

**FINDINGS**  
of the  
***CARRIZO SPRINGS***  
***CONSOLIDATED INDEPENDENT***  
***SCHOOL DISTRICT***  
***BOARD OF TRUSTEES***

**Under Chapter 313 of the**  
**Texas Tax Code**

**ON THE APPLICATION FOR**  
**APPRAISED VALUE LIMITATION**  
**ON QUALIFIED PROPERTY**

**SUBMITTED BY**

***CANE FLATS SOLAR PROJECT, LLC***

***Comptroller Application Number 1408***

**May 19, 2020**

**RESOLUTION AND FINDINGS OF FACT**  
**of the**  
***CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT***  
***BOARD OF TRUSTEES***  
**UNDER CHAPTER 313 OF THE TEXAS TAX CODE**  
**ON THE APPLICATION FOR APPRAISED VALUE LIMITATION**  
**ON QUALIFIED PROPERTY**  
**SUBMITTED BY CANE FLATS SOLAR PROJECT, LLC**

STATE OF TEXAS §  
COUNTY OF DIMMIT §  
CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT §

**PREAMBLE**

On the 19th day of May, 2020, a public meeting of the Board of Trustees of the Carrizo Springs Consolidated Independent School District (the “Board”) was held to solicit input from interested parties on the application by Cane Flats Solar Project, LLC (“Cane Flats Solar Project” or “Applicant”) for an appraised value limitation on qualified property under Chapter 313 of the Texas Tax Code. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board considered the application by Cane Flats Solar Project for a Limitation on Appraised Value on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations from interested parties within the District. After hearing presentations from the District’s administrative staff and the consultants retained by the District to advise the Board in this matter and reviewing the Comptroller’s Economic Impact Analysis under Texas Tax Code §313.026, the Board of Trustees of the Carrizo Springs Consolidated Independent School District, in accordance with Texas Tax Code §313.025(e) and (f) and 34 T.A.C. §9.1054, makes the following Findings regarding the Application:

On or about the 30<sup>th</sup> day of July, 2019, the Board of Trustees for the Carrizo Springs Consolidated Independent School District received an Application for Appraised Value Limitation on Qualified Property from Cane Flats Solar Project, pursuant to Chapter 313 of the Texas Tax Code (the “Application”). The general nature of Applicant’s investment in qualified property set forth in the Application is for a renewable energy electric generation project; specifically, a utility-scale solar energy project using PV solar energy panels and transmission facilities (the “Property”). *See* Application, §6.2.5, and Tab 4, attached hereto as Attachment A; *see also* Attachment D. The Board agreed to consider such Application, and the District’s Superintendent formally acknowledged receipt of the Application for consideration on behalf of the District, which was delivered to the Texas Comptroller of Public Accounts immediately upon the District’s determination that the Application was complete. The Comptroller acknowledged receipt of the Application on or about August 2, 2019. Thereafter, on or about September 30, 2019, the District on behalf of the Applicant, submitted Amendment No. 01 (revised §§2 & 14, Tabs 7, 8, 13 and Schedule C). On or about October 11, 2020, Applicant submitted revised pages as Amendment No. 01b (Tabs 7 and 8), and the Comptroller issued its notice of completeness and determined the Application complete as of October 15, 2019, the Application Review Start Date. Thereafter, on or about February 19, 2020, the District submitted Supplement No. 1 (District’s reinvestment zone). The Application and Amendment Nos. 01 and

01b, and Supplement No. 01 are hereafter collectively referred to as the “Application.” A copy of the Application and Comptroller’s completeness letter of October 15, 2019 are collectively attached hereto as Attachment A.

The Texas Taxpayer Identification number for Cane Flats Solar Project, LLC is 32068710915. Cane Flats Solar Project is an entity subject to Chapter 171 of the Texas Tax Code and is active and has the right to transact business in Texas, as represented by the Texas Comptroller of Public Accounts and as required by Texas Tax Code §313.024(a). *See* Attachments A, B and C.

The Board acknowledged receipt of the Application and necessary application fee, which was reasonable and did not exceed the estimated cost to the District for processing and acting on the Application, as established by §§313.025(a)(1) and 313.031(b) of the Texas Tax Code, 34 T.A.C. §9.1054(a), and Local District Policy.

The Application was delivered to the Texas Comptroller’s Office for review pursuant to §313.025(b) of the Texas Tax Code.

A copy of the Application was delivered to the Dimmit Central Appraisal District for review pursuant to 34 Texas Administrative Code §9.1054.

The Application was reviewed by the Texas Comptroller’s Office pursuant to Texas Tax Code §§313.024, 313.025 and 313.026. After receipt of the Application, the Texas Comptroller’s Office caused an Economic Impact Analysis to be conducted. The Comptroller, pursuant to Texas Tax Code §313.025(h), determined the project subject to the Application meets the requirements for eligibility under Texas Tax Code §313.024 for a limitation on appraised value, and after reviewing the Application based on the criteria set out in Texas Tax Code § 313.026, issued a Certificate for a Limitation on Appraised Value on January 13, 2020 that the Application be approved (the “Certificate Decision”). *See* Attachment C. The Board of Trustees has carefully considered such Evaluation and Certificate Decision. Copies of the Certificate Decision and Economic Impact Analysis are attached to these Findings as Attachments C and D, respectively.

The Board also directed that a specific school financial analysis be conducted of the impact of the proposed value limitation on the finances of Carrizo Springs Consolidated Independent School District. A copy of a revised report prepared by Moak, Casey & Associates and dated October 30, 2019 is attached to these Findings as Attachment E.

The Board has confirmed that the taxable value of property applicable to the Cane Flats Solar Project Application in the Carrizo Springs Consolidated Independent School District for the preceding tax year, as determined under Subchapter M, Chapter 403 of the Texas Government Code, fell within a rural school district, Category 1 of §313.054 of the Texas Tax Code at the time the Certificate Decision was issued. *See* “2019 Preliminary Property Value Study Report,” attached hereto as Attachment G; *see also* Attachment D.

The District’s Board of Trustees, by resolution dated February 18, 2020, granted Applicant’s request to extend the statutory deadline by which the District must consider its Application for the maximum time allowed, *i.e.*, until December 31, 2020. The Comptroller was provided notice of this extension, as set out under 34 Texas Administrative Code §9.1054(d). *See* Resolution authorizing

extension of consideration period and notice to Applicant, collectively attached hereto as Attachment K.

After receipt of the completed Application, the District entered into negotiations with Cane Flats Solar Project regarding the specific language to be included in the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes (the “Agreement”) pursuant to Chapter 313 of the Texas Tax Code, including appropriate revenue protection provisions for the District. The parties were able to agree upon language for inclusion into a draft agreement pursuant to Texas Tax Code §313.027. As required by the Comptroller’s Office, the parties changed only the provisions of the template that the Comptroller permitted (2016 Form 50-826). The proposed Agreement is attached to these Findings as Attachment H, and that form of the Agreement (as defined by 34. Tex. Admin. Code §9.1051 and adopted by §9.1052(a)(6)) was submitted to and approved by the Comptroller, as required by 34 Tex. Admin. Code §9.1015(e)(1). *See* copy of April 24, 2020, Agreement Review Letter from the Comptroller, attached to these Findings as Attachment I.

After review of the Comptroller’s Certificate Decision and Economic Impact Analysis, and in consideration of its own analysis of Cane Flats Solar Project’s Application and all other related documentation attached hereto, the Board makes the following additional Findings as follows:

**Board Finding Number 1.**

***Based on the Application and the Comptroller’s Certificate Decision, the Property meets the requirements of Texas Tax Code §313.024 for eligibility for a limitation on appraised value under Texas Tax Code §313.024(b)(5) as a renewable energy electric generation project.***

In support of Finding Number 1, the Comptroller’s Certificate Decision states:

**Determination required by 313.025(h)**

\* \* \*

Sec. 313.024(b)      Applicant is proposing to use the property for an eligible project.

\* \* \*

Based on the information provided by the applicant, 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.

*See* Attachment C. *See also* Attachment A (Tab 1, §6.2(5) and Tabs 4 and 8) and Attachment D.

**Board Finding Number 2.**

*The project proposed by Applicant is reasonably likely to generate sufficient tax revenue to offset the District's maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25<sup>th</sup> anniversary of the beginning of the limitation period.*

In support of Finding Number 2, the Certificate Decision states:

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

Determination required by 313.026(c)(1)

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 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.

See Attachment C.

Also in support of Finding Number 2, the Comptroller's Economic Impact Analysis states:

**Attachment B - Tax Revenue before 25<sup>th</sup> Anniversary of Limitation Start**

This [table] represents the Comptroller's determination that Cane Flats Solar Project, 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.

*[see table on next page]*

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

This represents the Comptroller’s determination that Cane Flats Solar Project, 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>	2020	\$0	\$0	\$0	\$0
	2021	\$0	\$0	\$0	\$0
	2022	\$0	\$0	\$0	\$0
<b>Limitation Period (10 Years)</b>	2023	\$297,000	\$297,000	\$1,519,155	\$1,519,155
	2024	\$297,000	\$594,000	\$1,373,863	\$2,893,018
	2025	\$297,000	\$891,000	\$1,228,570	\$4,121,588
	2026	\$297,000	\$1,188,000	\$1,083,278	\$5,204,866
	2027	\$297,000	\$1,485,000	\$937,985	\$6,142,851
	2028	\$297,000	\$1,782,000	\$792,693	\$6,935,544
	2029	\$297,000	\$2,079,000	\$647,401	\$7,582,945
	2030	\$297,000	\$2,376,000	\$502,108	\$8,085,053
	2031	\$297,000	\$2,673,000	\$356,816	\$8,441,869
	2032	\$297,000	\$2,970,000	\$211,523	\$8,653,392
<b>Maintain Viable Presence (5 Years)</b>	2033	\$363,231	\$3,333,231	\$0	\$8,653,392
	2034	\$363,231	\$3,696,462	\$0	\$8,653,392
	2035	\$363,231	\$4,059,693	\$0	\$8,653,392
	2036	\$363,231	\$4,422,924	\$0	\$8,653,392
	2037	\$363,231	\$4,786,155	\$0	\$8,653,392
<b>Additional Years as Required by 313.026(c)(1) (10 Years)</b>	2038	\$363,231	\$5,149,386	\$0	\$8,653,392
	2039	\$363,231	\$5,512,617	\$0	\$8,653,392
	2040	\$363,231	\$5,875,848	\$0	\$8,653,392
	2041	\$363,231	\$6,239,079	\$0	\$8,653,392
	2042	\$363,231	\$6,602,310	\$0	\$8,653,392
	2043	\$363,231	\$6,965,541	\$0	\$8,653,392
	2044	\$363,231	\$7,328,772	\$0	\$8,653,392
	2045	\$363,231	\$7,692,003	\$0	\$8,653,392
	2046	\$363,231	\$8,055,234	\$0	\$8,653,392
	2047	\$363,231	\$8,418,465	\$0	\$8,653,392

**\$8,418,465**

is less than

**\$8,653,392**

**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?	No
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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, Cane Flats Solar Project, LLC

*[see additional table on next page]*

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2022	201	194	395	\$13,186,027	\$17,575,973	\$30,762,000	1442000	-740000	\$2,182,000
2023	1	19	19,531	\$27,427	\$3,878,573	\$3,906,000	183000	275000	-\$92,000
2024	1	7	8	\$27,427	\$2,413,573	\$2,441,000	221000	282000	-\$61,000
2025	1	7	8	\$27,427	\$1,681,573	\$1,709,000	183000	298000	-\$115,000
2026	1	1	2	\$27,427	\$1,315,573	\$1,343,000	191000	305000	-\$114,000
2027	1	1	2	\$27,427	\$1,193,573	\$1,221,000	168000	267000	-\$99,000
2028	1	1	2	\$27,427	\$949,573	\$977,000	160000	267000	-\$107,000
2029	1	(3)	-2	\$27,427	\$704,573	\$732,000	137000	275000	-\$138,000
2030	1	(1)	0	\$27,427	\$216,573	\$244,000	122000	252000	-\$130,000
2031	1	1	2	\$27,427	\$460,573	\$488,000	130000	229000	-\$99,000
2032	1	5	6	\$27,427	\$460,573	\$488,000	137000	237000	-\$100,000
2033	1	1	2	\$27,427	\$216,573	\$244,000	76000	168000	-\$92,000
2034	1	1	2	\$27,427	\$460,573	\$488,000	76000	175000	-\$99,000
2035	1	1	2	\$27,427	\$460,573	\$488,000	53000	130000	-\$77,000
2036	1	3	4	\$27,427	-\$515,427	-\$488,000	15000	84000	-\$69,000
2037	1	3	4	\$27,427	\$216,573	\$244,000	8000	38000	-\$30,000
2038	1	1	2	\$27,427	-\$27,427	\$0	15000	31000	-\$16,000
2039	1	(1)	0	\$27,427	-\$271,427	-\$244,000	15000	23000	-\$8,000
2040	1	(1)	0	\$27,427	\$460,573	\$488,000	0	-23000	\$23,000
2041	1	3	4	\$27,427	\$460,573	\$488,000	0	-53000	\$53,000
2042	1	5	6	\$27,427	\$704,573	\$732,000	31000	-69000	\$100,000
2043	1	1	2	\$27,427	\$460,573	\$488,000	15000	-76000	\$91,000
2044	1	1	2	\$27,427	\$460,573	\$488,000	-31000	-76000	\$45,000
2045	1	(1)	0	\$27,427	-\$515,427	-\$488,000	-46000	-107000	\$61,000
2046	1	1	2	\$27,427	\$460,573	\$488,000	0	-84000	\$84,000
2047	1	1	2	\$27,427	\$949,573	\$977,000	31000	-99000	\$130,000
2048	1	3	4	\$27,427	\$949,573	\$977,000	15000	-107000	\$122,000
2049	1	3	4	\$27,427	\$460,573	\$488,000	15000	-130000	\$145,000
<b>Total</b>							<b>\$3,362,000</b>	<b>\$1,772,000</b>	<b>\$1,590,000</b>
							<b>\$10,008,465</b>	is greater than	<b>\$8,653,392</b>
<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?									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.									

See Attachment D.

**Board Finding Number 3.**

*The new qualifying jobs creation requirement under § 313.051(b) exceeds the industry standard for the number of employees reasonably necessary for the operation of the Applicant’s facility described in the Application, and Applicant qualifies for a waiver of the new jobs requirement pursuant to § 313.025(f-1).*

In support of this Finding, Applicant submitted information as Tab 12 to its Application regarding the industry standard for the number of jobs for a project with qualified property of this size and type. Applicant states that a project of the size and type described in the Application will require less than ten (10) permanent jobs. Applicant reports in Tab 12 that solar projects create a large number of full-

time, temporary jobs during the construction phase (1<sup>st</sup> year), but require a small number of highly skilled technicians to operate the solar project once construction operations end and commercial operations begin. Applicant further reports that hiring one (1) permanent full-time employee is industry standard for a 127.5 MW utility-scale solar energy facility such as the Cane Flats Solar Project. A copy of Tab 12 submitted with the Application is attached hereto as Attachment J. *See also* Attachment A, §14 of Tab 1 and Tab 8. This is consistent with industry standards and other limitation agreement applications previously certified by the Texas Comptroller of Public Accounts.

**Board Finding Number 4.**

*The Applicant will create one (1) new qualifying job, which Applicant affirms will meet all of the requirements set out in Texas Tax Code §313.021(3), including: (1) at least 1,600 hours of work per year; (2) provision of group health benefit plan with at least 80% of the premium paid by Applicant; (3) pay an annual wage of \$27,427.40 (\$527.45 per week), an amount equal to at least 110% of the Regional average weekly wage for manufacturing jobs as defined under §313.021(5)(A); (4) are not created to replace a previous employee; and (5) are not transferred from another area of Texas to the project described the Application.*

See Attachments A, D and J.

**Board Finding Number 5.**

*The Applicant does not intend to create any non-qualifying jobs.*

In its application, Applicant indicates that it does not intend to create any non-qualifying jobs. But, for any non-qualifying job which the Applicant may create, the Applicant will be required to pay at least \$1,107.75<sup>1</sup> per week, which exceeds the county average wage for all jobs in the County, in accordance with the provisions of Texas Tax Code §313.024(d). *See* Attachments A and D.

**Board Finding Number 6.**

*The ability of the Applicant to locate the proposed renewable energy facility in another state or another region of this state is significant because of the highly competitive marketplace for electricity and economic development. Therefore, the limitation on appraised value is a determining factor in the Applicant's decision to invest capital and construct the project in Texas and Carrizo Springs CISD.*

See Attachment C.

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<sup>1</sup> This finding is based on the data provided in Attachment D (and attachment A, thereto) and not from the wage data from Cane Flats Solar Project in its Application, Tab 1, §14#7.a, which provides for a weekly wage of \$1,106.75.

In support of Finding Number 6, the Comptroller's Certificate states, "[t]he Comptroller has determined that the limitation on appraised value is a determining factor in the Cane Flats Solar Project, LLC's decision to invest capital and construct the project in this state." See Attachment D. The Economic Impact Analysis further states:

- Per Cane Flats Solar Project, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
  - A. "Cane Flats Solar Project, LLC is currently in a period of evaluation to determine whether the identified site in Carrizo Springs CISD represents the best location or whether redeployment of its development resources and capital to other power markets in the United States is more advisable."
  - B. "Without a Value Limitation program, Savion would seek to move to alternative sites OUTSIDE of the State of Texas."

See Attachment D and Supporting Information (at attachment C thereto).

#### **Board Finding Number 7.**

*The proposed limitation on appraised value for the qualified property is \$30,000,000.*

The Comptroller's Minimum School District Limitation Values Report, effective as of January 1, 2019, provides that the District is a Subchapter C, Category 1 District, with a minimum limitation of \$30,000,000. See Attachments A and D.

#### **Board Finding Number 8.**

*The revenue gains that will be realized by the school district if the Application is approved will be significant in the long term, with special reference to revenues used for supporting school district debt.*

In support of this Finding, the analysis prepared by Moak, Casey & Associates indicates that the Project would add an estimated \$183,450,000 to the tax base for debt service purposes at the peak investment level for the 2023-24 school year (tax year 2023). See Table 5, Attachment E. The Project remains fully taxable for debt services taxes, with Carrizo Springs CISD currently levying a \$0.0567 per \$100 I&S rate. See Attachment E, p. 7 and Table 6. As a result, local taxpayers could see a modest benefit from the addition of the Cane Flats Solar project to the local I&S tax roll, especially in the early years of the project. See Table 5, Attachment E. In addition, the estimated potential revenue gains from Supplemental Payments as provided for in the proposed Agreement are estimated to be \$3,022,500. See Estimated Financial Impact Table dated May 5, 2020, at the last page of Attachment E, and Attachment H (Article VI).

**Board Finding Number 9.**

*The effect of the Applicant's proposal, if approved, is not expected to increase the District's instructional facility needs. Carrizo Springs CISD can accommodate the student growth anticipated from Applicant's project with its existing facilities.*

See TEA's Facilities Impact Review Letter at Attachment F.

**Board Finding Number 10.**

*The projected dollar amount of the maintenance and operations taxes that would be imposed on the qualified property for each year of the Agreement if the property does receive a limitation on appraised value, based on the further depreciations of investment provided by Applicant, is shown in Table 5 of Attachment E (column labeled "Taxes after Value Limit"), and the total amount of M&O taxes that would be imposed on the qualified property with the limitation on appraised value is estimated to be \$4,720,881.*

**Board Finding Number 11.**

*The projected dollar amount of the maintenance and operations taxes that would be imposed on the qualified property for each year of the Agreement if the property does not receive a limitation on appraised value, based on the further depreciations of investment provided by Applicant, is shown in Table 5 of Attachment E (column labeled "Taxes before Value Limit"), and the total amount of M&O taxes that would be imposed on the qualified property without the limitation on appraised value is estimated to be \$13,256,257.*

**Board Finding Number 12.**

*Based upon the Applicant's certification that the Application is true and correct, the Comptroller's Economic Impact Analysis, the Comptroller's Certificate Decision, and the consultants' review of these and other documents, the Board has determined that the information provided by the Applicant in its Application was true and correct when submitted.*

Upon acceptance of the Application, the District requested the Comptroller to undertake an economic impact evaluation and retained certain consultants to help the Board determine: (1) that Applicant's information contained in the Application as to existing facts is true and correct; (2) that Applicant's information contained in the Application with respect to projections of future events are commercially reasonable and within the ability of Applicant to execute; (3) that information related to job creation is commercially reasonable and within the ability of Applicant to execute; (4) that Applicant's representations concerning the economic incentives available are a determining factor; and, (5) the proposed project meets eligibility requirements for an Agreement under Tax Code Chapter 313.

As a part of its review process, the Board notes that the Application was submitted by Applicant under oath. A Chapter 313 application is a governmental record under Tex. Penal Code §37.01(2)(A), and all representations contained therein are statements of fact within the meaning of Tex. Penal Code §37.01(3). Since Board action upon the adoption of these Findings and the approval of the Agreement (Attachment H) is an “official proceeding,” a false statement in the Application would constitute perjury under Tex. Penal Code §37.03.

The Board finds that sworn statements are routinely relied upon by fact finders in official governmental proceedings. The Board further finds that reliance upon verified statements of the Applicant, especially as to Applicant's future intentions which cannot be objectively verified, is reasonable and within the intent of Chapter 313, Texas Tax Code. See Attachments A, B, C and D.

**Board Finding Number 13.**

*The Applicant (Taxpayer Id. 32068710915) is eligible for the limitation on appraised value of qualified property as specified in the Agreement based on the Comptroller’s acknowledgment that Applicant’s right to transact business in Texas is active as a franchise-tax paying entity subject to taxes imposed by Chapter 171 of the Texas Tax Code.*

See Attachments A, B and C.

**Board Finding Number 14.**

*The project will be located within an area currently designated as a reinvestment zone established by Resolution of the Carrizo Springs Consolidated Independent School District’s Board of Trustees dated February 18, 2020, pursuant to Chapters 312 and 313 of the Texas Tax Code. Should it be required, the District will cooperate with the Applicant’s efforts to ensure that the area remains designated as a reinvestment zone for so long as the law allows.*

See Attachment A (Tab 16).

**Board Finding Number 15.**

*Per Applicant’s certification in its Application, no existing improvements are located on the land and construction of Qualified Property has not begun on the project site.*

See Attachment A (§7.2 of Tab 1, and Tab 10).

**Board Finding Number 16.**

*The Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment H, meets all the requirements set out in Texas Tax Code §313.027, including adequate and appropriate revenue protection provisions for the District.*

In support of this Finding, and based on current school finance law and the information provided and certified by Applicant in its Application, the District's Financial Impact Analysis demonstrates that the District is projected to receive revenue protection payments in tax years 2023-2032 (school years 2023-24 to 2032-33) in the estimated total amount of \$1,349,236. See Table 5 in Attachment E. Therefore, any potential negative consequences of granting the value limitation are offset through the revenue protection provisions agreed to by the Applicant and the District as set out in the Agreement. See proposed Agreement, Article IV, at Attachment H, and Estimated Financial Impact Table 5 at Attachment E.

**Board Finding Number 17.**

*The Board finds there are no conflicts of interest at the time of its consideration of the Agreement.*

In support of this Finding, the Board finds that it has taken appropriate action to ensure that all District Trustees and the Superintendent have disclosed any potential conflicts of interest, and that disclosures will be made if any conflict of interest is discovered or arises in the future, in compliance with the requirements of Texas Local Government Code, Chapters 171 and 176.

The Board further finds that it has taken appropriate action to ensure that all other applicable District employees and/or consultants have disclosed any potential conflicts of interest, and that disclosures will be made if any conflict of interest is discovered or arises in the future, in compliance with the requirements of Texas Local Government Code, Chapters 171 and 176.

**Board Finding Number 18.**

*Considering the purpose and effect of the law and the terms of the Agreement, it is in the best interest of the District and the State to approve Cane Flats Solar Project's Application and enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.*

**Board Finding Number 19.**

*The Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment H, is in the form of the template Texas*

*Economic Development Act Agreement adopted by the Comptroller, as of January 24, 2016, and the Comptroller has verified that the Agreement complies with the provisions of Chapter 313 of the Texas Tax Code and 34 T.A.C. Chapter 9, Subchapter F.*

See also Attachment I.

IT IS THEREFORE ORDERED, that all of the Findings above, including the recitals and statements set out in the Preamble herein, are adopted and approved as the Findings of the Carrizo Springs Consolidated Independent School District Board of Trustees, and the Board of Trustees has made the above factual Findings in accordance with the Texas Tax Code § 313.025(e) and (f) and Texas Administrative Code 34, Chapter 9, subchapter F; and,

IT IS FURTHER ORDERED that the Application attached hereto as Attachment A is hereby APPROVED; and,

IT IS FURTHER ORDERED that the new jobs requirement pursuant to § 313.051(b) is hereby WAIVED; and,

IT IS FURTHER ORDERED that the Agreement attached hereto as Attachment H is APPROVED contemporaneously with these Findings and is hereby authorized to be executed and delivered by the Trustees whose signatures appear below on behalf of the Carrizo Springs Consolidated Independent School District, along with a copy of these Findings, which shall be binding upon the parties upon receipt of an executed original of the Agreement from Applicant; and,

IT IS FURTHER ORDERED that these Findings and the Attachments referenced herein be made a part of the official minutes of this meeting, and maintained in the permanent records of the Carrizo Springs Consolidated Independent School District Board of Trustees.

Dated this 19th day of May, 2020.

Carrizo Springs Consolidated Independent School District

By

  
Signature

Rodney Perez, Board President

*Printed Name and Title*

Attest:

By

  
Signature

Johnny Estrada, Board Secretary

*Printed Name and Title*

## LIST OF ATTACHMENTS

<i>Attachment</i>	<i>Description</i>
A	Application and Comptroller's Completeness Letter
B	Applicant's Franchise Tax Account Status
C	Comptroller's Certificate Letter
D	Comptroller Economic Impact Analysis
E	District's Financial Impact Analysis
F	TEA's Facilities Impact Letter
G	Comptroller's 2019 Property Value Study Report
H	Proposed Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes
I	Comptroller's April 24, 2020 Agreement Review Letter
J	Job Waiver Request
K	Extension Notice and Resolution



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

October 15, 2019

Alberto Gonzales  
Superintendent  
Carrizo Springs Independent School District  
300 N 7<sup>th</sup> Street  
Carrizo Springs, Texas 78834

Re: Application for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Carrizo Springs Independent School District and Cane Flats Solar Project, LLC, Application 1408

Dear Superintendent Gonzales:

On August 2, 2019, the Comptroller's office received Cane Flats Solar Project, LLC's (applicant) application for a limitation on appraised value (Application 1408) from Carrizo Springs Independent School District (school district).

The purpose of this letter is to inform you that the Comptroller's office has reviewed the submitted application and determined that it includes the information necessary to be determined as complete on October 15, 2019.

Texas Tax Code §313.025(d) directs the Comptroller's office to issue a certificate for a limitation on the appraised value of the property, or provide the governing body of the school district with a written explanation of the Comptroller's decision to not issue a certificate no later than the 90<sup>th</sup> day after receiving the completed application. The requirements to determine eligibility and to issue a certificate for a limitation do not begin until an application is complete as determined by this agency. The Comptroller's office will move forward with our economic impact evaluation and will send a letter of determination to the school district and the applicant.

This letter does not constitute a review of the application under Section 313.025(h) to determine if the project meets the requirements of Section 313.024 for eligibility for a limitation on appraised value. Likewise, this letter does not address the determinations required under Section 313.026(c).

Should you have any questions, please contact Stephanie Jones with our office. She can be reached by email at [stephanie.jones@cpa.texas.gov](mailto:stephanie.jones@cpa.texas.gov) or by phone toll-free at 1-800-531-5441, ext. 3- 4594 or at 512-463- 4594.

Sincerely,

Will Counihan  
Director  
Data Analysis & Transparency Division

cc: Fred Stormer, Underwood Law Firm, P.C.  
Scott Zeimetz, Cane Flats Solar Projects, LLC  
Wade Gungoll, , Cane Flats Solar Projects, LLC  
Robert Pena Jr., Texas Energy Consultants

See Application documents  
(Comptroller No. 1408)  
posted on Comptroller Website:  
Application (posted 8/27/19)  
Amendment No. 1 (posted 10/17/19);  
Amendment No. 1b and Supplement No. 1



## Franchise Tax Account Status

As of : 05/05/2020 10:04:17

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

<b>CANE FLATS SOLAR PROJECT, LLC</b>	
<b>Texas Taxpayer Number</b>	32068710915
<b>Mailing Address</b>	422 ADMIRAL BLVD KANSAS CITY, MO 64106-1560
<b>Right to Transact Business in Texas</b>	ACTIVE
<b>State of Formation</b>	DE
<b>Effective SOS Registration Date</b>	10/19/2018
<b>Texas SOS File Number</b>	0803146050
<b>Registered Agent Name</b>	CORPORATION SERVICE COMPANY D/B/A CSC-LAWYERS INCO
<b>Registered Office Street Address</b>	211 E. 7TH STREET SUITE 620 AUSTIN, TX 78701

See Certification Packet  
(Comptroller No. 1408)  
posted on Comptroller Website 05/06/20

See Certification Packet  
(Comptroller No. 1408)  
posted on Comptroller Website 05/06/20

**CHAPTER 313 PROPERTY VALUE LIMITATION  
FINANCIAL IMPACT OF THE PROPOSED CANE FLATS  
SOLAR PROJECT, LLC PROJECT IN THE CARRIZO SPRINGS  
CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
(PROJECT # 1408)**

**PREPARED BY**



**OCTOBER 30, 2019**

## Executive Summary

Cane Flats Solar Project, LLC (Company) has requested that the Carrizo Springs Consolidated Independent School District (CSCISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to CSCISD on July 30, 2019 the Company plans to invest \$183.5 million at its peak investment level to construct a renewable solar energy electric generation facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

The Cane Flats Solar project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others, although few of these other types of projects have been the basis for Chapter 313 applications.

Under the provisions of Chapter 313, CSCISD may offer a minimum value limitation of \$30 million. This value limitation, under the proposed application, will begin in the 2023-24 school year and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement.

MCA's initial school finance analysis is detailed in this report. This analysis incorporates to the fullest extent possible the changes approved in House Bill 3 as approved in 2019, the most significant school finance revisions in more than 30 years. The overall conclusions are as follows, but please read all of the subsequent details in the report below for more information.

Total Revenue Loss Payment owed to CSCISD	\$1.3 million
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$7.2 million

## Application Process

After the school district has submitted an application to the Comptroller's Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. The Completeness Letter for this project was issued on October 15, 2019.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full review of

the project and provide its certificate for a limitation on appraised value. After the certificate is received, the district has until the 150<sup>th</sup> day from the receipt of the Completeness Letter to adopt an agreement, although extensions may be requested by the Company and granted by the District

After the Comptroller's certificate is received, Underwood Law Firm, P.C. (Underwood) will contact the school district to discuss the value limitation agreement and begin negotiations of the supplemental benefit payment with the Company. A final version of the agreement must be submitted to the Comptroller for review 30 days prior to final adoption by the school district's board of trustees.

Prior to final board meeting, Underwood will provide the district with the necessary agenda language and any additional action items. The school board will review the Value Limitation Agreement and Findings of Fact that detail the project's conformance with state law. In some instances, the school board may also be required to adopt a job waiver or create a reinvestment zone during this meeting.

## **How the 313 Agreement Interacts with Texas School Finance**

A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 1-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter).

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of two components: Tier I (based on ADA, special student populations and M&O taxes at the compressed tax rate) and Tier II (based on weighted ADA for each penny of tax effort above a specified level). Recapture costs are primarily a Tier I issue, although Tier II also can involve recapture costs for some school districts.

The basic allotment is now set at \$6,160 per weighted ADA (WADA) and is the basis for Tier I calculations. In the case of Tier II, the first eight cents of additional tax effort can be used to generate state aid of up to \$98.56 per WADA for what are known as "golden" pennies. Tax effort for golden pennies is not subject to recapture. Up to an additional nine cents may be levied to generate \$49.28 per WADA for what are known as "copper" pennies (generating half the revenue per WADA of the golden pennies).

Changes in the recapture calculation are an important part of HB 3, for those districts subject to recapture under the new law. Rather than being tied to property wealth exceeding an equalized wealth level per WADA, recapture is now defined as the amount of revenue collected in excess of a district's Tier I allotment, or for Tier II the amount of collections in excess of the entitlement provided for tax effort generating copper-penny level state aid. (Golden pennies are not subject to recapture.) The changes in the recapture methodology may affect the results of revenue protection payments relative to what was calculated when the equalized wealth level was used to determine the amount of recapture owed the state by school districts subject to recapture. It does not appear to be an issue for CSCISD, based on the calculations shown below.

Another significant school funding change is establishing current-year property values to determine state funding and recapture under the Foundation School Program. The traditional

approach for the last 30 years has been to rely upon prior-year state property values as determined annually under the Comptroller's State Property Value Study (Section 403 of the Government Code). The change in House Bill 3 calls for using current-year property values as determined by the Comptroller's Property Value Study, without an explanation as to how the property value study is to be completed on a real-time basis.

While school district funding will now be determined based on current-year property values, House Bill 3 included language that addressed the property values to be used in determining calculating revenue protection payments under Chapter 313 agreements. This information is contained in Section 48.256(d), Education Code, as shown below:

- d) This subsection applies to a school district in which the board of trustees entered into a written agreement with a property owner under Section 313.027, Tax Code, for the implementation of a limitation on appraised value under Subchapter B or C, Chapter 313, Tax Code. For purposes of determining "DPV" under Subsection (a) for a school district to which this subsection applies, the commissioner shall exclude a portion of the market value of property not otherwise fully taxable by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter. The comptroller shall provide information to the agency necessary for this subsection. **A revenue protection payment required as part of an agreement for a limitation on appraised value shall be based on the district's taxable value of property for the preceding tax year [emphasis added].**

Given the directive regarding the use of preceding-tax-year values to calculate revenue protection payments required under Chapter 313 agreements, the amounts collected are expected to be consistent with the patterns shown since these calculations were first calculated under the standard Chapter 313 agreement language, dating back to 2004. The most significant impact is typically in the first limitation year, although major value increases in project values in later limitation years may also trigger a revenue protection payment. The additional factor that may generate a variance with the traditional pattern of revenue protection amounts is the new methodology in the calculation of recapture, as noted previously.

The calculations shown below are based on the Section 48.256(d), Education Code directive to use preceding-tax-year property values to determine the revenue protection payment, if any, owed to the school district under the terms of the Chapter 313 Agreement between the Applicant and the School District. These calculations are to be made for each of the 10 limitation years under the terms of the Agreement. Chapter 313 will be subject to legislative renewal in 2021 and any changes made may impact these calculations moving forward.

(For more detailed information on the school finance funding system, please review the Texas Education Agency's (TEA) website. [The current information is expected to be updated as the details of House Bill 3 implementation are determined by TEA.](#)

The implementation of recent legislative action on school funding in House Bill 3 could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

## Underlying School District Data Assumptions

The agreement between the school district and the applicant calls for a calculation of the revenue impact of the value limitation in years 1-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. The Basic Allotment is now set to \$6,160, the Tier II golden penny yield is set to \$98.56 per WADA for up to eight cents, while the copper penny yield is \$49.28 per WADA for up to nine cents of local tax effort. These are maintained for future years at this time.

Static school district enrollment and property values are used to isolate the effects of the value limitation under the school finance system. Any previously-approved Chapter 313 projects are also factored into the M&O tax bases used.

ADA:	2,032
Local M&O Tax Base	\$5.5712 billion
2019-20 M&O Tax Rate:	\$0.9900 per \$100 of Taxable Value
2020-21 Projected M*O Tax Rate:	\$0.9765 per \$100 of Taxable Value
I&S Tax Rate:	\$0.0567 per \$100 of Taxable Value

Table 1 summarizes the enrollment and property value assumptions for the 15 years that are the subject of this analysis.

**Table 1 – Base District Information with Cane Flats Solar Project Value and Limitation Values**

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	Sec. 48.256(d) District Revenue Protection District Property Value with Project	Sec. 48.256(d) District Revenue Protection District Property Value with Limitation	DPV Value with Project per WADA	DPV Value with Limitation per WADA
QTP1	2021-22	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,579,242,196	\$5,579,242,196	\$1,963,868	\$1,963,868
QTP2	2022-23	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,609,242,196	\$5,609,242,196	\$1,974,428	\$1,974,428
VL1	2023-24	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,609,242,196	\$5,609,242,196	\$1,974,428	\$1,974,428
VL2	2024-25	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,792,692,196	\$5,639,242,196	\$2,039,002	\$1,984,988
VL3	2025-26	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,778,016,196	\$5,639,242,196	\$2,033,836	\$1,984,988
VL4	2026-27	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,763,340,196	\$5,639,242,196	\$2,028,670	\$1,984,988
VL5	2027-28	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,748,664,196	\$5,639,242,196	\$2,023,504	\$1,984,988
VL6	2028-29	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,733,988,196	\$5,639,242,196	\$2,018,338	\$1,984,988
VL7	2029-30	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,719,312,196	\$5,639,242,196	\$2,013,172	\$1,984,988
VL8	2030-31	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,704,636,196	\$5,639,242,196	\$2,008,007	\$1,984,988
VL9	2031-32	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,689,960,196	\$5,639,242,196	\$2,002,841	\$1,984,988
VL10	2032-33	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,681,684,196	\$5,645,642,196	\$1,999,928	\$1,987,241
VP1	2033-34	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,667,008,196	\$5,645,642,196	\$1,994,762	\$1,987,241
VP2	2034-35	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,652,332,196	\$5,652,332,196	\$1,989,596	\$1,989,596
VP3	2035-36	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,652,332,196	\$5,652,332,196	\$1,989,596	\$1,989,596
VP4	2036-37	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,652,332,196	\$5,652,332,196	\$1,989,596	\$1,989,596
VP5	2037-38	2,032.34	2,840.95	\$0.9765	\$0.0567	\$5,652,332,196	\$5,652,332,196	\$1,989,596	\$1,989,596

\*Basic Allotment: \$6,160; Golden Penny Yield: \$98.56; Copper Penny Yield: \$49.28

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

## M&O Impact of the Cane Flats Solar Project on CSCISD

A model is established to make a calculation of the “Baseline Revenue Model” (Table 2) by adding the total value of the project to the model, without assuming a value limitation is approved. A separate model is established to make a calculation of the “Value Limitation Revenue Model” (Table 3) by adding the project’s limited value of \$30 million to the model. The difference between the two models (Table 4) indicates there will be a total revenue loss of \$1.3 million over the course of the Agreement, with much of the loss reflected in the first limitation year (2023-24).

**Table 2- “Baseline Revenue Model” --Project Value Added to DPV with No Value Limitation**

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
QTP1	2021-22	\$50,557,575	\$503,182	-\$33,117,044	\$3,309,831	\$0	\$0	\$0	\$21,253,544
QTP2	2022-23	\$50,557,575	\$914,554	-\$33,528,416	\$3,309,831	\$0	\$0	\$0	\$21,253,544
VL1	2023-24	\$52,233,392	\$503,182	-\$33,968,076	\$3,419,541	\$0	\$0	\$0	\$22,188,039
VL2	2024-25	\$52,098,887	\$914,554	-\$35,069,728	\$3,410,736	\$0	\$0	\$0	\$21,354,449
VL3	2025-26	\$51,964,382	\$503,182	-\$34,523,851	\$3,401,930	\$0	\$0	\$0	\$21,345,643
VL4	2026-27	\$51,829,876	\$914,554	-\$34,800,717	\$3,393,124	\$0	\$0	\$0	\$21,336,837
VL5	2027-28	\$51,695,371	\$503,182	-\$34,254,840	\$3,384,319	\$0	\$0	\$0	\$21,328,032
VL6	2028-29	\$51,560,866	\$914,554	-\$34,531,707	\$3,375,513	\$0	\$0	\$0	\$21,319,226
VL7	2029-30	\$51,426,361	\$503,182	-\$33,985,830	\$3,366,708	\$0	\$0	\$0	\$21,310,421
VL8	2030-31	\$51,291,855	\$914,554	-\$34,262,696	\$3,357,902	\$0	\$0	\$0	\$21,301,615
VL9	2031-32	\$51,214,833	\$503,182	-\$33,774,302	\$3,352,860	\$0	\$0	\$0	\$21,296,573
VL10	2032-33	\$51,080,328	\$914,554	-\$34,051,169	\$3,344,054	\$0	\$0	\$0	\$21,287,767
VP1	2033-34	\$50,944,596	\$503,182	-\$33,504,065	\$3,335,168	\$0	\$0	\$0	\$21,278,881
VP2	2034-35	\$50,944,596	\$914,554	-\$33,915,437	\$3,335,168	\$0	\$0	\$0	\$21,278,881
VP3	2035-36	\$50,944,596	\$503,182	-\$33,504,065	\$3,335,168	\$0	\$0	\$0	\$21,278,881
VP4	2036-37	\$50,944,596	\$914,554	-\$33,915,437	\$3,335,168	\$0	\$0	\$0	\$21,278,881
VP5	2037-38	\$50,944,596	\$503,182	-\$33,504,065	\$3,335,168	\$0	\$0	\$0	\$21,278,881

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

### M&O Impact on the Taxpayer

Under the assumptions used here, the potential tax savings from the value limitation total \$8.5 million over the life of the agreement. The CSCISD revenue losses are expected to total approximately \$1.3 million. The total potential net tax benefits (after hold-harmless payments are made) are estimated to reach \$7.2 million prior to any negotiations with Cane Flats Solar on supplemental payments.

It should be noted that a key element in the revenue-loss calculation appears to be linked to the retention of prior-year property values in the calculation of the revenue protection amount for the 2022-23 school year. Under the standard agreement, these calculations are based on whatever school finance and property tax laws are in effect each year. With a legislative session occurring in 2021, there could be changes made to current school finance law. While the District will still be protected against revenue losses, these calculations may be reduced below what we are projecting under what is now current law.

**Table 3- "Value Limitation Revenue Model" --Project Value Added to DPV with Value Limitation in Effect**

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
QTP1	2021-22	\$50,557,575	\$503,182	-\$33,117,044	\$3,309,831	\$0	\$0	\$0	\$21,253,544
QTP2	2022-23	\$50,557,575	\$914,554	-\$33,528,416	\$3,309,831	\$0	\$0	\$0	\$21,253,544
VL1	2023-24	\$50,827,026	\$503,182	-\$33,386,495	\$3,327,471	\$0	\$0	\$0	\$21,271,184
VL2	2024-25	\$50,827,026	\$914,554	-\$33,797,867	\$3,327,471	\$0	\$0	\$0	\$21,271,184
VL3	2025-26	\$50,827,026	\$503,182	-\$33,386,495	\$3,327,471	\$0	\$0	\$0	\$21,271,184
VL4	2026-27	\$50,827,026	\$914,554	-\$33,797,867	\$3,327,471	\$0	\$0	\$0	\$21,271,184
VL5	2027-28	\$50,827,026	\$503,182	-\$33,386,495	\$3,327,471	\$0	\$0	\$0	\$21,271,184
VL6	2028-29	\$50,827,026	\$914,554	-\$33,797,867	\$3,327,471	\$0	\$0	\$0	\$21,271,184
VL7	2029-30	\$50,827,026	\$503,182	-\$33,386,495	\$3,327,471	\$0	\$0	\$0	\$21,271,184
VL8	2030-31	\$50,827,026	\$914,554	-\$33,797,867	\$3,327,471	\$0	\$0	\$0	\$21,271,184
VL9	2031-32	\$50,884,509	\$503,182	-\$33,443,978	\$3,331,234	\$0	\$0	\$0	\$21,274,947
VL10	2032-33	\$50,884,509	\$914,554	-\$33,855,350	\$3,331,234	\$0	\$0	\$0	\$21,274,947
VP1	2033-34	\$50,944,596	\$503,182	-\$33,504,065	\$3,335,168	\$0	\$0	\$0	\$21,278,881
VP2	2034-35	\$50,944,596	\$914,554	-\$33,915,437	\$3,335,168	\$0	\$0	\$0	\$21,278,881
VP3	2035-36	\$50,944,596	\$503,182	-\$33,504,065	\$3,335,168	\$0	\$0	\$0	\$21,278,881
VP4	2036-37	\$50,944,596	\$914,554	-\$33,915,437	\$3,335,168	\$0	\$0	\$0	\$21,278,881
VP5	2037-38	\$50,944,596	\$503,182	-\$33,504,065	\$3,335,168	\$0	\$0	\$0	\$21,278,881

QTP= Qualifying Time Period  
 VL= Value Limitation  
 VP= Viable Presence

**Table 4 - Value Limitation Revenue Model Less Baseline Revenue Model with No Limitation**

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
QTP1	2021-22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP2	2022-23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VL1	2023-24	-\$1,406,366	\$0	\$581,581	-\$92,070	\$0	\$0	\$0	-\$916,855
VL2	2024-25	-\$1,271,861	\$0	\$1,271,861	-\$83,265	\$0	\$0	\$0	-\$83,265
VL3	2025-26	-\$1,137,356	\$0	\$1,137,356	-\$74,459	\$0	\$0	\$0	-\$74,459
VL4	2026-27	-\$1,002,850	\$0	\$1,002,850	-\$65,653	\$0	\$0	\$0	-\$65,653
VL5	2027-28	-\$868,345	\$0	\$868,345	-\$56,848	\$0	\$0	\$0	-\$56,848
VL6	2028-29	-\$733,840	\$0	\$733,840	-\$48,042	\$0	\$0	\$0	-\$48,042
VL7	2029-30	-\$599,335	\$0	\$599,335	-\$39,237	\$0	\$0	\$0	-\$39,237
VL8	2030-31	-\$464,829	\$0	\$464,829	-\$30,431	\$0	\$0	\$0	-\$30,431
VL9	2031-32	-\$330,324	\$0	\$330,324	-\$21,626	\$0	\$0	\$0	-\$21,626
VL10	2032-33	-\$195,819	\$0	\$195,819	-\$12,820	\$0	\$0	\$0	-\$12,820
VP1	2033-34	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP2	2034-35	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP3	2035-36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP4	2036-37	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP5	2037-38	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

QTP= Qualifying Time Period  
 VL= Value Limitation  
 VP= Viable Presence

**Table 5 - Estimated Financial Impact of the Cane Flats Solar Project Property Value Limitation Request Submitted to CSCISD at \$0.97650 per \$100 M&O Tax Rate**

Year of Agreement	School Year	Project Taxable Value for M&O If No Limitation	Project Taxable Value for M&O with Limitation	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings to Company	School District Revenue Protection	Estimated Net Tax Benefits
QTP1	2021-22	\$0	\$0	\$0.97650	\$0	\$0	\$0	\$0	\$0
QTP2	2022-23	\$0	\$0	\$0.97650	\$0	\$0	\$0	\$0	\$0
<b>VL1</b>	2023-24	\$183,450,000	\$30,000,000	\$0.97650	\$1,791,386	\$292,949	\$1,498,437	-\$916,855	\$581,582
<b>VL2</b>	2024-25	\$168,774,000	\$30,000,000	\$0.97650	\$1,648,075	\$292,949	\$1,355,126	-\$83,265	\$1,271,861
<b>VL3</b>	2025-26	\$154,098,000	\$30,000,000	\$0.97650	\$1,504,764	\$292,949	\$1,211,815	-\$74,459	\$1,137,356
<b>VL4</b>	2026-27	\$139,422,000	\$30,000,000	\$0.97650	\$1,361,453	\$292,949	\$1,068,504	-\$65,653	\$1,002,851
<b>VL5</b>	2027-28	\$124,746,000	\$30,000,000	\$0.97650	\$1,218,143	\$292,949	\$925,193	-\$56,848	\$868,345
<b>VL6</b>	2028-29	\$110,070,000	\$30,000,000	\$0.97650	\$1,074,832	\$292,949	\$781,882	-\$48,042	\$733,840
<b>VL7</b>	2029-30	\$95,394,000	\$30,000,000	\$0.97650	\$931,521	\$292,949	\$638,571	-\$39,237	\$599,334
<b>VL8</b>	2030-31	\$80,718,000	\$30,000,000	\$0.97650	\$788,210	\$292,949	\$495,260	-\$30,431	\$464,829
<b>VL9</b>	2031-32	\$66,042,000	\$30,000,000	\$0.97650	\$644,899	\$292,949	\$351,950	-\$21,626	\$330,324
<b>VL10</b>	2032-33	\$51,366,000	\$30,000,000	\$0.97650	\$501,588	\$292,949	\$208,639	-\$12,820	\$195,819
VP1	2033-34	\$36,690,000	\$36,690,000	\$0.97650	\$358,277	\$358,277	\$0	\$0	\$0
VP2	2034-35	\$36,690,000	\$36,690,000	\$0.97650	\$358,277	\$358,277	\$0	\$0	\$0
VP3	2035-36	\$36,690,000	\$36,690,000	\$0.97650	\$358,277	\$358,277	\$0	\$0	\$0
VP4	2036-37	\$36,690,000	\$36,690,000	\$0.97650	\$358,277	\$358,277	\$0	\$0	\$0
VP5	2037-38	\$36,690,000	\$36,690,000	\$0.97650	\$358,277	\$358,277	\$0	\$0	\$0
					<b>\$13,256,257</b>	<b>\$4,720,881</b>	<b>\$8,535,376</b>	<b>-\$1,349,236</b>	<b>\$7,186,140</b>

QTP= Qualifying Time Period  
 VL= Value Limitation  
 VP= Viable Presence

**Note: School district revenue-loss estimates are subject to change based on numerous factors, including:**

- **Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations, which could be significant under HB 3.**
- **Legislative changes addressing property value appraisals and exemptions.**
- **Year-to-year appraisals of project values and district taxable values.**
- **Changes in school district tax rates and student enrollment.**

**I&S Funding Impact on School District**

The project remains fully taxable for debt services taxes, with CSCISD currently levying a \$0.0567 per \$100 I&S rate. As shown in the Table 6 below, local taxpayers could see a modest benefit from the addition of the Cane Flats Solar project to the local I&S tax roll, especially in the early years of the project.

The project is not expected to affect school district enrollment and is expected to depreciate over the life of the agreement and beyond. Continued expansion of the project and related development could result in additional employment in the area and an increase in the school-age population, but this project is unlikely to have much impact on a stand-alone basis.

**Table 6 - Estimated Impact of the Cane Flats Solar Project Property Value Limitation Request on CSCISD I&S Tax Rate**

Year of Agreement	School Year	I&S Rate w/out Project	Local Value w/out Project	I&S Taxes w/out Project	Project Full Taxable Value	I&S Rate with Project Value	Change in I&S Rate
QTP1	2021-22	\$0.0567	\$5,738,590,344	\$3,254,240	\$0	\$0.056708	\$0.0000
QTP2	2022-23	\$0.0567	\$5,724,030,344	\$3,245,983	\$0	\$0.056708	\$0.0000
<b>VL1</b>	2023-24	\$0.0567	\$5,709,470,344	\$3,237,726	\$183,450,000	\$0.054943	-\$0.0018
<b>VL2</b>	2024-25	\$0.0567	\$5,694,910,344	\$3,229,470	\$168,774,000	\$0.055076	-\$0.0016
<b>VL3</b>	2025-26	\$0.0567	\$5,680,350,344	\$3,221,213	\$154,098,000	\$0.055210	-\$0.0015
<b>VL4</b>	2026-27	\$0.0567	\$5,665,790,344	\$3,212,956	\$139,422,000	\$0.055346	-\$0.0014
<b>VL5</b>	2027-28	\$0.0567	\$5,651,230,344	\$3,204,700	\$124,746,000	\$0.055483	-\$0.0012
<b>VL6</b>	2028-29	\$0.0567	\$5,636,670,344	\$3,196,443	\$110,070,000	\$0.055622	-\$0.0011
<b>VL7</b>	2029-30	\$0.0567	\$5,622,110,344	\$3,188,186	\$95,394,000	\$0.055762	-\$0.0009
<b>VL8</b>	2030-31	\$0.0567	\$5,607,550,344	\$3,179,930	\$80,718,000	\$0.055903	-\$0.0008
<b>VL9</b>	2031-32	\$0.0567	\$5,607,550,344	\$3,179,930	\$66,042,000	\$0.056048	-\$0.0007
<b>VL10</b>	2032-33	\$0.0567	\$5,607,550,344	\$3,179,930	\$51,366,000	\$0.056193	-\$0.0005
VP1	2033-34	\$0.0567	\$5,607,550,344	\$3,179,930	\$36,690,000	\$0.056339	-\$0.0004
VP2	2034-35	\$0.0567	\$5,607,550,344	\$3,179,930	\$36,690,000	\$0.056339	-\$0.0004
VP3	2035-36	\$0.0567	\$5,607,550,344	\$3,179,930	\$36,690,000	\$0.056339	-\$0.0004
VP4	2036-37	\$0.0567	\$5,607,550,344	\$3,179,930	\$36,690,000	\$0.056339	-\$0.0004
VP5	2037-38	\$0.0567	\$5,607,550,344	\$3,179,930	\$36,690,000	\$0.056339	-\$0.0004

**IFA and EDA state aid are now based on current-year values, which could affect the tax rate needed for bond payments in districts eligible for these funds.**



## Estimated Financial Impact of the #1408 - Cane Flats Solar Project, LLC Chapter 313 Property Value Limitation Request Submitted to Carrizo Springs

(A)	(B)	(C)	(D)	(E)	(G)	(H)	(F)	(G)	(H)	(I)	(J)
Year of Agreement	School Year	Project Taxable Value for M&O If No Limitation	Project Taxable Value for M&O With Limitation	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings To Company	Article IV Revenue Protection Payment	Estimated Net Tax Benefits	Article VI Supplemental Payments	Potential Company Tax Benefit
QTP1	2021-22	\$0	\$0	\$0.97650	\$0	\$0	\$0	\$0	\$0	\$201,500	-\$201,500
QTP2	2022-23	\$0	\$0	\$0.97650	\$0	\$0	\$0	\$0	\$0	\$201,500	-\$201,500
VL1	2023-24	\$183,450,000	\$30,000,000	\$0.97650	\$1,791,386	\$292,949	\$1,498,437	-\$916,855	\$581,582	\$201,500	\$380,082
VL2	2024-25	\$168,774,000	\$30,000,000	\$0.97650	\$1,648,075	\$292,949	\$1,355,126	-\$83,265	\$1,271,861	\$201,500	\$1,070,361
VL3	2025-26	\$154,098,000	\$30,000,000	\$0.97650	\$1,504,764	\$292,949	\$1,211,815	-\$74,459	\$1,137,356	\$201,500	\$935,856
VL4	2026-27	\$139,422,000	\$30,000,000	\$0.97650	\$1,361,453	\$292,949	\$1,068,504	-\$65,653	\$1,002,851	\$201,500	\$801,351
VL5	2027-28	\$124,746,000	\$30,000,000	\$0.97650	\$1,218,143	\$292,949	\$925,193	-\$56,848	\$868,345	\$201,500	\$666,845
VL6	2028-29	\$110,070,000	\$30,000,000	\$0.97650	\$1,074,832	\$292,949	\$781,882	-\$48,042	\$733,840	\$201,500	\$532,340
VL7	2029-30	\$95,394,000	\$30,000,000	\$0.97650	\$931,521	\$292,949	\$638,571	-\$39,237	\$599,334	\$201,500	\$397,834
VL8	2030-31	\$80,718,000	\$30,000,000	\$0.97650	\$788,210	\$292,949	\$495,260	-\$30,431	\$464,829	\$201,500	\$263,329
VL9	2031-32	\$66,042,000	\$30,000,000	\$0.97650	\$644,899	\$292,949	\$351,950	-\$21,626	\$330,324	\$201,500	\$128,824
VL10	2032-33	\$51,366,000	\$30,000,000	\$0.97650	\$501,588	\$292,949	\$208,639	-\$12,820	\$195,819	\$201,500	-\$5,681
VP1	2033-34	\$36,690,000	\$36,690,000	\$0.97650	\$358,277	\$358,277	\$0	\$0	\$0	\$201,500	-\$201,500
VP2	2034-35	\$36,690,000	\$36,690,000	\$0.97650	\$358,277	\$358,277	\$0	\$0	\$0	\$201,500	-\$201,500
VP3	2035-36	\$36,690,000	\$36,690,000	\$0.97650	\$358,277	\$358,277	\$0	\$0	\$0	\$201,500	-\$201,500
VP4	2036-37	\$36,690,000	\$36,690,000	\$0.97650	\$358,277	\$358,277	\$0	\$0	\$0		\$0
VP5	2037-38	\$36,690,000	\$36,690,000	\$0.97650	\$358,277	\$358,277	\$0	\$0	\$0		\$0
					\$13,256,257	\$4,720,881	\$8,535,376	-\$1,349,236	\$7,186,140	\$3,022,500	\$4,163,640

QTP = Qualifying Time Period  
VL = Value Limitation

Fully Taxable for I&S

Loss of M&O taxes plus Tier II state aid would have earned on those taxes

Actual Amount and when paid is negotiated during Agreement

Future legislative action on school funding could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this table.



Texas Education Agency

Commissioner Mike Morath

1701 North Congress Avenue • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • [tea.texas.gov](http://tea.texas.gov)

**IMPORTANT: Please keep this letter with your district's records. It must be accessible to the law firm working on the value limitation agreement.**

October 18, 2019

Rodney L Perez, President  
Board of Trustees  
Carrizo Springs CISD  
300 North Seventh Street  
Carrizo Springs, TX 78834-3102

Dear Mr. Perez:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Cane Flats Solar Project LLC #1408 on the number and size of school facilities in Carrizo Springs Consolidated Independent School District (CSCISD). Based on an examination of CSCISD enrollment and the number of potential new jobs, the TEA has determined that the Cane Flats Solar Project LLC project should not have a significant impact on the number or size of school facilities in CSCISD.

Please feel free to contact me by phone at (512) 463-8732 or by email at [amy.copeland@tea.texas.gov](mailto:amy.copeland@tea.texas.gov) if you have any questions.

Sincerely,

A handwritten signature in black ink that reads 'Amy Copeland'.

Amy Copeland  
Director of State Funding

AC/rk  
Cc: Alberto Gonzales




**Taxes**

Property Tax Assistance

**2019 ISD Summary Worksheet****064-Dimmit****064-903/Carrizo Springs CISD**

<b>Category</b>	<b>Local Tax Roll Value</b>	<b>2019 WTD Mean Ratio</b>	<b>2019 PTAD Value Estimate</b>	<b>2019 Value Assigned</b>
<b>A. SINGLE-FAMILY RESIDENCES</b>	196,262,424	N/A	196,262,424	196,262,424
<b>B. MULTIFAMILY RESIDENCES</b>	3,465,431	N/A	3,465,431	3,465,431
<b>C1. VACANT LOTS</b>	5,833,330	N/A	5,833,330	5,833,330
<b>D1. QUALIFIED AG LAND</b>	77,125,689	0.9446	81,645,723	77,125,689
<b>D2. REAL PROP:FA RM &amp; RANCH</b>	3,338,472	N/A	3,338,472	3,338,472
<b>E. REAL PROP NON QUAL ACREAGE</b>	122,952,373	N/A	122,952,373	122,952,373
<b>F1. COMMERCIAL REAL</b>	141,168,636	N/A	141,168,636	141,168,636
<b>G. OIL,GAS,MINER ALS</b>	5,892,383,470	1.0309	5,715,766,292	5,892,383,470
<b>J. UTILITIES</b>	465,832,075	1.0520	442,806,155	465,832,075
<b>L1. COMMERCIAL PERSONAL</b>	62,521,859	N/A	62,521,859	62,521,859
<b>L2. INDUSTRIAL PERSONAL</b>	300,377,962	N/A	300,377,962	300,377,962
<b>M. MOBILE HOMES</b>	14,204,507	N/A	14,204,507	14,204,507
<b>S. SPECIAL INVENTORY</b>	2,776,867	N/A	2,776,867	2,776,867
<b>Subtotal</b>	7,288,243,095	0	7,093,120,031	7,288,243,095

<b>Less Total Deductions</b>	99,245,028	0	99,245,028	99,245,028
<b>Total Taxable Value</b>	7,188,998,067	0	6,993,875,003	7,188,998,067

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

### Value Taxable For M & O Purposes

<b>T1</b>	<b>T2</b>	<b>T3</b>	<b>T4</b>
7,205,928,799	7,188,998,067	7,192,104,169	7,175,173,437

<b>Loss To the Additional \$10,000 Homestead Exemption</b>	<b>50% of the loss to the Local Optional Percentage Homestead Exemption</b>
16,930,732	13,824,630

T1 = School district taxable value for M & O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

### Value Taxable For I & S Purposes

<b>T7</b>	<b>T8</b>	<b>T9</b>	<b>T10</b>
7,205,928,799	7,188,998,067	7,192,104,169	7,175,173,437

T7 = School district taxable value for I & S purposes before the loss to the additional \$10, 000 homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

THE PVS FOUND YOUR LOCAL VALUE TO BE VALID, AND LOCAL VALUE WAS CERTIFIED

### 064-903-02/Carrizo Springs CISD

<b>Category</b>	<b>Local Tax Roll Value</b>	<b>2019 WTD Mean Ratio</b>	<b>2019 PTAD Value Estimate</b>	<b>2019 Value Assigned</b>
<b>A. SINGLE-FAMILY RESIDENCES</b>	196,262,424	N/A	196,262,424	196,262,424
<b>B. MULTIFAMILY RESIDENCES</b>	3,465,431	N/A	3,465,431	3,465,431
<b>C1. VACANT LOTS</b>	5,833,330	N/A	5,833,330	5,833,330
<b>D1. QUALIFIED AG LAND</b>	77,125,689	0.9446	81,645,723	77,125,689
<b>D2. REAL PROP: FARM &amp; RANCH</b>	3,338,472	N/A	3,338,472	3,338,472
<b>E. REAL PROP NON QUAL ACREAGE</b>	122,952,373	N/A	122,952,373	122,952,373
<b>F1. COMMERCIAL REAL</b>	141,168,636	N/A	141,168,636	141,168,636
<b>G. OIL, GAS, MINERALS</b>	5,892,383,470	1.0309	5,715,766,292	5,892,383,470
<b>J. UTILITIES</b>	465,832,075	1.0520	442,806,155	465,832,075

<b>L1. COMMERCIAL PERSONAL</b>	62,521,859	N/A	62,521,859	62,521,859
<b>L2. INDUSTRIAL PERSONAL</b>	300,377,962	N/A	300,377,962	300,377,962
<b>M. MOBILE HOMES</b>	14,204,507	N/A	14,204,507	14,204,507
<b>S. SPECIAL INVENTORY</b>	2,776,867	N/A	2,776,867	2,776,867
<b>Subtotal</b>	7,288,243,095		7,093,120,031	7,288,243,095
<b>Less Total Deductions</b>	99,245,028		99,245,028	99,245,028
<b>Total Taxable Value</b>	7,188,998,067		6,993,875,003	7,188,998,067

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

### Value Taxable For M & O Purposes

<b>T1</b>	<b>T2</b>	<b>T3</b>	<b>T4</b>
7,205,928,799	7,188,998,067	7,192,104,169	7,175,173,437

<b>Loss To the Additional \$10,000 Homestead Exemption</b>	<b>50 % of the loss to the Local Optional Percentage Homestead Exemption</b>
16,930,732	13,824,630

T1 = School district taxable value for M & O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50 % of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50 % of the loss to the local optional percentage homestead exemption

### Value Taxable For I & S Purposes

<b>T7</b>	<b>T8</b>	<b>T9</b>	<b>T10</b>
7,205,928,799	7,188,998,067	7,192,104,169	7,175,173,437

T7 = School district taxable value for I & S purposes before the loss to the additional \$10, 000 homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

See Agreement  
(Comptroller No. 1408)  
posted on Comptroller Website



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

April 24, 2020

Alberto Gonzales  
Superintendent  
Carrizo Springs Independent School District  
300 N 7<sup>th</sup> Street  
Carrizo Springs, Texas 78834

Re: Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Carrizo Springs Independent School District and Cane Flats Solar Project, LLC, Application 1408

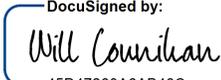
Dear Superintendent Gonzales:

This office has been provided with the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Carrizo Springs Independent School District and Cane Flats Solar Project, LLC (Agreement). As requested, the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1).

Based on our review, this office concludes that the Agreement complies with the provisions of Tax Code, Chapter 313 and 34 TAC Chapter 9, Subchapter F.

Should you have any questions, please contact Stephanie Jones with our office. She can be reached by email at [stephanie.jones@cpa.texas.gov](mailto:stephanie.jones@cpa.texas.gov) or by phone at 1-800-531-5441, ext. 3-4594, or at 512-463-4594.

Sincerely,

DocuSigned by:  
  
Will Counihan

45D47260A6AB46C...  
Director  
Data Analysis & Transparency Division

cc: Fred Stormer, Underwood Law Firm, P.C.  
Scott Zeimetz, Cane Flats Solar Project, LLC  
Wade Gungoll, Cane Flats Solar Project, LLC  
Robert Pena, Texas Energy Consultants

See Tab 12 in application documents  
(Comptroller No. 1408)  
posted on Comptroller Website (posted 8/27/19)

**"Kids are first at CSCISD"**



**Carrizo Springs Consolidated Independent School District**

300 N. 7<sup>th</sup> Street\* Carrizo Springs, Texas 78834\* 830-876-3503\* FAX(830)876-9700

CSCISD Board of Trustees

Mr. Rodney Perez, Board President\*, Mr. Wilbur Cruz Board Vice-President\* Mr. Johnny Estrada, Board Secretary\*  
Dr. Ninfa Cadena\* Mr. Alfredo Castaneda\* Mr. Juan Cruz\* Mr. Jeffrey Ortiz\*  
Dr. Alberto Gonzales, Superintendent of Schools

February 19, 2020

Robert Peña, President  
Texas Energy Consultants

*Via Email: [robjrpena@texas-kwh.com](mailto:robjrpena@texas-kwh.com)*

Re: Request for Extension on Application of Cane Flats Solar Project, LLC  
For an Appraised Value Limitation Agreement  
Comptroller App. No. 1408

Dear Mr. Peña:

Please be advised that at a properly called meeting of the Carrizo Springs Consolidated Independent School District Board of Trustees on February 18, 2020, the Board took action on the request for an extension to consider the application of Cane Flats Solar Project, LLC for an Appraised Value Limitation Agreement with Carrizo Springs CISD. The District approved the request, and has granted the extension on the application for the maximum time allowed, *i.e.*, until December 31, 2020. See enclosed copy of the Resolution granting the extension. The Board's action will be reflected in the Minutes of this meeting.

If you have any further questions concerning your extension, please do not hesitate to contact me or Fred Stormer at the Underwood Law Firm. Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alberto Gonzales". The signature is fluid and cursive, with a large loop at the end.

Dr. Alberto Gonzales, Superintendent

**Mission Statement**

CSCISD will provide every child superior quality education in a safe environment.

FOF 156

**RESOLUTION OF THE BOARD OF TRUSTEES  
OF  
CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

The Board of Trustees of Carrizo Springs Consolidated Independent School District (“the District”) does hereby make the following resolution regarding a pending application by Cane Flats Solar Project, LLC (“Cane Flats Solar”) for an appraised value limitation agreement under Texas Tax Code, Chapter 313:

WHEREAS, on or about July 30, 2019, Cane Flats Solar submitted to the District an application under Texas Tax Code, Chapter 313 (the “Application”) for an appraised value limitation agreement (“Agreement”);

WHEREAS, on or about August 2, 2019, the Application was received by the Texas Comptroller of Public Accounts (the “Texas Comptroller”), after the District deemed it complete;

WHEREAS, on or about October 15, 2019, the Texas Comptroller issued a letter deeming the Application complete, advising that it would move forward with its economic impact evaluation, and triggering the Application Review Start Date;

WHEREAS, Texas Tax Code §313.025(b) requires that the Board approve or disapprove an application before the 151st day after the date the application is deemed complete by the Texas Comptroller (the “Deadline”), unless the Texas Comptroller’s economic impact evaluation has not been received or an extension is agreed to by the Board and Cane Flats Solar;

WHEREAS, due to ongoing negotiations and creation of a reinvestment zone by the District, it is likely that the Agreement will not be approved by the Comptroller in time for the Board to issue its Findings of Fact, and approve and execute such an Agreement before the Deadline; and

WHEREAS, on or about February 3, 2020, Cane Flats Solar submitted a request to the District to extend the Deadline, a copy of which is attached here to as Exhibit “A.”

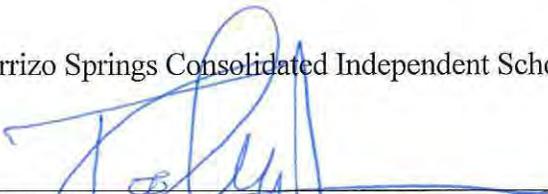
NOW BE IT THEREFORE RESOLVED, that the statements contained in the preamble of this Resolution are true and correct and adopted as findings of fact and operative provisions hereof, and that it is in the District’s best interest to extend the Deadline as requested;

BE IT FURTHER RESOLVED, that Board of Trustees finds that it is in the best interest of the District to grant Cane Flats Solar’s request, and extend the Deadline as requested, i.e., until December 31, 2020; and

BE IT FURTHER RESOLVED, the Superintendent, or his designee, is directed to provide notice to Cane Flats Solar and to the Comptroller's Office of the Board's decision to grant Cane Flats Solar's request, and extend the Deadline until December 31, 2020.

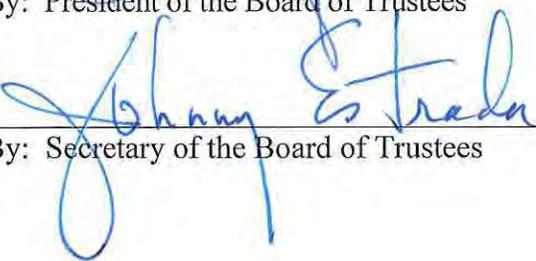
Passed and approved by the Carrizo Springs Consolidated Independent School District Board of Trustees on this 18<sup>th</sup> day of February, 2020.

Carrizo Springs Consolidated Independent School District



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By: President of the Board of Trustees



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By: Secretary of the Board of Trustees

## EXHIBIT A



February 3, 2020

Dr. Gonzalez, Superintendent  
Carrizo Springs CISD  
300 N. 7<sup>th</sup> Street  
Carrizo Springs, TX 78834

**Re: Request for Extension to consider 313 Application #1408**

Dear Superintendent Gonzalez,

I am writing on behalf of my client Cane Flats Solar Project, LLC, which intended to have Dimmit County create the Reinvestment Zone for this Project. Unfortunately, this has not occurred and the school district must create the Reinvestment Zone in order to approve the Application for a Value Limitation Agreement (the "Agreement").

Due to the necessity for the school district to create the Reinvestment Zone for this Project and our continued negotiations on the Agreement, we do not believe that Cane Flats Solar Project, LLC will be in a position to execute the Agreement within the 150-day deadline imposed by Texas Tax Code Chapter 313, Section 313.025(b). We are requesting that Carrizo Springs CISD extend that deadline as allowed by Texas Tax Code 313.025(b) to December 31, 2020. Please understand that Cane Flats intends that the proposed Agreement be submitted to the Comptroller for its review this month so that the Board may consider the Agreement at the Board meeting in March or April. However, out of an abundance of caution, we have requested that the Board approve the extension for the maximum amount of time, as noted in the Comptroller's certification of January 13, 2020, to avoid the necessity of another extension request should there be an unforeseen additional delay.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Robert Pena".

Robert Pena,  
Texas Energy Consultants