code Chapter 403, Subchapter M (comptroller's study of school district property values), as set out in Tax Code 313.022. *Tax Code 313.022(b); 34 TAC 9.1058(d)*

For purposes of determining the required minimum amount of a qualified investment and the minimum amount of a limitation on appraised value, districts to which Tax Code Chapter 313, Subchapter C applies are categorized according to the taxable value of industrial property in the district for the preceding tax year under Government Code Chapter 403, Subchapter M (comptroller's study of school district property values), as set out in Tax Code 313.052. *Tax Code 313.052; 34 TAC 9.1058(d)*

Minimum Amounts
of Qualified
Investment

For each category of district established by Tax Code 313.022, the minimum amount of a qualified investment is set out in Tax Code 313.023. *Tax Code 313.023*

For each category of district established by Tax Code 313.052, the minimum amount of a qualified investment is set out in Tax Code 313.053. *Tax Code 313.053*

Eligibility

Tax Code Chapter 313, Subchapters B and C apply only to property owned by an entity subject to franchise tax (Tax Code Chapter 171). To be eligible for a limitation on appraised value, the entity must use the property for a purpose stated in Tax Code 313.024.

*Exception for
Wind-Powered
Energy Device*

An owner of a parcel of land that is located wholly or partly in a re-investment zone, a new building constructed on the parcel of land, a new improvement erected or affixed on the parcel of land, or tangible personal property placed in service in the building or improvement or on the parcel of land may not receive a limitation on appraised value for the parcel of land, building, improvement, or tangible personal property under an agreement under Tax Code Chapter 313, Subchapter B that is entered into on or after September 1, 2017, if, on or after that date, a wind-powered energy device is installed or constructed on the same parcel of land at a location that is within 25 nautical miles of the boundaries of a military aviation facility located in this state. This prohibition applies regardless of whether the wind-powered energy device is installed or constructed at a location that is in the reinvestment zone.

Tax Code 313.024

Application for
Limitation on
Appraised Value

The owner or lessee of, or the holder of another possessory interest in, any qualified property may apply to the board for a limitation on the appraised value of the person's qualified property for district maintenance and operations ad valorem tax purposes. An application must be made on the form prescribed by the comptroller, must include the information required by the comptroller, and must be accompanied by:

1. The application fee established by the board;
2. Information sufficient to show that the real and personal property identified in the application as qualified property meets the applicable criteria established by Tax Code 313.021(2); and
3. Any information required by the comptroller for the purposes of Tax Code 313.026 (economic impact evaluation).

Tax Code 313.025(a)

*Required
Contents and
Format*

A completed application shall consist of, at a minimum, the items set forth in 34 Administrative Code 9.1053(a)(1) and shall be provided in the formats specified in 34 Administrative Code 9.1053(a)(2).

Optional
Requests

An applicant may include in an application:

1. A request that the district waive the applicable requirement to create new jobs. In order for a completed application to include a job waiver request, the applicant shall submit the information specified in 34 Administrative Code 9.1053(b)(1); or
2. A request to begin the qualifying time period on a date that is after the date that the application is approved. In order for a completed application to include a qualifying time period deferral request, the applicant shall submit the information specified in 34 Administrative Code 9.1053(b)(2).

34 TAC 9.1053(a), (b)

Changes

At the request of the district or the comptroller, or with the prior approval of the district and the comptroller, the applicant may submit an application amendment or application supplement at any time after the submission of the initial application. In order to be considered as part of the application, the application amendment or supplement shall:

1. Be submitted in the same form or schedule and manner as the information was initially submitted or should have been initially submitted;

2. Include a date for the submission and a sequential number identifying the number of submissions made by the applicant;
3. Have the signature of the authorized representative(s) by which the applicant confirms and attests to the truth and accuracy of the information submitted in the application amendment or supplement, as applicable, to the best knowledge and belief of the applicant and its representative(s); and
4. Be submitted before the 120th day after the application was accepted by the district or within another time period as provided in writing by the comptroller.

34 TAC 9.1053(c)

If a district receives an amended application or a supplemental application from an applicant after the district has prepared or sent written notice that the applicant has submitted a completed application, the district shall either:

1. Reject the amended application, supplemental application, or application, in whole or in part, and discontinue consideration of any submission by the applicant;
2. With the written concurrence of the comptroller, consider the completed application, as amended or supplemented, before the 151st day from the application review start date; or
3. Review the documents submitted by the applicant, issue an amended written notice of a completed application, and present the amended application to the board in the manner and time period authorized by 34 Administrative Code 9.1053(c)(5).

34 TAC 9.1054(e) [See Acting on Completed Application below]

Confidential
Business
Information

Information provided to a district in connection with an application for a limitation on appraised value that describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application shall be segregated in the application from other information in the application and is confidential and not subject to public disclosure unless the board approves the application. Other information in the custody of a district or the comptroller in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Tax Code Chapter 313, such as the nature and amount of the projected investment, employment, wages, and benefits, may not be considered confidential business information if the board agrees to consider the application. Information in the custody of a

district or the comptroller if the board approves the application is not confidential under this provision. *Tax Code 313.028; 34 TAC 9.1055(a)(1)–(4)*

At the time that the applicant submits its application, application amendment, or application supplement, the applicant may request that all or parts of such document not be posted on the internet and not otherwise be publicly released. In order to make such request, the applicant shall:

1. Submit a written request that:
 - a. Specifically lists each document or portion of document and each entry in any form prescribed by the comptroller that the applicant contends is confidential; and
 - b. Identifies specific detailed reasons stating why the applicant believes each item listed should be considered confidential and identifies any relevant legal authority in support of the request;
2. Segregate the documents which are subject to the request from the other documents submitted with the application, application amendment, or application supplement that are not subject to the request; and
3. Adequately designate the documents subject to the request as “confidential.”

34 TAC 9.1053(e)

Action on
Application
Initial Review

Within seven days of receipt of each document, the district shall submit to the comptroller a copy of the application and the proposed agreement between the applicant and the district. If the applicant submits an economic analysis of the proposed project, the district shall submit a copy of the analysis to the comptroller. In addition, the district shall submit to the comptroller any subsequent revision of or amendment to any of those documents within seven days of receipt. *Tax Code 313.025(a-1); 34 TAC 9.1054(b)*

*Acting on
Completed
Application*

If the board by official action elects to consider an application and determines that the application received is a completed application, the district shall:

1. Provide written notice to the applicant and to the comptroller, with a copy to the appraisal district, that the district has received and will be considering a completed application. The notice shall include:
 - a. The date on which the application was received;

- b. The date on which the board elected to consider the application; and
 - c. The date on which the district determined that applicant has submitted a completed application;
 2. At the time the district provides notice of a completed application, deliver to the comptroller:
 - a. A copy of the completed application including all material required by 34 Administrative Code 9.1053(a), and if applicable (b), (relating to Entity Requesting Agreement to Limit Appraised Value); and
 - b. A request to the comptroller to provide an economic impact evaluation;
 3. If the district maintains a generally accessible internet web site, provide a clear and conspicuous link on its web site to the internet web site maintained by the comptroller where substantive documents for the value limitation application for such district are posted;
 4. On request of the comptroller, provide such written documents containing information requested by the comptroller as necessary for the consideration of a limitation on appraised value pursuant to Tax Code Chapter 313 within 20 days of the date of the request.

34 TAC 9.1054(c)(1)–(4)

*Economic Impact
Evaluation and
Certification*

The board is not required to consider an application for a limitation on appraised value. If the board elects to consider an application, the board shall deliver a copy of the application to the comptroller and request that the comptroller conduct an economic impact evaluation of the proposed investment. The comptroller shall conduct or contract with a third person to conduct the economic impact evaluation, which shall be completed and provided to the board, along with the comptroller's certificate or written explanation of the decision not to issue a certificate, as soon as practicable but not later than the 90th day after the date the comptroller receives the application. The board shall provide to the comptroller or to a third person contracted by the comptroller to conduct the economic impact evaluation any requested information. The board shall provide a copy of the economic impact evaluation to the applicant on request. *Tax Code 313.025(b); 34 TAC 9.1055(d)*

Supplemental application information, amended application information, and additional information requested by the comptroller shall be promptly forwarded to the comptroller within 20 days of the

date of the request. On request of the district or applicant, the comptroller may extend the deadline for providing additional information for a period of not more than ten working days. *34 TAC 9.1055(b)(1)(A)–(B)*

After receiving a copy of the application, the comptroller shall determine whether the property meets the requirements for eligibility for a limitation on appraised value. The comptroller shall notify the board of the comptroller's determination and provide the applicant an opportunity for a hearing before the determination becomes final. If the comptroller's determination becomes final, the comptroller is not required to provide an economic impact evaluation of the application or to submit a certificate for a limitation on appraised value of the property or a written explanation of the decision not to issue a certificate, and the board may not grant the application. *Tax Code 313.025(h), (i); 34 TAC 9.1055(b)(3), (c), (d), .1056*

*Effect on
Instructional
Facilities*

The comptroller shall promptly deliver a copy of the application to the Texas Education Agency (TEA). TEA shall determine the effect that the applicant's proposal will have on the number or size of the district's instructional facilities and submit a written report containing TEA's determination to the district. The board shall provide any requested information to TEA. Not later than the 45th day after the date TEA receives the application, TEA shall make the required determination and submit the written report to the board. *Tax Code 313.025(b-1)*

Fees

The board by official action shall establish reasonable nonrefundable application fees to be paid by property owners who apply to the district for a limitation on the appraised value of the person's property. The amount of an application fee must be reasonable and may not exceed the estimated cost to the district of processing and acting on an application, including any cost to the district associated with the required economic impact evaluation. *Tax Code 313.031(b); 34 TAC 9.1054(a)*

The total fee shall be paid at the time the application is submitted to the district. Any fees not accompanying the original application shall be considered supplemental payments. *34 TAC 9.1054(a)*

The comptroller may charge the applicant a fee sufficient to cover the costs of providing the economic impact evaluation. *Tax Code 313.025(b)*

*Supplemental
Payments*

A person and the district may not enter into an agreement under which the person agrees to provide supplemental payments to a district or any other entity on behalf of a district in an amount that exceeds an amount equal to the greater of \$100 per student per

year in average daily attendance or \$50,000 per year, or for a period that exceeds the period beginning with the qualifying time period and ending December 31 of the third tax year after the date the person's eligibility for a limitation under Tax Code Chapter 313 expires. This limit does not apply to amounts described below at item 4 at Contents, Required and item 1 at Contents, Optional. *Tax Code 313.027(i)*

Approval

The board shall approve or disapprove an application not later than the 150th day after the date the application is filed, unless the economic impact evaluation has not been received or an extension is agreed to by the board and the applicant. *Tax Code 313.025(b)*

The board may extend the time period to approve a completed application required only if:

1. Either:
 - a. An economic impact analysis has not been submitted to the district by the comptroller; or
 - b. By agreement with the applicant; and
2. Notice of the extension is provided to the comptroller within seven days of the decision to provide the extension.

34 TAC 9.1054(d)

Before approving or disapproving an application that the board elects to consider, the board must make a written finding as to any criteria considered by the comptroller in conducting the economic impact evaluation under Tax Code 313.026. The board shall deliver a copy of those findings to the applicant.

The board may approve an application only if the board finds that the information in the application is true and correct, finds that the applicant is eligible for the limitation on the appraised value of the person's qualified property, and determines that granting the application is in the best interest of the district and this state.

The board may not approve an application unless the comptroller submits to the board a certificate for a limitation on appraised value of the property.

Tax Code 313.025(d-1), (e), (f)

When presented a completed application for which the comptroller has submitted a certificate for a limitation, the board shall either:

1. By majority vote adopt a written resolution approving the application which shall include:

- a. Written findings:
 - (1) As to each criterion listed in 34 Administrative Code 9.1055(d)(3)(B)–(D) (relating to Comptroller Application Review and Agreement to Limit Appraised Value);
 - (2) As to the criteria required by Tax Code 313.025(f-1) (regarding waiver of new jobs creation requirement) if applicable;
 - (3) That the information in the application is true and correct; and
 - (4) That the applicant is eligible for the limitation on the appraised value of the entity's qualified property;
 - b. A determination that granting the application is in the best interest of the district and this state; and
 - c. Designate and direct a representative of the board to execute the agreement for property tax limitation presented by the approved applicant that complies with 34 Administrative Code Chapter 9, Subchapter F and Tax Code Chapter 313;
2. By majority vote disapprove the application; or
 3. Take no official action and the application shall be considered disapproved on the 151st day after the application review start date.

34 TAC 9.1054(c)(5), (f)

In determining whether to approve an application, the board is entitled to request and receive assistance from the comptroller, the Texas Economic Development and Tourism Office, the Texas Workforce Investment Council, and the Texas Workforce Commission. The Texas Economic Development and Tourism Office or its successor may recommend that a district approve an application under Tax Code Chapter 313. In determining whether to approve an application, the board shall consider any recommendation made by the Texas Economic Development and Tourism Office or its successor. *Tax Code 313.025(c), (g)*

Continued Eligibility

In order to obtain and continue to receive a limitation on appraised value pursuant to Tax Code Chapter 313, an applicant shall:

1. Have a completed application approved by the board in compliance with 34 Administrative Code 9.1054(f) (relating to

School District Application Review and Agreement to Limit Appraised Value);

2. At least 20 days prior to the meeting at which the board is scheduled to consider the application, provide to the district and the comptroller a Texas Economic Development Act Agreement, as specified in 34 Administrative Code 9.1052(a)(6), with terms acceptable to the applicant;
3. If the applicant includes a combined group or members of the combined group, have the agreement executed by the authorized representative of each member of the combined group that owns a direct interest in property subject to the proposed agreement by which such members are jointly and severally liable for the performance of the stipulations, provisions, terms, and conditions of the agreement;
4. Comply with all stipulations, provisions, terms, and conditions of the agreement for a limitation on appraised value executed with the district, 34 Administrative Code Chapter 9, Subchapter F, and Tax Code Chapter 313;
5. Be and remain in good standing under the laws of this state and maintain legal status as an entity;
6. Owe no delinquent taxes to the state;
7. Maintain eligibility for limitation on appraised value pursuant to Tax Code Chapter 313; and
8. Provide to the district, the comptroller, and the appraisal district any change to information provided in the application, including but not limited to changes of the authorized representative(s); changes to the location and contact information for the approved applicant including all members of the combined group participating in the limitation agreement; and copies of any valid assignments of the agreement and contact information for authorized representative(s) of any assignees.

34 TAC 9.1053(f)

Agreement

The board and the property owner shall enter into a written agreement for the implementation of the limitation on appraised value on the owner's qualified property. *Tax Code 313.027(d); 34 TAC 9.1054(g), .1060*

If the comptroller determines that the agreement as submitted by the applicant does not comply with Tax Code Chapter 313 or the applicable rules or that the agreement contains provisions that are not consistent with or represents information significantly different

from that presented in the application as submitted, the comptroller may amend or withdraw the comptroller certificate for a limitation, and provide written notification to the district of the actions taken.
34 TAC 9.1055(e)(2)–(3)

*Limitation on
Appraised Value*

If the person's application is approved by the board, the appraised value for district maintenance and operations ad valorem tax purposes of the person's qualified property as described in the agreement between the person and the district may not exceed the lesser of:

1. The market value of the property; or
2. Subject to the minimum limitation amount below, the amount agreed to by the board.

Minimum
Limitation

The amount agreed to by the board must be an amount in accordance with Tax Code 313.027(b), according to the category to which the district belongs. [See School District Categories above] A district, regardless of category, may agree to a greater amount.

Tax Code 313.027(a), (b), (c)

For a district to which Tax Code Chapter 313, Subchapter C applies, the amount agreed to by the board must be an amount in accordance with Tax Code 313.054, according to the category to which the district belongs. [See School District Categories above] A district, regardless of category, may agree to a greater amount. *Tax Code 313.054*

Contents

Required

The agreement must:

1. Provide that the limitation applies for a period of ten years;
2. Specify the beginning date of the limitation, which must be January 1 of the first tax year that begins after the application date, the qualifying time period, or the date commercial operations begin at the site of the project;
3. Describe with specificity the qualified investment that the person will make on or in connection with the person's qualified property that is subject to the limitation; other property of the person that is not specifically described in the agreement is not subject to the limitation unless the board, by official action, provides that the other property is subject to the limitation;
4. Incorporate each relevant provision of Tax Code Chapter 313, Subchapter B, and, to the extent necessary, include provisions for the protection of future district revenues through the

adjustment of the minimum valuations, the payment of revenue offsets, and other mechanisms agreed to by the property owner and the district;

5. Require the property owner to maintain a viable presence in the district for at least five years after the date the limitation on appraised value of the owner's property expires;
6. Provide for the termination of the agreement, the recapture of ad valorem tax revenue lost as a result of the agreement if the owner of the property fails to comply with the terms of the agreement, and payment of a penalty or interest, or both, on that recaptured ad valorem tax revenue;
7. Specify the ad valorem tax years covered by the agreement;
8. Be in a form approved by the comptroller; and
9. Disclose any consideration promised in conjunction with the application and the limitation.

Tax Code 313.027(a-1), (e), (f), (j)

Optional

The agreement may:

1. Provide that the property owner will protect the district in the event the district incurs extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project.
2. Specify any conditions the occurrence of which will require the district and the property owner to renegotiate all or any part of the agreement.
3. Provide for a deferral of the date on which the qualifying time period for the project is to commence or, subsequent to the date the agreement is entered into, be amended to provide for such a deferral. The agreement may not provide for the deferral of the date on which the qualifying time period is to commence to a date later than January 1 of the fourth tax year that begins after the date the application is approved except that if the agreement is one of a series of agreements related to the same project, the agreement may provide for the deferral of the date on which the qualifying time period is to commence to a date not later than January 1 of the sixth tax year that begins after the date the application is approved.

Tax Code 313.027(f), (h)

If an agreement for limitation on appraised value includes a provision in which the qualifying time period starts more than one year after the date that the application is approved, no earlier than 180 days and no later than 90 days prior to the start of the deferred qualifying time period:

1. The district shall provide the comptroller:
 - a. Copies of any documents or other information received from the applicant; and
 - b. After reviewing documents and information provided by the applicant, either:
 - (1) A written acknowledgment of receiving the application amendment or supplement; or
 - (2) A statement that no such amendment or supplement has been submitted; and
2. If the comptroller provides:
 - a. A comptroller certificate for a limitation with conditions different from the existing agreement, the board shall hold a meeting and determine whether to amend the agreement to include the conditions required by the comptroller or terminate the agreement; or
 - b. A written explanation of the comptroller's decision not to re-issue a certificate, the district shall terminate the agreement.

34 TAC 9.1054(h), .1055(g)

Compliance and
Enforcement

The district shall provide to the comptroller any documents that reasonably appear to be substantive documents, and, within seven days of executing the agreement, a copy of the executed agreement and any attachments thereto. The district shall provide a copy of the executed agreement to the appraisal district.

The district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement for limitation of the appraised value, 34 Administrative Code Chapter 9, Subchapter F, and Tax Code Chapter 313. To determine and obtain compliance with each agreement, for each calendar year during the term of the agreement the district shall require the approved applicant to submit:

1. Either the information necessary to complete the annual eligibility report, or a completed annual eligibility report;

2. A completed job creation compliance report (Form 50-825);
and
3. Any information required by the state auditor office or its designee.

34 TAC 9.1054(i)

Disclosure of
Appraised Value
Limitation
Information

If a district maintains a generally accessible internet website, the district shall maintain a link on its internet website to the area of the comptroller's internet website where information on each of the district's agreements to limit appraised value is maintained. *Tax Code 313.0265(c)*

Accessibility of
Documents

Any documents submitted in an electronic format (including searchable pdfs) to the comptroller must comply with the accessibility standards and specifications described in 1 Administrative Code Chapters 206 and 213. *34 TAC 9.1055(a)(5)*

TAB 17

Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative (applicant)

See Attached

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**. **NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here ▶ Mike Kelly
Print Name (Authorized School District Representative)

Superintendent
Title

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

6/19/19
Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

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

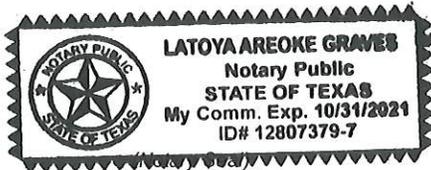
print here ▶ Roger Linn
Print Name (Authorized Company Representative (Applicant))

Owner
Title

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

6-13-19
Date

GIVEN under my hand and seal of office this, the
13th day of June, 2019



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

My Commission expires: 10/31/21

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.