

UNDERWOOD

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November 10, 2020

Stephanie Jones, Research Analystist
Data Analysis and Transparency Division
Texas Comptroller of Public Accounts
P.O. Box 12528 Capitol Station
Austin, TX 78711

Via Email

Re: App No. 1395 – Sudan ISD-Cage Ranch Solar, LLC

Dear Stephanie:

Enclosed please find a copy of the fully executed Amendment No. 1 to the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes between the above-noted parties.

Please feel free to contact us if you require anything further.

Sincerely,



Fred A. Stormer

FAS/ph
Encl.
3016194

**AMENDMENT NO. 1
TO AGREEMENT FOR LIMITATION ON APPRAISED VALUE
OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS
TAXES BETWEEN SUDAN INDEPENDENT SCHOOL DISTRICT
AND CAGE RANCH SOLAR, LLC
(Comptroller Application No. 1395)**

This **AMENDMENT NO. 1 TO THE AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES** (this “**Amendment No. 1**”) is entered into by and between **SUDAN INDEPENDENT SCHOOL DISTRICT** (the “**District**”), a lawfully created independent school district of the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **CAGE RANCH SOLAR, LLC**, a Delaware limited liability company, Texas Taxpayer Identification Number 32066276869 (“**Applicant**”). The Applicant and the District may hereafter be referred together as the “**Parties**” and individually as a “**Party**.” Undefined capitalized terms herein shall have the meaning given to them in the Agreement (as defined below).

WHEREAS, on or about December 9, 2019, pursuant to Chapter 313 of the TEXAS TAX CODE, after conducting a public hearing on the matter, the District made factual findings (the “**Findings of Fact**”), and passed, approved, and executed that certain Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes dated December 9, 2019, by and between the District and Applicant (the “**Agreement**”);

WHEREAS, pursuant to Section 10.2 of the Agreement, the Applicant has provided notice to the District that the Applicant seeks to (i) amend the start of the Qualifying Time Period to January 1, 2023 and (ii) amend the start of the Limitation Period in the Agreement to January 1, 2026;

WHEREAS, the Parties notified the Texas Comptroller of Public Accounts (the “**Comptroller**”) of the Amended Application and the request for this Amendment No. 1 on August 19, 2020, and the Comptroller issued its notice of completeness letter on October 30, 2020, issued its amended certification of the Amended Application on October 30, 2020, and approved the form of this Amendment No. 1 on November 6, 2020; and

WHEREAS, on November 9, 2020, after conducting a public hearing and providing interested persons an opportunity to be heard on the matter, the Board of Trustees determined that this Amendment No. 1 is in the best interest of the District and the State of Texas and is consistent with and authorized by Chapter 313 of the TEXAS TAX CODE, and hereby approves this Amendment No. 1 and authorizes the District’s representative, whose signature appears below, to execute and deliver such Amendment No. 1 to the Applicant.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual benefits to be derived by the Parties and other good and valuable considerations, the receipt and adequacy of which are hereby acknowledged, and in compliance with Section 10.2 of the Agreement, the undersigned Parties intending to be legally bound, do hereby covenant and agree to amend the Agreement as follows:

1. **Amendments.** The Agreement is hereby amended as follows:
 - a. **Sections 2.3.C, 2.3.D and 2.3.E.** Sections 2.3.C, 2.3.D and 2.3.E of the Agreement are deleted in their entirety and replaced with the following:
 - C. The Qualifying Time Period for this Agreement:
 - i. Starts on January 1, 2023, a date not later than January 1 of the fourth Tax Year following the Application Approval Date for deferrals, as authorized by §313.027 of the TEXAS TAX CODE; and
 - ii. Ends on December 31, 2024, the last day of the second complete Tax Year following the Qualifying Time Period start date.
 - D. The Tax Limitation Period for this Agreement:
 - i. Starts on January 1, 2026, first complete Tax Year that begins after the date of commencement of Commercial Operation; and
 - ii. Ends on December 31, 2035.
 - E. The Final Termination Date for this Agreement is December 31, 2040.
 - b. **Section 10.2.F.** is added as follows:
 - F. The Applicant shall amend the Application and this Agreement to identify the changes in the information that was provided in the Application and was approved by the District and as considered by the Comptroller no earlier than 180 days and no later than 90 days prior to the start of the Qualifying Time Period as identified in Section 2.3.C.i of this Agreement.
 - i. The Applicant shall comply with written requests from the District or the Comptroller to provide additional information necessary to prepare a Comptroller certificate for a limitation for the conditions prior to the start of the Qualifying Time Period; and
 - ii. If the Comptroller provides its certificate for a limitation with conditions different from the existing agreement, the District shall hold a meeting and determine whether to amend this Agreement to include the conditions required by the Comptroller or terminate this Agreement; or
 - iii. If the Comptroller withdraws its certificate for a limitation based on the revised Application, the District shall terminate this Agreement.
 - c. **Exhibit 5. EXHIBIT 5** to the Agreement is deleted in its entirety and replaced with the attached **EXHIBIT 5**.

2. **Effect.** Except as modified and amended by the terms of this Amendment No. 1, all of the terms, conditions, provisions and covenants of the Agreement are ratified and shall remain in full force and effect, and the Agreement and this Amendment No. 1 shall be deemed to constitute a single instrument or document. Should there be any inconsistency between the terms of this Amendment No. 1 and the Agreement; the terms of this Amendment No. 1 shall prevail. A copy of this Amendment No. 1 shall be delivered to the Texas Comptroller to be posted to the Texas Comptroller's internet website. A copy of this Amendment No. 1 shall be recorded with

the official Minutes of the meeting at which it has been approved and a copy of this Amendment No. 1 shall also be recorded with the Findings of Fact in the official Minutes of the meeting of December 9, 2019.

3. **Binding on Successors and Assigns.** The Agreement, as amended by this Amendment No. 1, shall be binding upon and inure to the benefit of the Parties and each other person and entity having any interest therein during their ownership thereof, and their respective successors and assigns.

4. **Counterparts.** This Amendment No. 1 may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same document.

5. **Electronic Delivery.** This Amendment may be duly executed and delivered in person, by mail, or by facsimile or other electronic format (including portable document format (pdf) transmitted by email). The executing Party agrees to promptly deliver a complete, executed original or counterpart of this Amendment to the other executing Parties. This Amendment shall be binding on and enforceable against the executing Party whether or not it delivers such original or counterpart.

[Signatures follow on the next page]


IN WITNESS HEREOF, the District and Applicant have caused this Amendment No. 1 to be executed and delivered by their duly authorized representatives as of the Effective Date below.

APPROVED AND EFFECTIVE as of the 9th day of November, 2020.

CAGE RANCH SOLAR, LLC

SUDAN INDEPENDENT SCHOOL DISTRICT

BY: 

BY: 


NAME: David Reamer

NAME: Richard Salazar

TITLE: President

TITLE: Board President

ATTEST:

BY: 

NAME: Torrey Tolbert

TITLE: Board Member

EXHIBIT 5
AGREEMENT SCHEDULE

	<u>Year of Agreement</u>	<u>Date of Appraisal</u>	<u>School Year</u>	<u>Tax Year</u>	<u>Summary Description</u>
Limitation Pre-Years	Pre Year	January 1, 2019	2019-20	2019	Application Approved December 9, 2019
	Pre Year	January 1, 2020	2020-21	2020	Pre Year
	Pre Year	January 1, 2021	2021-22	2021	Pre Year
	Pre Year	January 1, 2022	2022-23	2022	Pre Year
	QTP 1	January 1, 2023	2023-24	2023	Start of Qualifying Time Period, beginning January 1, 2023; QTP Year 1
	QTP 2	January 1, 2024	2024-25	2024	QTP Year 2
	Gap Year	January 1, 2025	2025-26	2025	Fully Taxable
Limitation Period (10 Years)	1	January 1, 2026	2026-27	2026	\$20 million appraisal limitation
	2	January 1, 2027	2027-28	2027	\$20 million appraisal limitation
	3	January 1, 2028	2028-29	2028	\$20 million appraisal limitation
	4	January 1, 2029	2029-30	2029	\$20 million appraisal limitation
	5	January 1, 2030	2030-31	2030	\$20 million appraisal limitation
	6	January 1, 2031	2031-32	2031	\$20 million appraisal limitation
	7	January 1, 2032	2032-33	2032	\$20 million appraisal limitation
	8	January 1, 2033	2033-34	2033	\$20 million appraisal limitation
	9	January 1, 2034	2034-35	2034	\$20 million appraisal limitation
	10	January 1, 2035	2035-36	2035	\$20 million appraisal limitation
Maintain a Viable Presence (5 Years)	11	January 1, 2036	2036-37	2036	No appraisal limitation; must maintain a viable presence
	12	January 1, 2037	2037-38	2037	No appraisal limitation; must maintain a viable presence
	13	January 1, 2038	2038-39	2038	No appraisal limitation; must maintain a viable presence
	14	January 1, 2039	2039-40	2039	No appraisal limitation; must maintain a viable presence
	15	January 1, 2040	2040-41	2040	No appraisal limitation; must maintain a viable presence

Agreement for Limitation on Appraised Value
Between Sudan ISD and Cage Ranch Solar, LLC
(App No. 1395), November 9, 2020
Exhibit 5

*Texas Economic Development Act Agreement
Comptroller Form 50-826 (Jan 2016)*