

**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

September 10, 2021

AMENDED CERTIFICATION

Layne Sheets  
Superintendent  
Jayton-Girard Independent School District  
P.O. Box 168  
Jayton, Texas 79528

Re: Amended Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Jayton-Girard Independent School District and Texas Solar Nova 2, LLC, Application 1404

Dear Superintendent Sheets:

This application (Application 1404) was originally submitted on July 22, 2019, to the Jayton-Girard Independent School District (school district) by Texas Solar Nova 2, LLC (applicant) for a limitation on appraised value under the provisions of Tax Code Chapter 313.<sup>1</sup> On September 3, 2019, the Comptroller issued written notice that the applicant submitted a completed application; and later issued a certificate for a limitation on appraised value on November 13, 2019. The applicant and school district executed an agreement for a limitation on appraised value (agreement) on February 20, 2020.

On August 17, 2021, the Comptroller received an amendment to the agreement to change the start of the limitation from January 1, 2022 to January 1, 2024, decrease the number of qualifying jobs and update the project timeline. This presents the Comptroller's review of that amendment per Section 10.2 of the agreement and determinations required:

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

**Determination required by 313.025(h)**

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

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<sup>1</sup> All statutory references are to the Texas Tax Code, unless otherwise noted.

**Certificate decision required by 313.025(d)**

Determination required by 313.026(c)(1)

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

Determination required by 313.026(c)(2)

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

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

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

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the amendment to the agreement by December 31, 2021.

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

Sincerely,

DocuSigned by:  
  
11EA6DEF0EC441E...

Lisa Craven  
Deputy Comptroller

Enclosure

cc: Will Counihan

## Attachment B – Tax Revenue before 25<sup>th</sup> Anniversary of Limitation Start

This represents the Comptroller’s determination that Texas Solar Nova 2, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy and direct, indirect and induced tax effects from project employment directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
<b>Limitation Pre-Years</b>	2021	\$0	\$0	\$0	\$0
	2022	\$0	\$0	\$0	\$0
	2023	\$0	\$0	\$0	\$0
<b>Limitation Period (10 Years)</b>	2024	\$194,000	\$194,000	\$1,338,058	\$1,338,058
	2025	\$194,000	\$388,000	\$1,214,638	\$2,552,696
	2026	\$194,000	\$582,000	\$1,082,989	\$3,635,686
	2027	\$194,000	\$776,000	\$939,822	\$4,575,507
	2028	\$194,000	\$970,000	\$785,135	\$5,360,642
	2029	\$194,000	\$1,164,000	\$618,929	\$5,979,571
	2030	\$194,000	\$1,358,000	\$437,912	\$6,417,484
	2031	\$194,000	\$1,552,000	\$243,731	\$6,661,215
	2032	\$194,000	\$1,746,000	\$135,121	\$6,796,336
	2033	\$194,000	\$1,940,000	\$135,121	\$6,931,457
<b>Maintain Viable Presence (5 Years)</b>	2034	\$329,121	\$2,269,121	\$0	\$6,931,457
	2035	\$329,121	\$2,598,242	\$0	\$6,931,457
	2036	\$329,121	\$2,927,363	\$0	\$6,931,457
	2037	\$329,121	\$3,256,484	\$0	\$6,931,457
	2038	\$329,121	\$3,585,605	\$0	\$6,931,457
<b>Additional Years as Required by 313.026(c)(1) (10 Years)</b>	2039	\$329,121	\$3,914,726	\$0	\$6,931,457
	2040	\$329,121	\$4,243,847	\$0	\$6,931,457
	2041	\$329,121	\$4,572,968	\$0	\$6,931,457
	2042	\$329,121	\$4,902,089	\$0	\$6,931,457
	2043	\$329,121	\$5,231,210	\$0	\$6,931,457
	2044	\$329,121	\$5,560,331	\$0	\$6,931,457
	2045	\$329,121	\$5,889,452	\$0	\$6,931,457
	2046	\$329,121	\$6,218,573	\$0	\$6,931,457
	2047	\$329,121	\$6,547,694	\$0	\$6,931,457
	2048	\$329,121	\$6,876,815	\$0	\$6,931,457

	<b>\$6,876,815</b>	is less than	<b>\$6,931,457</b>
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<b>Analysis Summary</b>	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	<b>No</b>

NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, Texas Solar Nova 2, LLC

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2022	100	88	188	\$5,500,000	\$9,514,648	\$15,014,648	671386.7	-381469.7	\$1,052,856
2023	100	101	201.172	\$5,500,000	\$11,589,844	\$17,089,844	755310.1	-228881.8	\$984,192
2024	1	15	16	\$49,974	\$2,879,713	\$2,929,688	228881.8	267028.8	-\$38,147
2025	1	7	8	\$49,974	\$2,147,292	\$2,197,266	152587.9	267028.8	-\$114,441
2026	1	3	4	\$49,974	\$1,903,151	\$1,953,125	137329.1	267028.8	-\$129,700
2027	1	(1)	0	\$49,974	\$1,170,729	\$1,220,703	144958.5	289917	-\$144,959
2028	1	(1)	0	\$49,974	\$682,448	\$732,422	129699.7	274658.2	-\$144,959
2029	1	(3)	-2	\$49,974	\$682,448	\$732,422	122070.3	259399.4	-\$137,329
2030	1	1	2	\$49,974	\$438,307	\$488,281	122070.3	259399.4	-\$137,329
2031	1	1	2	\$49,974	\$438,307	\$488,281	122070.3	205993.7	-\$83,923
2032	1	1	2	\$49,974	\$194,167	\$244,141	83923.3	198364.3	-\$114,441
2033	1	1	2	\$49,974	\$194,167	\$244,141	83923.3	167846.7	-\$83,923
2034	1	3	4	\$49,974	\$194,167	\$244,141	68664.6	152587.9	-\$83,923
2035	1	3	4	\$49,974	-\$49,974	\$0	45776.4	114440.9	-\$68,665
2036	1	1	2	\$49,974	\$194,167	\$244,141	45776.4	91552.7	-\$45,776
2037	1	7	8	\$49,974	\$438,307	\$488,281	76293.9	83923.3	-\$7,629
2038	1	5	6	\$49,974	\$682,448	\$732,422	76293.9	45776.4	\$30,518
2039	1	9	10	\$49,974	\$1,170,729	\$1,220,703	61035.2	30517.6	\$30,518
2040	1	7	8	\$49,974	\$1,170,729	\$1,220,703	61035.2	15258.8	\$45,776
2041	1	7	8	\$49,974	\$1,414,870	\$1,464,844	91552.7	0	\$91,553
2042	1	5	6	\$49,974	\$1,414,870	\$1,464,844	106811.5	38147	\$68,665
2043	1	5	6	\$49,974	\$926,588	\$976,563	76293.9	-30517.6	\$106,812
2044	1	9	10	\$49,974	\$1,903,151	\$1,953,125	183105.5	-7629.4	\$190,735
2045	1	11	12	\$49,974	\$2,391,432	\$2,441,406	244140.6	7629.4	\$236,511
2046	1	13	14	\$49,974	\$2,391,432	\$2,441,406	244140.6	7629.4	\$236,511
2047	1	13	14	\$49,974	\$2,391,432	\$2,441,406	305175.8	-22888.2	\$328,064
2048	1	(1)	0	\$49,974	-\$49,974	\$0	0	0	\$0
2049	1	(1)	0	\$49,974	-\$49,974	\$0	0	0	\$0
						<b>Total</b>	<b>\$4,440,308</b>	<b>\$2,372,742</b>	<b>\$2,067,566</b>
							<b>\$8,944,381</b>	is greater than	<b>\$6,931,457</b>

**Analysis Summary**

Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?

**Yes**

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

## Amended Attachment A - Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Texas Solar Nova 2, LLC (project) applying to Jayton-Girard Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

**Table 1** is a summary of investment, employment and tax impact of Texas Solar Nova 2, LLC.

	<b>Original</b>	<b>Amendment No. 1</b>
Applicant	Texas Solar Nova 2, LLC	Texas Solar Nova 2, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Solar	Renewable Energy - Solar
School District	Jayton-Girard ISD	Jayton-Girard ISD
2017-2018 Average Daily Attendance	131	131
County	Kent	Kent
Proposed Total Investment in District	\$169,650,000	\$169,650,000
Proposed Qualified Investment	\$169,650,000	\$169,650,000
Limitation Amount	\$20,000,000	\$20,000,000
Qualifying Time Period (Full Years)	2022-2023	2022-2023
Number of new qualifying jobs committed to by applicant	2*	1*
Number of new non-qualifying jobs estimated by applicant	0	0
Average weekly wage of qualifying jobs committed to by applicant	\$961.04	\$961.04
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$961.04	\$961.04
Minimum annual wage committed to by applicant for qualified jobs	\$49,974	\$49,974.10
Minimum weekly wage required for non-qualifying jobs	\$754.50	\$754.50
Minimum annual wage required for non-qualifying jobs	\$39,234	\$39,234.00
Investment per Qualifying Job	\$84,825,000	\$169,650,000
Estimated M&O levy without any limit (15 years)	\$10,517,062	\$10,517,062
Estimated M&O levy with Limitation (15 years)	\$3,585,605	\$3,585,605
Estimated gross M&O tax benefit (15 years)	\$6,931,457	\$6,931,457

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

**Table 2** is the estimated statewide economic impact of Texas Solar Nova 2, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2022	100	88	188	\$5,500,000	\$9,514,648	\$15,014,648
2023	100	101	201.172	\$5,500,000	\$11,589,844	\$17,089,844
2024	1	15	16	\$49,974	\$2,879,713	\$2,929,688
2025	1	7	8	\$49,974	\$2,147,292	\$2,197,266
2026	1	3	4	\$49,974	\$1,903,151	\$1,953,125
2027	1	(1)	0	\$49,974	\$1,170,729	\$1,220,703
2028	1	(1)	0	\$49,974	\$682,448	\$732,422
2029	1	(3)	-2	\$49,974	\$682,448	\$732,422
2030	1	1	2	\$49,974	\$438,307	\$488,281
2031	1	1	2	\$49,974	\$438,307	\$488,281
2032	1	1	2	\$49,974	\$194,167	\$244,141
2033	1	1	2	\$49,974	\$194,167	\$244,141
2034	1	3	4	\$49,974	\$194,167	\$244,141
2035	1	3	4	\$49,974	-\$49,974	\$0
2036	1	1	2	\$49,974	\$194,167	\$244,141
2037	1	7	8	\$49,974	\$438,307	\$488,281
2038	1	5	6	\$49,974	\$682,448	\$732,422

Source: CPA REMI, Texas Solar Nova 2, LLC

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Jayton-Girard ISD I&S Tax Levy	Jayton-Girard ISD M&O Tax Levy	Jayton-Girard ISD M&O and I&S Tax Levies	Kent County Tax Levy	Kent County Road & Bridge Tax Levy	Estimated Total Property Taxes
				0.0000	0.9700		0.6389	0.1184	
2024	\$157,944,150	\$157,944,150		\$0	\$1,532,058	\$1,532,058	\$1,009,149	\$186,955	\$2,728,163
2025	\$145,220,400	\$145,220,400		\$0	\$1,408,638	\$1,408,638	\$927,854	\$171,894	\$2,508,386
2026	\$131,648,400	\$131,648,400		\$0	\$1,276,989	\$1,276,989	\$841,138	\$155,830	\$2,273,958
2027	\$116,888,850	\$116,888,850		\$0	\$1,133,822	\$1,133,822	\$746,836	\$138,359	\$2,019,016
2028	\$100,941,750	\$100,941,750		\$0	\$979,135	\$979,135	\$644,945	\$119,483	\$1,743,563
2029	\$83,807,100	\$83,807,100		\$0	\$812,929	\$812,929	\$535,467	\$99,201	\$1,447,597
2030	\$65,145,600	\$65,145,600		\$0	\$631,912	\$631,912	\$416,233	\$77,112	\$1,125,257
2031	\$45,126,900	\$45,126,900		\$0	\$437,731	\$437,731	\$288,328	\$53,416	\$779,475
2032	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
2033	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
2034	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
2035	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
2036	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
2037	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
2038	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
			<b>Total</b>	<b>\$0</b>	<b>\$10,517,062</b>	<b>\$10,517,062</b>	<b>\$6,927,469</b>	<b>\$1,283,385</b>	<b>\$18,727,916</b>

Source: CPA, Texas Solar Nova 2, LLC

\*Tax Rate per \$100 Valuation

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

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Jayton-Girard ISD I&S Tax Levy	Jayton-Girard ISD M&O Tax Levy	Jayton-Girard ISD M&O and I&S Tax Levies	Kent County Tax Levy	Kent County Road & Bridge Tax Levy	Estimated Total Property Taxes
				<b>0.0000</b>	<b>0.9700</b>		<b>0.6389</b>	<b>0.1184</b>	
2024	\$157,944,150	\$20,000,000		\$0	\$194,000	\$194,000	\$201,830	\$186,955	\$582,785
2025	\$145,220,400	\$20,000,000		\$0	\$194,000	\$194,000	\$185,571	\$171,894	\$551,465
2026	\$131,648,400	\$20,000,000		\$0	\$194,000	\$194,000	\$168,228	\$155,830	\$518,057
2027	\$116,888,850	\$20,000,000		\$0	\$194,000	\$194,000	\$149,367	\$138,359	\$481,726
2028	\$100,941,750	\$20,000,000		\$0	\$194,000	\$194,000	\$128,989	\$119,483	\$442,472
2029	\$83,807,100	\$20,000,000		\$0	\$194,000	\$194,000	\$107,093	\$99,201	\$400,294
2030	\$65,145,600	\$20,000,000		\$0	\$194,000	\$194,000	\$83,247	\$77,112	\$354,358
2031	\$45,126,900	\$20,000,000		\$0	\$194,000	\$194,000	\$57,666	\$53,416	\$305,081
2032	\$33,930,000	\$20,000,000		\$0	\$194,000	\$194,000	\$216,788	\$40,162	\$450,951
2033	\$33,930,000	\$20,000,000		\$0	\$194,000	\$194,000	\$216,788	\$40,162	\$450,951
2034	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
2035	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
2036	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
2037	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
2038	\$33,930,000	\$33,930,000		\$0	\$329,121	\$329,121	\$216,788	\$40,162	\$586,072
			<b>Total</b>	<b>\$0</b>	<b>\$3,585,605</b>	<b>\$3,585,605</b>	<b>\$2,599,508</b>	<b>\$1,283,385</b>	<b>\$7,468,498</b>
			<b>Diff</b>	<b>\$0</b>	<b>\$6,931,457</b>	<b>\$6,931,457</b>	<b>\$4,327,961</b>	<b>\$0</b>	<b>\$11,259,418</b>
Assumes School Value Limitation and Tax Abatement with the County.									

Source: CPA, Texas Solar Nova 2, LLC

\*Tax Rate per \$100 Valuation

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