

O'HANLON, DEMERATH & CASTILLO

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October 14, 2020

KEVIN O'HANLON

CERTIFIED, CIVIL APPELATE

CERTIFIED, CIVIL TRIAL

Local Government Assistance & Economic
Analysis Texas Comptroller of Public Accounts

P.O. Box 13528

Austin, Texas 78711-3528

RE: Value Limitation Agreement between Paint Rock Independent School District and
224WB 8ME, LLC (#1431)

To the Local Government Assistance & Economic Analysis Division:

Enclosed please find a final copy each of the materials submitted to, and approved by, the Paint Rock ISD Board of Trustees on February 27, 2020. The package contains a copy each of the Findings entered by the Board. A fully executed set of originals of these documents will be maintained in the Board's records. Attached to each of the Findings, please find 1) a copy of the Application; 2) a copy of the Comptroller's appraisal of the project; 3) a copy of the economic impact study; 4) a copy of the financial impact study; and, 5) the final participation agreement.

Please do not hesitate to call with any questions.

Sincerely,

William Eggleston

Legal Assistant to Kevin O'Hanlon

**FINDINGS OF THE PAINT ROCK
INDEPENDENT SCHOOL DISTRICT BOARD
OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE
APPLICATION SUBMITTED
BY
224WB 8ME, LLC (#1431**



February 27, 2020

**FINDINGS OF THE
PAINT ROCK INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE APPLICATION SUBMITTED BY
224WB 8ME, LLC (#1431)**

FEBRUARY 27, 2020

FINDINGS OF THE PAINT ROCK INDEPENDENT
SCHOOL DISTRICT BOARD OF TRUSTEES UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE APPLICATION SUBMITTED BY 224WB 8ME
(#1431)

STATE OF TEXAS §

COUNTY OF CONCHO §

On February 27, 2020, a public meeting of the Board of Trustees of the Paint Rock Independent School District (“District”) was held. 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 of Trustees took up and considered the application of 224WB 8me, LLC (“Applicant”) for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations on the Application from interested parties within the District. The Board of Trustees has considered the economic impact analysis and the project certification issued by the Texas Comptroller of Public Accounts. After hearing presentations from the District’s administrative staff, and from consultants retained by the District to advise the Board in this matter, and after considering the relevant documentary evidence, the Board of Trustees makes the following findings with respect to application from Applicant, and the economic impact of that application:

On September 9, 2019, the Superintendent of the District, acting as agent of the Board of Trustees, and the Texas Comptroller of Public Accounts (“Comptroller”) received an Application from Applicant for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Application was determined to be complete as of February 11, 2020. A copy of the Application is attached as **Attachment A**.

The Applicant, (Texas Taxpayer Id. 32070140028), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**.

The Board of Trustees acknowledged receipt of the Application, along with the requisite application fee, established pursuant to Texas Tax Code § 313.025(a)(1) and Local District Policy.

The Application was delivered to the Comptroller for review pursuant to Texas Tax Code § 313.025(d). A copy of the Application was delivered to the Concho County Appraisal District for review pursuant to 34 Tex. Admin. Code § 9.1054.

The Application was reviewed by the Comptroller pursuant to Texas Tax Code §313.026, and a Comptroller Certificate was issued on February 11, 2020, in which the Comptroller has determined, inter alia, that: 1) Application is subject to the provisions of Chapter 171, Texas Tax Code; 2) the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised values; 3) the proposed project 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; and, 4) the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state. A copy of the Certificate is attached to the findings as **Attachment C**.

The Board of Trustees has previously directed that a specific financial analysis be conducted concerning the impact of the proposed value limitation on the finances of District. A copy of the report prepared by Moak, Casey & Associates, Inc., is attached to these findings as **Attachment D**.

The Board of Trustees has confirmed that the taxable value of property in the District for the preceding tax year, as determined under Subchapter M, Chapter 403, Government Code, is as stated in **Attachment E**.

The Texas Education Agency has evaluated the impact of the project on the District's facilities. TEA's determination is to be attached to these findings as **Attachment F**.

The Board has adopted the Texas Economic Development Agreement (Form 50-826) as promulgated by the Comptroller's Office. Form 50-826 has been altered only in accordance only the provisions of the template that the Comptroller permitted. The proposed Agreement is attached to these findings as **Attachment G**.

After review of the Comptroller's Certificate and economic analysis, and in consideration of its own studies the Board finds:

Board Finding Number 1.

The Board finds that the property described in the Application meets the requirements of Tex. Tax Code §313.024 for eligibility for a limitation on appraised value.

In support of Finding 1, the Application indicates that:

224WB 8me, LLC is requesting an appraised value limitation from Paint Rock Independent School District to construct a solar generating electric facility in Concho County, Texas. The entirety of the project will be located within Paint Rock Independent School District. The facility is expected to have a total capacity of 110 MW-AC, and will feature approximately 558,800 photovoltaic panels and 109 central inverters.

Property used for renewable electric energy generation is eligible for a limitation under §313.024(b)(5).

Board Finding Number 2.

The project proposed by the applicant is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue, including state tax revenue, school district maintenance and operations ad valorem tax revenue attributable to the project, and any other tax revenue attributable to the effect of the project on the economy of the state, in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement (as detailed in Attachment B of the Comptroller's Certification).

Board Finding Number 3.

Based on the information certified by the Comptroller, the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state (as detailed in Attachment C of the Comptroller's Certification).

Board Finding Number 4.

The Board finds that the Application Fee received was reasonable and only in such an amount as was necessary to cover the District's costs of processing the Application under consideration.

In support of Finding 4, the Board reviewed the Application Fee payment included in the Application at Attachment A, the contract with the District's consultants and the internal costs for processing the application, if any.

Board Finding Number 5.

Based upon the Application and in the Comptroller's Economic Impact Evaluation and Certification, Attachment A, the Board finds that the number of jobs to be created and the wages to be paid comply with the requirements of statute; and, the Board further finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions and information related to job creation requirements, to wit: the provisions set forth in Subsections 9.1C&D of such Agreement.

In its Application, the Applicant has committed to creating two (2) new qualifying jobs. The average salary level of qualifying jobs must be at least \$48,261 per year. The review of the application by the Comptroller's Office indicated that this amount—based on Texas Workforce Commission data—complies with current Tex. Tax Code §313.021(5)(B) requirement that qualifying jobs must pay 110 percent of the county average manufacturing wage. As defined in Section 313.021 of the Tax Code, "Qualifying Job" means a permanent full-time job that:

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

Board Finding Number 6.

Based upon the information provided to the District with regard to the industry standard for staffing ratios of similar projects in the State of Texas, the District has determined that if the job creation requirement set forth in Texas Tax Code § 313.021(2)(A)(iv)(b) was applied, for the size and scope of the project described in the Application, the required number of jobs meets or exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

Board Finding Number 7.

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

In its Application, Applicant has indicated that it does not intend to create any non-qualifying jobs. For any non-qualifying jobs the Applicant should create, the Applicant will be required to pay at least the county average wage of \$37,207 for all jobs in the county in accordance with the provisions of Tex. Tax Code §313.024(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 projects that the project would initially add \$100.5 million to the tax base that would be available for debt service purposes at the peak investment level for the 2022-23 school year. An expansion of the I&S tax base creates the potential of a benefit for the District and its taxpayers in meeting its debt-service obligations for school district bonds.

Board Finding Number 9.

The effect of the applicant's proposal, if approved, on the number or size of needed school district instructional facilities is not expected to increase the District's facility needs, with current trends suggest little underlying enrollment growth based on the impact of the project.

The summary of financial impact prepared by Moak, Casey & Associates, Inc., indicates that there will be little to no impact on school facilities created by the new project. This

finding is confirmed by the TEA evaluation of this project's impact on the number and size of school facilities in the District as stated in **Attachment F**.

Board Finding Number 10.

The Board finds that with the adoption of District Policy CCGB (Local), implemented in conformance with both Comptroller and Texas Education Agency Rules governing Chapter 313 Agreements, it has developed a process to verify, either directly or through its consultants, the accuracy and completeness of information in annual eligibility reports and biennial progress reports regarding (1) the reported number of jobs created and (2) the reported amount invested in the property.

Board Finding Number 11.

The Board of Trustees hired consultants to review and verify the information in the Application. Based upon the consultants' review, the Board has determined that the information provided by the Applicant is true and correct.

The Board has developed a written policy CCGB (Local) which requires, upon the filing of an Application under Tax Code Chapter 313, the retention of consultants in order to verify: (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 and economic incentives being offered, if any, and (5) the proposed project meets eligibility requirements.

As a part of its verification process the Board notes that the Chapter 313 Application for which these Findings are being made has been submitted by the Applicant under oath. Chapter 313 Applications are governmental records under Tex. Penal Code §37.01(2)(A); as a result, all statements contained therein are representations 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 Chapter 313 Tax Limitation Agreement (**Attachment G**) is an

“official proceeding,” a false statement on a Chapter 313 application constitutes perjury under Tex. Penal Code § 37.03.

The Board finds that sworn statements are routinely used as an acceptable verification method for reliance by fact finders in each of the three separate branches of government, including trials.

The consultants have prepared signed statements that the consultants have reviewed and verified the contents of the Application and have determined that the current statements of fact contained in the Application are true and correct. (**Attachment H**) The Board finds that reliance by the Board and its consultants 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.

Board Finding Number 12.

The Board of Trustees has determined that the Tax Limitation Amount requested by Applicant is currently Twenty Million Dollars, which is consistent with the minimum values currently set out by Tax Code, § 313.054(a).

The Board finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**), in accordance with Comptroller’s Form 50-826, contains all required provisions and information related to the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement. According to the Texas Comptroller of Public Accounts’ School and Appraisal Districts’ Property Value Study 2018 Final Findings made under Subchapter M, Chapter 403, Government Code for the preceding tax year (**Attachment E**). The total industrial value for the District is \$4,019,955. The District is categorized as Subchapter C, which applies only to a school district that has territory in a strategic investment area, as defined under Subchapter O, Chapter 171, Tax Code or in a county: (1) that has a population of less than 50,000 and (2) in which, from 1990 to 2000, according to the federal decennial census, the population: (A) remained the same; (B) decreased; or (C) increased, but at a rate of not more than three percent per annum. The District is classified as a “rural” district due to its demographic characteristics. Given that the value

of industrial property is \$1 million or more but less than \$90 million, it is classified as a Category III district which can offer a minimum value limitation of \$20 million.

Board Finding Number 13.

The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all necessary provisions and information related to establishing the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement.

The Board relies on the certifications of its consultants and the Comptroller's Approval of the Agreement form to make this Finding. (Attachment I)

Board Finding Number 14.

The Applicant (Taxpayer No. 32070140028) is eligible for the limitation on appraised value of qualified property as an active franchise-tax paying entity.

The Applicant, (Texas Taxpayer No. 32070140028), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See Attachment B. The Board also finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions necessary for the Board to assess eligibility of any business to which an agreement is transferred.

Board Finding Number 15.

The project will be located within an area that is designated as a reinvestment zone, pursuant to Chapter 312 of the Texas Tax Code.

Board Finding Number 16.

The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, includes adequate and appropriate revenue protection provisions for the District, and such provisions comply with the specific terms of Texas Tax Code, Chapter 313.

In support of this finding, the finance report prepared by Moak, Casey & Associates, Inc. shows that the District will incur revenue losses over several years that the value limitation is in effect without the proposed Agreement under current law. With this Agreement, the negative consequences of granting the value limitation are offset through the revenue

protection provisions agreed to by the Applicant and the District. The Agreement contains adequate revenue protection measures for the duration of the Agreement. In support of this Finding, the Board relies upon the recommendation of its consultants. (**Attachment H**)

Board Finding Number 17.

The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions necessary for the Board to assess performance standards and to require periodic deliverables that will enable it to hold businesses accountable for achieving desired results, to wit: the reporting requirements set forth in Article VIII of said Agreement.

Board Finding Number 18.

The Board finds that there are no conflicts of interest at the time of considering the agreement.

The Board finds that with the adoption of District Policies BBFA and BBFB, both (Legal) and (Local), set forth at <https://pol.tasb.org/Home/Index/334>, that it has taken appropriate action to ensure that all District Trustees and the Superintendent, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

In addition, at the public hearing, the Board caused the statement set forth in **Attachment J** to be read into the public record and that only Board members audibly responding that no conflict of interest existed either deliberated or voted on the Tax Limitation Agreement, these Findings or any matter relating to the Application upon which these Findings have been premised.

The Board finds that with the adoption of District Policies DBD, DGA, DH, and BBFB, both (Legal) and (Local) that it has taken appropriate action to ensure that all District employees and/or consultants, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

The Board finds that that no non-disclosed conflicts of interest exist as to the Application for which these Findings are being made, as of the time of action on these Findings.

Board Finding Number 19.

The Board directs that a link on its Website be established to the Comptroller's Office Website where appraisal-limitation-related documents are made available to the public.

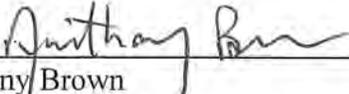
Board Finding Number 20.

Considering the purpose and effect of the law and the terms of the Agreement, that it is in the best interest of the District and the State to enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

It is therefore ORDERED that the Agreement attached hereto as **Attachment G** is approved and hereby authorized to be executed and delivered by and on behalf of the District. It is further ORDERED that these findings and the Attachments referred to herein be attached to the Official Minutes of this meeting and maintained in the permanent records of the Board of Trustees of the District.

Dated the 27th day of February 2020.

PAINT ROCK INDEPENDENT SCHOOL DISTRICT

By: 
Anthony Brown
President, Board of Trustees

ATTEST:
By: 
Danell Sims
Secretary, Board of Trustees

Attachment A
Application

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

September 25, 2019

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

RE: Application to the Paint Rock Independent School District from 224WB 8me LLC

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Paint Rock Independent School District is notifying 224WB 8me LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. Please prepare the Economic Impact Report.

The Applicant submitted the Application to the school district on September 9, 2019. The Board voted to accept the application on September 9, 2019. The application has been determined complete as of September 25, 2019. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered.

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

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Concho County Appraisal District
224WB 8me LLC



224WB 8me LLC

*Chapter 313 Application for Appraised Value
Limitation to Paint Rock Independent School
District*



9/3/2019

Mr. Ron Cline, Superintendent
cc. Texas Comptroller of Public Accounts
P.O. Box 277
Paint Rock, Texas 76866

Re: Application for Texas Property Tax Code Section 313 Value Limitation Agreement

Mr. Ron Cline:

Please find attached an application for a Section 313 Value Limitation Agreement. On behalf of our client, 8minute Solar Energy, and in accordance with the guidelines and principles outlined in Section 313 of the Texas Property Tax Code, it is our request that Paint Rock Independent School District consider the approval of a Section 313 Value Limitation Agreement. The approval of this agreement would undoubtedly prove beneficial to the economic development of Concho County and Paint Rock ISD as well as the viability of 224WB 8me LLC to be located within the state of Texas. 224WB 8me LLC is a 110 MW-AC solar electric generating facility, that when established will provide 2 (two) full-time salary competitive jobs.

8minute Solar Energy is the United States' largest independent solar PV and energy storage developer. Many of the nation's largest and most recognizable solar PV projects have been developed by 8minute Solar Energy. Driven by their relentless aim to be the best-in-class on levelized cost of energy and storage, 8minute Solar Energy is focused on the production of reliable energy with consistent long-term pricing. They are dedicated to the future of renewable energy as well as building quality relationships with the stakeholders in the communities they choose to invest in.

If you have any questions, please feel free to contact me at 469-298-1594 or mike@keatax.com. We look forward to working with you.

Sincerely,

Mike Fry
Director—Energy Services



Tab 1

Pages 1-9 of the application

AUSTIN • DALLAS • DENVER

1900 DALROCK ROAD • ROWLETT, TX 75088 • T (469) 298-1594 • F (469) 298-1595 • keatax.com

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

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

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

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

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

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

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

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

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

September 9, 2019

Date Application Received by District

Ron _____ Cline _____

First Name

Last Name

Superintendent

Title _____

Paint Rock Independent School District

School District Name _____

698 South Sims Street, Paint Rock, TX 76866

Street Address _____

PO Box 277

Mailing Address _____

Paint Rock

TX _____ 76866

City

State

ZIP

325-732-4314

325-732-4384

Phone Number

Fax Number

ron.cline@paintrockisd.net

Mobile Number (optional)

Email Address

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

_____	_____
First Name	Last Name
Partner	Casey
_____	_____
Title	
Moak, Casey & Associates	
_____	_____
Firm Name	
512-485-7878	512-485-7888
_____	_____
Phone Number	Fax Number
	dcasey@moakcasey.com
_____	_____
Mobile Number (optional)	Email Address

4. On what date did the district determine this application complete? September 25, 2019
5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

_____	_____	_____
First Name	Last Name	
President	Buttgenbach	
_____	_____	_____
Title	Organization	
250 Sutter Street, Suite 600, San Francisco, CA 94108	8minute Solar Energy	
_____	_____	_____
Street Address		
250 Sutter Street, Suite 600		
_____	_____	_____
Mailing Address		
San Francisco	CA	94108
_____	_____	_____
City	State	ZIP
415-309-5383	N/A	
_____	_____	_____
Phone Number	Fax Number	
	tbuttgenbach@8minute.com	
_____	_____	_____
Mobile Number (optional)	Business Email Address	

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

_____	_____	_____
First Name	Last Name	
Vice President of Tax	Nelson	
_____	_____	_____
Title	Organization	
250 Sutter Street, Suite 600, San Francisco, CA 94108	8minute Solar Energy	
_____	_____	_____
Street Address		
250 Sutter Street, Suite 600		
_____	_____	_____
Mailing Address		
San Francisco	CA	94108
_____	_____	_____
City	State	ZIP
415-309-5383	N/A	
_____	_____	_____
Phone Number	Fax Number	
	dnelson@8minute.com	
_____	_____	_____
Mobile Number (optional)	Business Email Address	

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Mike Fry
 First Name Last Name
 Energy Services Director
 Title
 KE Andrews
 Firm Name
 469-298-1594 469-331-1357
 Phone Number Fax Number
 mfry@keatax.com
 Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? Yes No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in Tab 2 proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? 224WB 8me LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32070140028
3. List the NAICS code 221114
4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No
- 4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

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

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

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

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

1. Application approval by school board December 1, 2019
2. Commencement of construction February 1, 2021
3. Beginning of qualifying time period March 1, 2020
4. First year of limitation January 1, 2022
5. Begin hiring new employees January 1, 2022
6. Commencement of commercial operations January 1, 2022
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? Yes No
Note: Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? January 1, 2022

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Concho County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Concho CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? Yes No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 County: Concho, .7442, 100% City: N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: Concho Co. Hsp. Dist. .275, 100% Water District: Lipan Kickapoo, .0103, 100%
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): Lateral Road, .157086, 100% Other (describe): N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? Yes No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at comptroller.texas.gov/economy/local/ch313/.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 10,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 20,000,000.00
Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 7);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (Tab 7); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (Tab 11).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? Yes No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? Yes No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? ... Yes No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? N/A

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

1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
 2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
 3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.
 4. Total estimated market value of existing property (that property described in response to question 1): \$ 0.00
 5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
 6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 0.00
- Note:** Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2019
(year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 2

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

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 - 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 706.25
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 513.43
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 928.10

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 48,261.40

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 48,261.40

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

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No
 - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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



Tab 2

Proof of Payment Application Fee

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

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



Tab 3

Documentation of Combined Group Membership

(224WB 8me LLC is a stand-alone entity, therefore documentation of a combined group membership is not applicable.)



Tab 4

Detailed Description of the Project

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

In compliance with the criteria and guidelines set forth in Title 3, Chapter 313 of the Texas Property Tax Code, 224WB 8me LLC requests an appraised value limitation from Paint Rock Independent School District. 8minute Solar Energy is proposing to construct a solar electric generating facility in Concho County, Texas. The facility will be located in the north-central portion of the county. Additionally, the entirety of the project will be within Paint Rock Independent School District. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 110 MW-AC, and will feature approximately 558,800 photovoltaic panels, and 109 central inverters. 224WB 8me LLC has applied to the Electric Reliability Council of Texas and was assigned IGNR #19INR0003 on June 23, 2016. Please note this project is not known by any other names.

224WB 8me LLC requests that this application includes but is not limited to the following components of this project:

- Solar Modules & Panels
- Inverter Boxes
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities

224WB 8me LLC is a solar energy project managed by 8minute Solar Energy . Their mission is to make solar energy abundant and be a leader in lowering the cost of dispatchable solar PV. 8minute Solar Energy is a privately held company focused on producing reliable solar energy with consistent long-term pricing with over 7,500 MW under development, 8minute Solar Energy is eager to continue their development of projects within the United States. Their team of experienced professionals are committed to building quality stakeholder relationships in the communities they choose to invest.



Tab 5

Limitation as a Determining Factor

Currently, 8minute Solar Energy is considering a variety of other locations for 224WB 8me LLC but believes Concho County, Texas, would be an ideal location for this solar facility. Due to the national footprint of 8minute Solar Energy, there are locations across the world and other parts of the United States being evaluated for the establishment of this solar facility. In the event a 313 agreement is not permitted, 8minute Solar Energy will relocate 224WB 8me LLC to another area more financially viable for the continuation of this project. Additional sites being evaluated for the establishment of this facility include locations throughout Oklahoma where 8minute Solar Energy is actively developing and managing additional projects. Failure to reach a 313 value-limitation agreement would unfortunately dismiss Paint Rock ISD and Concho County from receiving the economic benefits associated with the development of a solar facility within their county. Therefore, it is our goal to reach a 313 value-limitation agreement for 224WB 8me LLC for the benefit of all parties.

224WB 8me LLC is a solar energy project managed by 8minute Solar Energy. Their mission is to make solar energy abundant and be a leader in lowering the cost of dispatchable solar PV. 8minute Solar Energy is a privately held company focused on producing reliable solar energy with consistent long-term pricing with over 7,500 MW under development, 8minute Solar Energy is eager to continue their development of projects within the United States. Their team of experienced professionals are committed to building quality stakeholder relationships in the communities they choose to invest.

8minute Solar Energy is the United States' largest independent solar PV and energy storage developer. Many of the nation's largest and most recognizable solar PV projects have been developed by 8minute Solar Energy, including Mount Signal Solar Farm in California, one of the world's largest solar facility.

Not only 8minute Solar Energy, but all prudent energy developers know tax incentives play an important role in attracting capital intensive facilities due to the high property tax burden in Texas. Ultimately, the decision to invest in Texas, or any other state, requires any capital investment by 8minute Solar Energy to be based on expected economic return on their investment. With property tax liabilities composing a substantial ongoing cost of operation that directly impacts the rate of return on the investment, without the 313 Value Limitation tax incentive, the economics of this project could be less competitive with other capital-intensive projects and the viability of the proposed project becomes uncertain. 8minute Solar Energy evaluates the economic viability of proposed projects through comparing the proposed project's rate of return with the Chapter 313 appraised value limitation agreement and without the value limitation agreement. To move forward, the rate of return with the valuation limitation agreement, must exceed the minimum rate of return required to proceed with the proposed investment. Therefore, receiving a value limitation agreement under Chapter 313 results in significant annual operating cost savings and incentivizes 8minute Solar Energy to invest capital in the proposed project rather than making an alternative investment. This makes the ability to enter into a Chapter 313 appraised value limitation agreement with the school district "the determining factor" to invest in this project.



Tab 6

224WB 8me LLC is located 100 % in Paint Rock Independent School District in Concho County, Texas.

Taxing Jurisdiction	Percentage of Project located within Jurisdiction	Tax Rate
Concho County	100 %	.7442
Paint Rock ISD	100 %	1.43
Concho County Hospital	100 %	.275
Lateral Road	100 %	.157086
Lipan Kickapoo Water District	100 %	.0103



Tab 7

Description of Qualified Investment

8minute Solar Energy is proposing to construct a solar electric generating facility in Concho County, Texas. The facility will be located in the north-central portion of the county. Additionally, the entirety of the project will be within Paint Rock Independent School District. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 110 MW-AC, and will feature approximately 558,800 photovoltaic panels, and 109 central inverters.

224WB 8me LLC has applied to the Electric Reliability Council of Texas and was assigned IGNR #19INR0003 on June 23, 2016. Please note this project is not known by any other names.

224WB 8me LLC requests that this application includes but is not limited to the following components of this project:

- Solar Modules & Panels
- Inverter Boxes
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities



Tab 8

Description of Qualified Property

8minute Solar Energy is proposing to construct a solar electric generating facility in Concho County, Texas. The facility will be located in the north-central portion of the county. Additionally, the entirety of the project will be within Paint Rock Independent School District. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 110 MW-AC, and will feature approximately 558,800 photovoltaic panels, and 109 central inverters.

224WB 8me LLC has applied to the Electric Reliability Council of Texas and was assigned IGNR #19INR0003 on June 23, 2016. Please note this project is not known by any other names.

224WB 8me LLC requests that this application includes but is not limited to the following components of this project:

- Solar Modules & Panels
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- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities



Tab 9

N/A



Tab 10

Description of Existing Improvement

N/A



Tab 11

Maps

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224WB 8me LLC

Legend

- Existing Reinvestment Zone (red outline)
- Proposed Reinvestment Zone (yellow outline)

Existing Reinvestment Zone (red outline)

Proposed Reinvestment Zone (yellow outline)

Paint Rock

Grassmeyer St

83

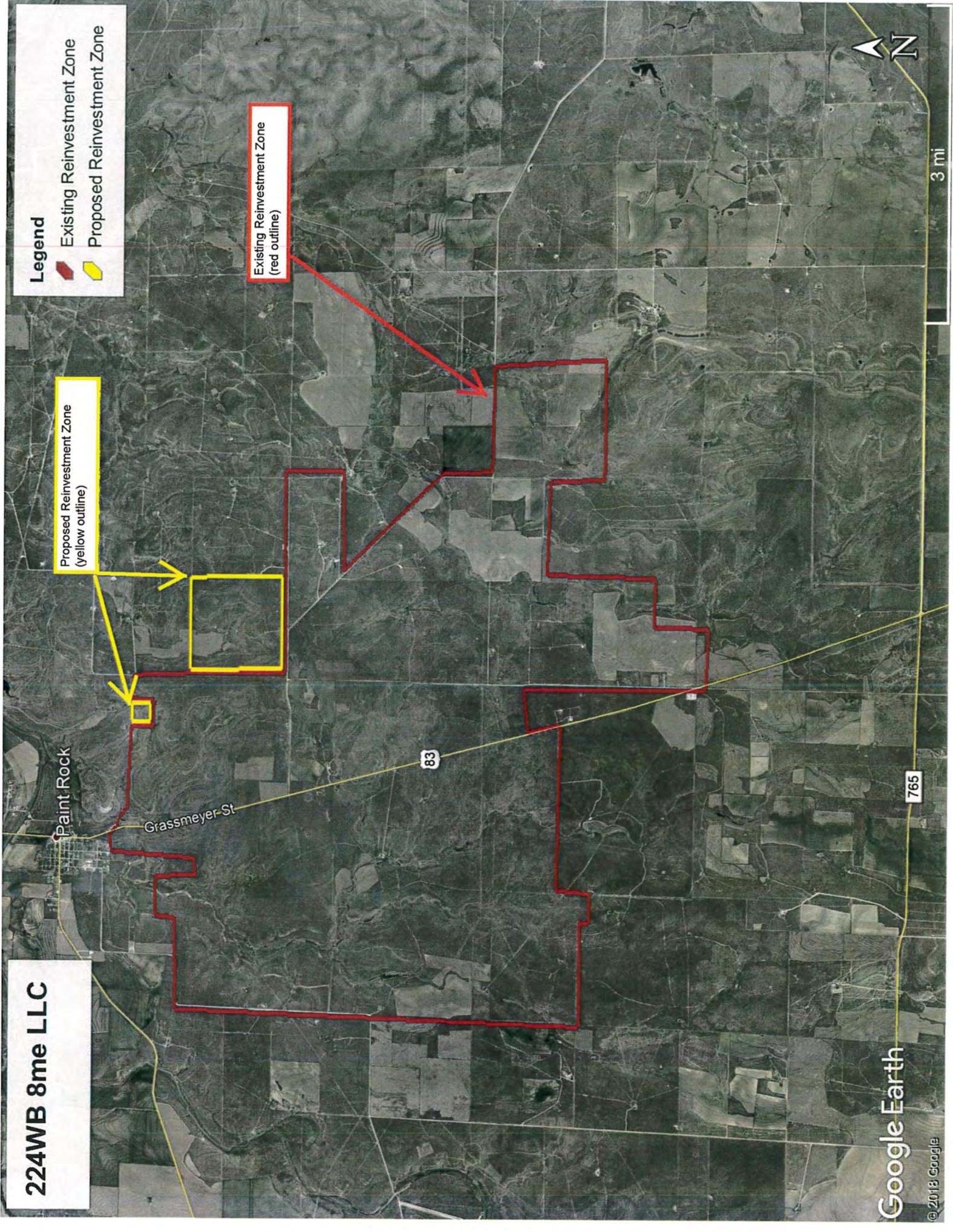
765

Google Earth

© 2018 Google



3 mi



224 WB 8me LLC & 225DD 8me LLC

Legend

- 225 DD 8me LLC Project Boundary
- Existing Reinvestment Zone
- 224 WB 8me LLC Project Boundary
- Proposed Reinvestment Zone

Proposed RZ
(yellow outline)

Existing RZ
(red outline)

225 DD 8me LLC
Project Boundary
(orange outline)

224 WB 8me LLC
Project Boundary
(blue outline)

380

Grassmeyer-St

83



3 mi

224WB 8me LLC

Legend

- Existing Reinvestment Zone
- Project Boundary
- Proposed Reinvestment Zone

Paint Rock

Grassmeyer St

83

765

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Google Earth

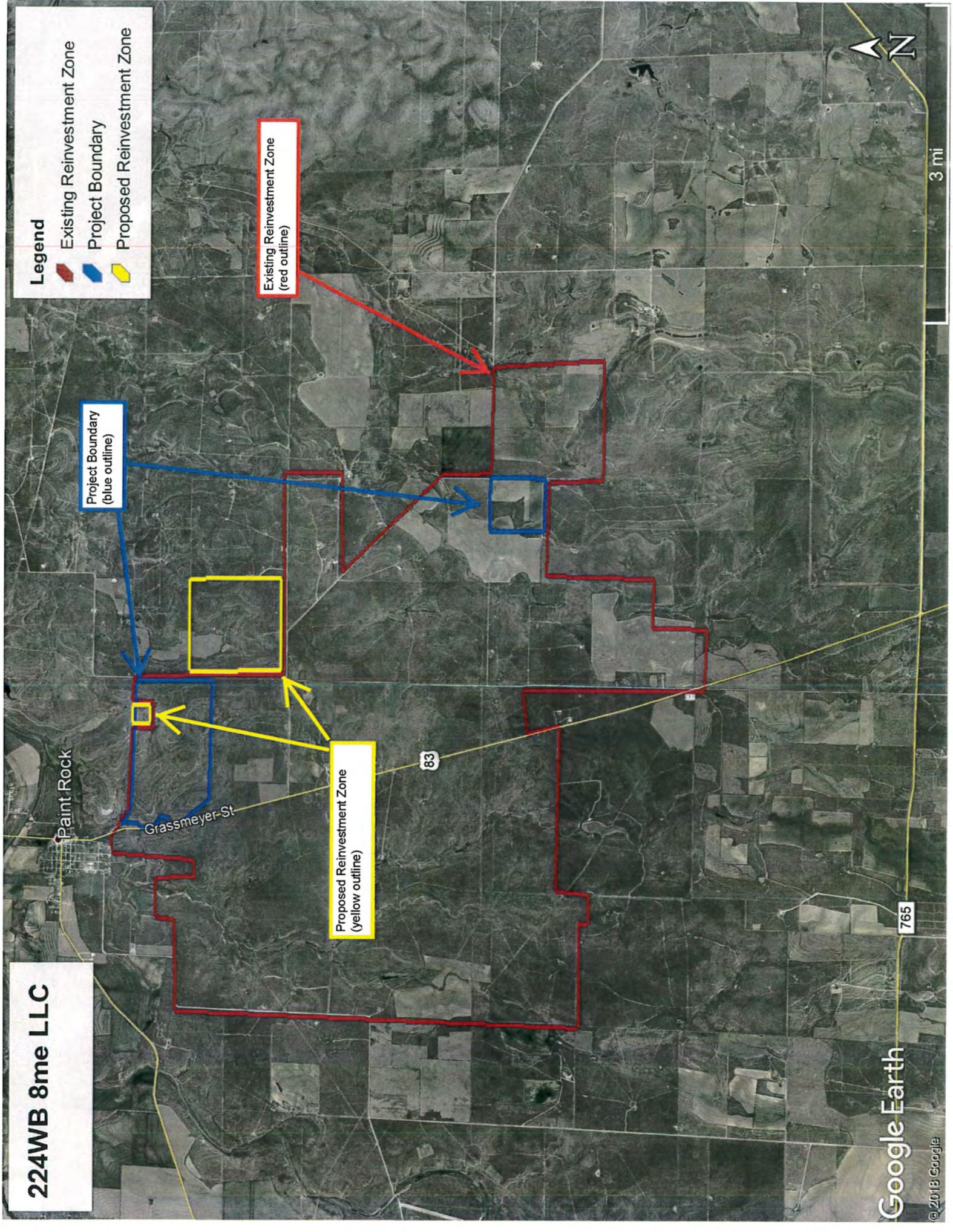
3 mi



Existing Reinvestment Zone
(red outline)

Project Boundary
(blue outline)

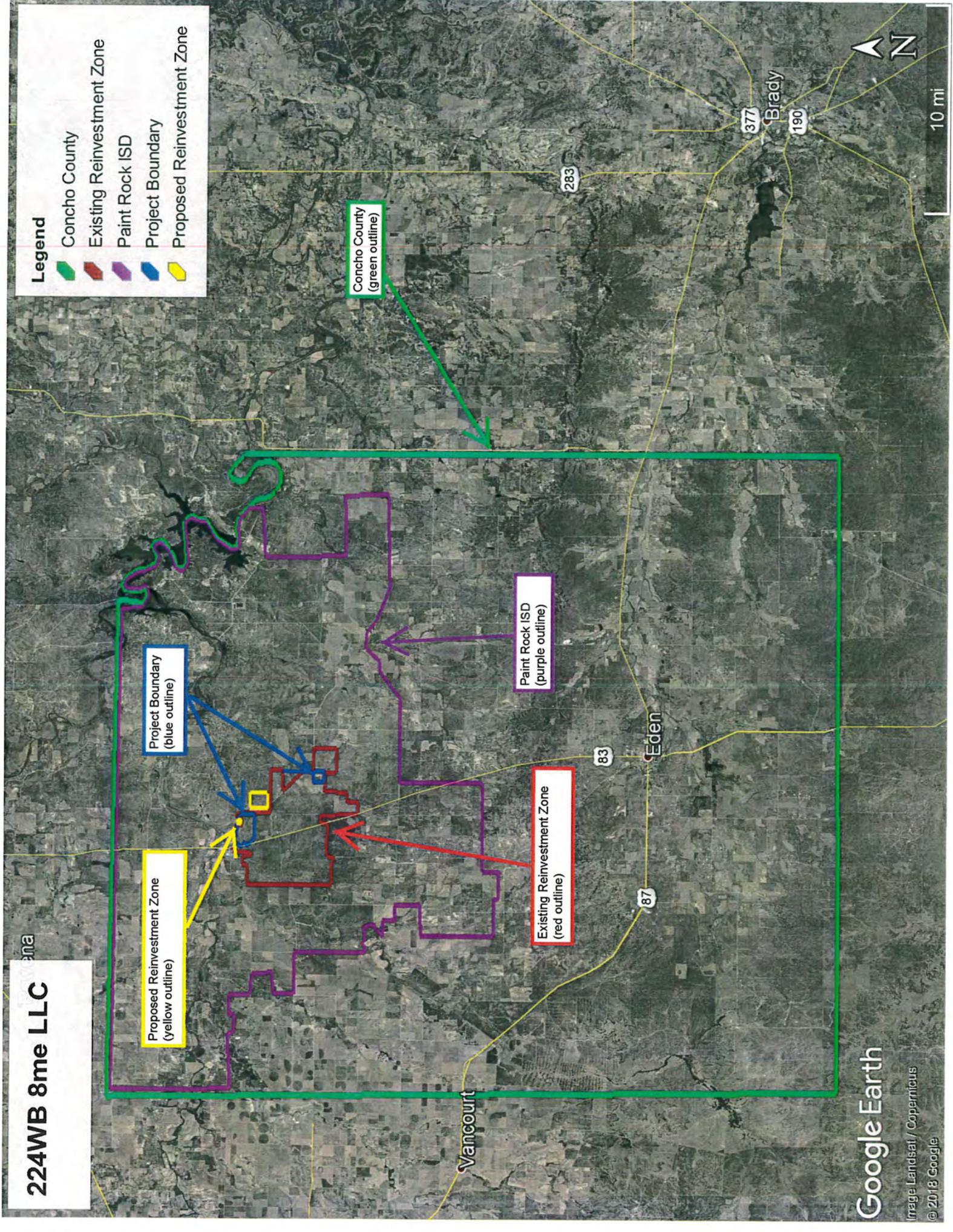
Proposed Reinvestment Zone
(yellow outline)



224WB 8me LLC

Legend

- Concho County
- Existing Reinvestment Zone
- Paint Rock ISD
- Project Boundary
- Proposed Reinvestment Zone



Concho County
(green outline)

Paint Rock ISD
(purple outline)

Existing Reinvestment Zone
(red outline)

Proposed Reinvestment Zone
(yellow outline)

Project Boundary
(blue outline)

Google Earth

Image Landsat / Copernicus
© 2018 Google

10 mi



224WB 8me LLC

Legend

224WB 8me LLC



Google Earth

Data SIO NOAA, U.S. Navy, NGA, GEBCO
Image Landsat / Copernicus
© 2018 Google
US Dept of State Geographer

1000 mi



Tab 12

Request for Waiver of Job Requirements

Please refer to the proceeding letter attached.



9/03/2019

Superintendent Ron Cline
Paint Rock ISD
P.O. Box 277
Paint Rock, Texas, 76866

RE: 224WB 8me LLC Chapter 313 Job Waiver Request

Dear Superintendent Cline,

224WB 8me LLC is requesting that Paint Rock Independent School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025 (f-1) of the Texas Tax Code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

224WB 8me LLC requests that Paint Rock ISD makes such finding and waive the job creation requirement for 10 permanent jobs. In line with the current industry standards for job requirements, 224WB 8me LLC has committed to create 2 qualifying jobs in Paint Rock ISD.

Solar projects create many jobs, both full and part time. Additionally, during the construction phase, solar projects create many temporary jobs; however, after construction is completed solar facilities only require a relatively small number of workers to operate and maintain the plant. The number of jobs (2) 224WB 8me LLC has committed to create is congruent with current industry standards for maintenance and operation of a facility of this capacity. This is evidenced by previously certified limitation agreements that were granted a waiver of the job requirements based on the standard of 1 worker per 115 MW.

The permanent employees of a solar facility maintain and service the photovoltaic panels and inverters, underground electrical connections, substations, as well as other infrastructure associated with the safe and reliable operation of the facilities. In addition to onsite employees, there may also be managers and/or technicians who provide support to the facility remotely.

The establishment of 224WB 8me LLC will undoubtedly be beneficial to the economic development of Concho County, Paint Rock ISD, and the advancement of renewable energy. Thank you for your consideration of this request. If you have any questions feel free to contact us.

Sincerely,

Mike Fry, Director—Energy Services

mike@keatax.com

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Tab 13

Calculation of Wage Requirements

U.S. Department of Labor—Bureau of Labor Statistics

The proceeding calculations are for the following wage requirements:

Calculation A: Concho County Average Weekly Wage

Calculation B: 110% of the Concho County Average for Manufacturing Jobs

Calculation C: 110% of Concho Valley Council of Government Regional Manufacturing Wage

Calculation A: Concho County Average Weekly Wage for all Jobs

Year	Quarter	Average Weekly Wage
2018	Q2	\$665.00
2018	Q3	\$705.00
2018	Q4	\$728.00
2019	Q1	\$727.00
	Q Average	\$706.25

In order to calculate the Concho County Average Weekly Wage for all Jobs, the following calculations were completed:

Quarterly Average Calculation:

Step 1: $\$665.00 + \$705.00 + \$728.00 + \$727.00 = \$2825.00$

Step 2: $\$2825.00 / 4 =$ **\$706.25**

Calculation B: 110% Concho County Average Weekly Wage for Manufacturing Jobs

Year	Quarter	Average Weekly Wage
2015	Q3	\$470.00
2015	Q4	\$495.00
2016	Q1	\$437.00
2016	Q2	\$465.00
Average		\$466.75
110% Average		\$513.43

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In order to calculate 110% of Concho County Average Weekly Wage for Manufacturing Jobs, the following calculations were completed:

110 % Quarterly Average Calculation:

Step 1: $\$470.00 + \$495.00 + \$437.00 + \$465.00 = \$1867.00$

Step 2: $\$1867.00 / 4 = \466.75

Step 3: $\$466.75 * 1.10 = \513.43

Calculation C: 110% of Concho Valley Council of Government Regional Manufacturing Wage

2018 Concho Valley Council of Government Regional Annual Wage: \$43,874.00

2018 Concho Valley Council of Government 110% Regional Wage: \$48,261.40 annually or \$928.10 weekly

In order to calculate 110% of the Concho Valley Council of Government Regional Average Weekly Wage for Manufacturing Jobs the following calculations was completed:

Step 1: $\$43,874.00 * 1.10 = \$48,261.40$

Step 2: $\$48,261.40 / 52 = \928.10



Quarterly Census of Employment and Wages (QCEW) Report

[Customize the report/Help with Accessibility](#)

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

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2018	01	Concho	Total All	Total, All Industries	827
2018	02	Concho	Total All	Total, All Industries	665
2018	03	Concho	Total All	Total, All Industries	705
2018	04	Concho	Total All	Total, All Industries	728
2019	01	Concho	Total All	Total, All Industries	727

Quarterly Census of Employment and Wages (QCEW) Report

[Customize the report/Help with Accessibility](#)

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

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2015	01	Concho	Private	Manufacturing	519
2015	02	Concho	Private	Manufacturing	455
2015	03	Concho	Private	Manufacturing	470
2015	04	Concho	Private	Manufacturing	495
2016	01	Concho	Private	Manufacturing	437
2016	02	Concho	Private	Manufacturing	465

**2018 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	COG Number	Wages	
		Hourly	Annual
Texas		\$27.04	\$56,240
Alamo Area Council of Governments	18	\$22.80	\$47,428
Ark-Tex Council of Governments	5	\$18.73	\$38,962
Brazos Valley Council of Governments	13	\$18.16	\$37,783
Capital Area Council of Governments	12	\$32.36	\$67,318
Central Texas Council of Governments	23	\$19.60	\$40,771
Coastal Bend Council of Governments	20	\$28.52	\$59,318
Concho Valley Council of Governments	10	\$21.09	\$43,874
Deep East Texas Council of Governments	14	\$18.28	\$38,021
East Texas Council of Governments	6	\$21.45	\$44,616
Golden Crescent Regional Planning Commission	17	\$28.56	\$59,412
Heart of Texas Council of Governments	11	\$22.71	\$47,245
Houston-Galveston Area Council	16	\$29.76	\$61,909
Lower Rio Grande Valley Development Council	21	\$17.21	\$35,804
Middle Rio Grande Development Council	24	\$20.48	\$42,604
NORTEX Regional Planning Commission	3	\$25.14	\$52,284
North Central Texas Council of Governments	4	\$27.93	\$58,094
Panhandle Regional Planning Commission	1	\$24.19	\$50,314
Permian Basin Regional Planning Commission	9	\$25.90	\$53,882
Rio Grande Council of Governments	8	\$18.51	\$38,493
South East Texas Regional Planning Commission	15	\$36.26	\$75,430
South Plains Association of Governments	2	\$20.04	\$41,691
South Texas Development Council	19	\$17.83	\$37,088
Texoma Council of Governments	22	\$21.73	\$45,198
West Central Texas Council of Governments	7	\$21.84	\$45,431

Calculated by the Texas Workforce Commission Labor Market and Career Information Department.

Data published: July 2019

Data published annually, next update will be July 31, 2020

Annual wage figure assumes a 40-hour work week.

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

Wage data is produced from Texas Occupational Employment Statistics (OES) data,
and is not to be compared to BLS estimates.

Data intended only for use in implementing Chapter 313, Tax Code.



Tab 14

Schedules A1-D

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

Date: 9/3/2019
 Applicant Name: 224WB 8me LLC
 ISD Name: Paint Rock ISD

Form 50-296A
 Revised May 2014

PROPERTY INVESTMENT AMOUNTS (Estimated investment in each year. Do not put cumulative totals.)								
Year	Schedule Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) (YYYY)	Column A	Column B	Column C	Column D	Column E	
			New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components that will become Qualified Property	Other new investment made during this year that will not become Qualified Property (SEE NOTE)	Other new investment made during this year that may become Qualified Property (SEE NOTE)	Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district			Not eligible to become Qualified Property					
Investment made after filing complete application with district, but before final board approval of application	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2020						
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period								
Complete tax years of qualifying time period	QTP1	2021-2022	\$ 100,000,000.00	\$ 500,000.00				\$ 100,500,000.00
	QTP2	2022-2023						
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]			\$ 100,000,000.00	\$ 500,000.00				\$ 100,500,000.00
Total Qualified Investment (sum of green cells)			\$ 100,500,000.00					\$ 100,500,000.00

For All Columns: List amount invested each year, not cumulative totals.
 Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application. Only tangible personal property that is specifically described in the application can become qualified property.
 Column B: The total dollar amount of planned investment each year in buildings or nonremovable components of buildings.
 Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property, is used to maintain, refurbish, renovate, modify or upgrade existing property, or is affixed to existing property—described in SECTION 13, question #5 of the application.
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.
 Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.
 Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

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

Date: 9/3/2019
Applicant Name: 22AWB Inc LLC
ISD Name: Paint Rock ISD

PROPERTY INVESTMENT AMOUNTS (Estimated investment in each year. Do not put cumulative totals.)									
Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below)	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will add become Qualified Property (SEE NOTE)	Column D Other investment made during this year that will become Qualified Property (SEE NOTE)	Column E Total Investment (A+B+C+D)		
Total investment from Schedule A1*			\$ 100,000,000.00	\$ 500,000.00			\$ 100,500,000.00		
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>									
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>			\$ 100,000,000.00	\$ 500,000.00			\$ 100,500,000.00		
Value limitation period***									
Additional years for 25 year economic impact as required by 313.026(c)(1)									
Continue to maintain viable presence									
Total investment made through limitation			\$ 100,000,000.00	\$ 500,000.00			\$ 100,500,000.00		
11	2032-2033	2032							
12	2033-2034	2033							
13	2034-2035	2034							
14	2035-2036	2035							
15	2036-2037	2036							
16	2037-2038	2037							
17	2038-2039	2038							
18	2039-2040	2039							
19	2040-2041	2040							
20	2041-2042	2041							
21	2042-2043	2042							
22	2043-2044	2043							
23	2044-2045	2044							
24	2045-2046	2045							
25	2046-2047	2046							

* All investments made through the qualifying time period are captured and totaled on Schedule A1 (blue box) and incorporated into this schedule in the first row.
 ** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.
 *** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were not captured on Schedule A1.
 For All Columns: List amount invested each year, not cumulative totals. Only include investments in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 Column B: Only tangible personal property that is specifically described in the application can become qualified property.
 Column C: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.
 Column E: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

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

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value			
			Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final (taxable value for I&S after all reductions)	Final (taxable value for M&O after all reductions)	
0	2020-2021	2020							
0	2021-2022	2021							
1	2022-2023	2022		\$ 500,000.00	\$ 100,000,000.00	\$ 100,500,000.00	\$ 100,500,000.00	\$ 100,500,000.00	\$ 20,000,000.00
2	2023-2024	2023		\$ 485,000.00	\$ 90,000,000.00	\$ 90,485,000.00	\$ 90,485,000.00	\$ 90,485,000.00	\$ 20,000,000.00
3	2024-2025	2024		\$ 470,000.00	\$ 80,000,000.00	\$ 80,470,000.00	\$ 80,470,000.00	\$ 80,470,000.00	\$ 20,000,000.00
4	2025-2026	2025		\$ 455,000.00	\$ 70,000,000.00	\$ 70,455,000.00	\$ 70,455,000.00	\$ 70,455,000.00	\$ 20,000,000.00
5	2026-2027	2026		\$ 440,000.00	\$ 60,000,000.00	\$ 60,440,000.00	\$ 60,440,000.00	\$ 60,440,000.00	\$ 20,000,000.00
6	2027-2028	2027		\$ 425,000.00	\$ 50,000,000.00	\$ 50,425,000.00	\$ 50,425,000.00	\$ 50,425,000.00	\$ 20,000,000.00
7	2028-2029	2028		\$ 410,000.00	\$ 40,000,000.00	\$ 40,410,000.00	\$ 40,410,000.00	\$ 40,410,000.00	\$ 20,000,000.00
8	2029-2030	2029		\$ 395,000.00	\$ 30,000,000.00	\$ 30,395,000.00	\$ 30,395,000.00	\$ 30,395,000.00	\$ 20,000,000.00
9	2030-2031	2030		\$ 380,000.00	\$ 20,000,000.00	\$ 20,380,000.00	\$ 20,380,000.00	\$ 20,380,000.00	\$ 20,000,000.00
10	2031-2032	2031		\$ 365,000.00	\$ 20,000,000.00	\$ 20,365,000.00	\$ 20,365,000.00	\$ 20,365,000.00	\$ 20,000,000.00
11	2032-2033	2032		\$ 350,000.00	\$ 20,000,000.00	\$ 20,350,000.00	\$ 20,350,000.00	\$ 20,350,000.00	\$ 20,350,000.00
12	2033-2034	2033		\$ 335,000.00	\$ 20,000,000.00	\$ 20,335,000.00	\$ 20,335,000.00	\$ 20,335,000.00	\$ 20,335,000.00
13	2034-2035	2034		\$ 320,000.00	\$ 20,000,000.00	\$ 20,320,000.00	\$ 20,320,000.00	\$ 20,320,000.00	\$ 20,320,000.00
14	2035-2036	2035		\$ 305,000.00	\$ 20,000,000.00	\$ 20,305,000.00	\$ 20,305,000.00	\$ 20,305,000.00	\$ 20,305,000.00
15	2036-2037	2036		\$ 290,000.00	\$ 20,000,000.00	\$ 20,290,000.00	\$ 20,290,000.00	\$ 20,290,000.00	\$ 20,290,000.00
16	2037-2038	2037		\$ 275,000.00	\$ 20,000,000.00	\$ 20,275,000.00	\$ 20,275,000.00	\$ 20,275,000.00	\$ 20,275,000.00
17	2038-2039	2038		\$ 260,000.00	\$ 20,000,000.00	\$ 20,260,000.00	\$ 20,260,000.00	\$ 20,260,000.00	\$ 20,260,000.00
18	2039-2040	2039		\$ 245,000.00	\$ 20,000,000.00	\$ 20,245,000.00	\$ 20,245,000.00	\$ 20,245,000.00	\$ 20,245,000.00
19	2040-2041	2040		\$ 230,000.00	\$ 20,000,000.00	\$ 20,230,000.00	\$ 20,230,000.00	\$ 20,230,000.00	\$ 20,230,000.00
20	2041-2042	2041		\$ 215,000.00	\$ 20,000,000.00	\$ 20,215,000.00	\$ 20,215,000.00	\$ 20,215,000.00	\$ 20,215,000.00
21	2042-2043	2042		\$ 200,000.00	\$ 20,000,000.00	\$ 20,200,000.00	\$ 20,200,000.00	\$ 20,200,000.00	\$ 20,200,000.00
22	2043-2044	2043		\$ 185,000.00	\$ 20,000,000.00	\$ 20,185,000.00	\$ 20,185,000.00	\$ 20,185,000.00	\$ 20,185,000.00
23	2044-2045	2044		\$ 170,000.00	\$ 20,000,000.00	\$ 20,170,000.00	\$ 20,170,000.00	\$ 20,170,000.00	\$ 20,170,000.00
24	2045-2046	2045		\$ 155,000.00	\$ 20,000,000.00	\$ 20,155,000.00	\$ 20,155,000.00	\$ 20,155,000.00	\$ 20,155,000.00
25	2046-2047	2046		\$ 140,000.00	\$ 20,000,000.00	\$ 20,140,000.00	\$ 20,140,000.00	\$ 20,140,000.00	\$ 20,140,000.00

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
 Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date: 9/3/2019
Applicant Name: 224WB 8me LLC
ISD Name: Paint Rock ISD

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs		Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs	
Each year prior to start of Value Limitation Period	0	2020-2021	2020						
Each year prior to start of Value Limitation Period	0	2021-2022	2021	300 FTE	\$ 48,261.40				
Value Limitation Period <small>The qualifying time period could overlap this value limitation period.</small>	1	2022-2023	2022				2	\$ 48,261.40	
	2	2023-2024	2023				2	\$ 48,261.40	
	3	2024-2025	2024				2	\$ 48,261.40	
	4	2025-2026	2025				2	\$ 48,261.40	
	5	2026-2027	2026				2	\$ 48,261.40	
	6	2027-2028	2027				2	\$ 48,261.40	
	7	2028-2029	2028				2	\$ 48,261.40	
	8	2029-2030	2029				2	\$ 48,261.40	
	9	2030-2031	2030				2	\$ 48,261.40	
	10	2031-2032	2031				2	\$ 48,261.40	
Years Following Value Limitation Period	11 through 25	2032-2046	2032-2046				2	\$ 48,261.40	

Notes: See TAC 9.1051 for definition of non-qualifying jobs.
Only include jobs on the project site in this school district.

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25) Yes No

If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)? Yes No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)? Yes No

Schedule D: Other Incentives (Estimated)

9/3/2019

224WB 8me LLC
Paint Rock ISD

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County: City: Other:					
Tax Code Chapter 312	County: Concho County City: Other: Concho County Hospital District	2022	10 Year	\$ 582,443.00	80%	\$ 116,487.00
Local Government Code Chapters 380/381	County: City: Other:	2022	10 Year	\$ 177,712.00	80%	\$ 35,542.00
Freepport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL				\$ 760,155.00		\$ 152,029.00

Additional information on incentives for this project:



Tab 15

Economic Impact Study-N/A



Tab 16

Description of Reinvestment Zone

The majority of 224WB 8me LLC is located within an existing reinvestment zone; however, the portion that is not be located in a proposed reinvestment zone to be designated by Concho County. Please find attached the description of the existing zone. It is anticipated that the proposed reinvestment zone will be established sometime within the 4th fiscal quarter of 2019.

***IN THE COMMISSIONERS COURT
OF
CONCHO COUNTY, TEXAS***

**ORDER CREATING CONCHO COUNTY
REINVESTMENT ZONE No. 3, GALLOWAY**

WHEREAS, on the 28 day of December, 2018, came on for consideration the Designation of a Reinvestment Zone pursuant to Chapter 312 of the Texas Tax Code, and

WHEREAS, attached to this Order are the following descriptive documents:

1. A description of the project and property to be contained within the Concho County Reinvestment Zone No. 3, Galloway, said description being incorporated herein by reference as Exhibits A and B.
2. A Map of the location within the County of Concho where said Reinvestment Zone No. 3 tract is located, incorporated herein by reference as Exhibit C.

The Application, Maps and Legal Description attached to this Order are intended to more fully and accurately describe the geographic region included within the Reinvestment Zone to be known as Concho County Reinvestment Zone No. 3, Galloway. The project description, attached hereto as Exhibit A and the Legal Description attached hereto as Exhibit B, are true and correct documents which reflect the actual territory intended for inclusion in the Reinvestment Zone created by this Order. A map of the project is attached hereto as Exhibit C.

WHEREAS, prior to the creation of the Concho County Reinvestment Zone No. 3, Galloway, the Commissioners court made a determination that the application filed by 225 DD 8me LLC, meets the applicable guidelines and criteria adopted by the Commissioners Court, and that a tax abatement agreement between the County and 225 DD 8me LLC, would be in compliance with the established guidelines and criteria for tax abatement, and

WHEREAS, the Commissioners Court did conduct a public hearing, after due notice, as required by law, prior to the creation of a reinvestment zone, as required by Chapter 312 of the Texas Tax Code. After receiving public comment, the Commissioners Court hereby determines that the designation of an area as a reinvestment zone would contribute to the retention or expansion of primary employment in Concho County, Texas, and would contribute to the economic development of the County,

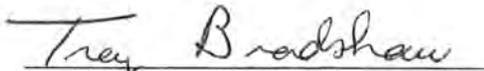
THEREFORE, PREMISES CONSIDERED, the Commissioners Court of Concho County, Texas does hereby create the Concho County Reinvestment Zone No. 3, Galloway, as described more fully in the attachments to this Order, which are incorporated herein by reference and are to be filed in the minutes of the Commissioners Court with this Order.

It is further ORDERED by the Commissioners Court that the County Judge is hereby authorized to execute, on behalf of Concho County, Texas, such documents as may be necessary to facilitate and implement this Order.

Dated: Adopted on Dec. 28, 2018.



County Judge, Concho County, Texas



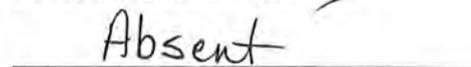
Commissioner, Precinct 1



Commissioner, Precinct 3



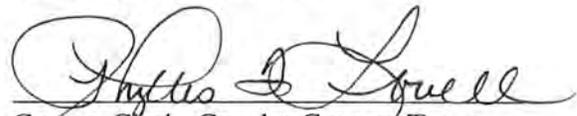
Commissioner, Precinct 2



Commissioner, Precinct 4

Attest:





County Clerk, Concho County, Texas

EXHIBIT A

APPLICATION FOR TAX ABATEMENT AND DESIGNATION OF
REINVESTMENT ZONE

CONCHO COUNTY, TEXAS

Applicant/Organization:

- o 225DD 8me LLC
c/o 8Minutenergy Renewables LLC
5455 Wilshire Blvd., Suite 2010
Los Angeles, CA 90036
- o Phone (323) 525-0900

Contact:

- o Daniel ("Dan") Nelson
- o Vice President, Tax
- o 8Minutenergy Renewables LLC
5455 Wilshire Blvd., Suite 2010
Los Angeles, CA 90036
- o Phone - (415) 309-5853
- o E-mail: dnelson@8minutenergy.com

Information showing how the project meets the requirements of the Guidelines and Criteria:

- Contingent upon the abatement being granted, the proposed project will locate in Concho County.
- The proposed property is feasible and practical and will be a benefit to the land.
- The current value of the land and existing improvements is approximately:
 - o \$252,000 (\$100/Acre X 2,520 acres).
- The type of proposed improvements is a solar power plant designed to use solar power to generate electricity.
 - o The Project will generate an estimated 360 MW (360 MWac / 468 MWdc).
- The value of the proposed improvements in Year 1 is:
 - o \$189 million (\$270 million less \$81 million rebate via federal tax credits).
- The productive life of the proposed improvements is:
 - o 30 (thirty) years or longer.
- The number of existing jobs at the proposed property is:
 - o 0 (none).
- The number and type of new jobs to be created by the proposed improvements are:
 - o Temporary construction: 500 jobs
 - o Permanent operation: 3 jobs
- The costs to be incurred by Concho County, based on facilities or services needed by the proposed improvements, are:
 - o None. It is estimated that no new facilities or services would be needed from the County.
- The types and value of public improvements to be made by the applicant.
 - o None, the applicant does not expect any public improvements to be made.
- The amount of ad valorem (property) taxes to be paid to Concho County after expiration of the abatement agreement are (excluding taxes payable to other County tax districts):
 - o Approximately \$9.0 million of ad valorem taxes will arise on an abated basis, \$7.1 million of which are estimated to arise in years 11-30 of the project.
- The population growth of Concho County that is expected to occur directly as a result of the project
 - o None.
- The opportunities to existing or attraction of new businesses are:
 - o The construction of the project is expected to have a significant positive favorable impact on the local economy and existing businesses as the presence of 500 construction jobs will inject millions of dollars into the local economy.
- The competition the project is expected to generate against existing business in Concho County:
 - o None. To the contrary, the project is expected to have a significant positive impact on

existing businesses during the construction of the project, as tens of millions of dollars are pumped into the local economy.

- There are no current zoning ordinances or comprehensive plans governing the proposed location.

Description of the property:

Map of the proposed property attached.

- Likely time schedule for planned improvements:
 - o The Applicant anticipates commencing construction in Q1 2020 and completion to occur in Q2 2021.
 - o The Project, once construction is completed, is anticipated to operate for at least 30 years or more. Obtaining the tax abatement is critical to the economic and competitive viability of this project.
 - ✓ Final Notice to Proceed: Q4 2019
 - ✓ Construction Commencement: Q1 2020
 - ✓ Completion / Place in service: Q2 2021

The estimated taxable value of the project and County taxes (based on an 80% abatement for 10 years):

GROSS EPC COST		270,000,000				
LESS REBATE/ITC		(81,000,000)				
NET COST		189,000,000				
YEAR	PLANT	FACTOR	TAXABLE VALUE	TAX WITH ABATEMENT		TOTAL
				COUNTY	TAX	
1	189,000,000	1.0000				
2	189,000,000	0.9310	175,959,000	328,973	-	328,973
3	189,000,000	0.8564	161,859,600	302,613	-	302,613
4	189,000,000	0.7259	137,195,100	256,500	-	256,500
5	189,000,000	0.6889	130,202,100	243,426	-	243,426
6	189,000,000	0.5950	112,455,000	210,246	-	210,246
7	189,000,000	0.4936	93,290,400	174,416	-	174,416
8	189,000,000	0.3841	72,594,900	135,723	-	135,723
9	189,000,000	0.2658	50,236,200	93,922	-	93,922
10	189,000,000	0.2000	37,800,000	70,671	-	70,671
11	189,000,000	0.2000	37,800,000	70,671	-	70,671
12	189,000,000	0.2000	37,800,000	353,354	-	353,354
13	189,000,000	0.2000	37,800,000	353,354	-	353,354
14	189,000,000	0.2000	37,800,000	353,354	-	353,354
15	189,000,000	0.2000	37,800,000	353,354	-	353,354
16	189,000,000	0.2000	37,800,000	353,354	-	353,354
17	189,000,000	0.2000	37,800,000	353,354	-	353,354
18	189,000,000	0.2000	37,800,000	353,354	-	353,354
19	189,000,000	0.2000	37,800,000	353,354	-	353,354
20	189,000,000	0.2000	37,800,000	353,354	-	353,354
21	189,000,000	0.2000	37,800,000	353,354	-	353,354
22	189,000,000	0.2000	37,800,000	353,354	-	353,354
23	189,000,000	0.2000	37,800,000	353,354	-	353,354
24	189,000,000	0.2000	37,800,000	353,354	-	353,354
25	189,000,000	0.2000	37,800,000	353,354	-	353,354
26	189,000,000	0.2000	37,800,000	353,354	-	353,354
27	189,000,000	0.2000	37,800,000	353,354	-	353,354
28	189,000,000	0.2000	37,800,000	353,354	-	353,354
29	189,000,000	0.2000	37,800,000	353,354	-	353,354
30	189,000,000	0.2000	37,800,000	353,354	-	353,354
						<u>8,954,248</u>
property taxes years 1-10						1,687,160
property taxes years 11-30						<u>7,067,088</u>
						<u>8,954,248</u>
AVERAGE PER YEAR (30 YRS)						<u>298,475</u>
AVERAGE / YR (1-10)						<u>188,716</u>
AVERAGE / YR (11-30)						<u>353,354</u>

- Financial information on the applicant:

- o 225DD 8me. LLC is owned by and being developed by 8minutenergy Renewables, LLC, the second largest solar power developer in the United States with numerous projects across the US, as more fully shown on the attached presentation. Once the project is fully constructed, ownership will likely shift to a strategic owner/operator of power plants. 8minutenergy has deep relationships with strategic owners including D. E. Shaw Renewables, Wells Fargo, Capital Dynamics, and US Bancorp.

I attest that the information provided in this application is true and correct to the best of my knowledge.



Applicant Signature

225DD 8me, LLC

Name of Applicant Organization

November 7, 2018

Date of Application Submission

LEGAL DESCRIPTION
GALLOWAY REINVESTMENT ZONE

BEING A TRACT OF LAND SITUATED IN CONCHO COUNTY, TEXAS, AND BEING PART OF SECTION 267 THE HENRICH W. AURAND SURVEY, ABSTRACT NO. 6, SECTION 266 THE HENRICH W. AURAND SURVEY, ABSTRACT NO. 145, SECTION 265 THE JOHANN J. FROELICH SURVEY, ABSTRACT NO. 144, SECTION 264 THE JOHANN J. NICKEL SURVEY, ABSTRACT NO. 664, SECTION 263 THE JOHANN J. NICKEL SURVEY, ABSTRACT NO. 663, SECTION 262 THE HEINRICH SCHRUMANN SURVEY, ABSTRACT NO. 719, SECTION 2 THE S.R. GOODRUM SURVEY, ABSTRACT NO. 1292, SECTION 306, BLOCK 72 THE GEORGE SCHICKENDANZ SURVEY, ABSTRACT NO. 752, SECTION 135, BLOCK 72 THE T&NO RAILROAD COMPANY SURVEY, ABSTRACT NO. 895, SECTION 293, BLOCK 72 THE G.R.GLENN SURVEY, ABSTRACT NO. 312, SECTION 283, BLOCK 72 THE FRANZ BUSCHMAR SURVEY, ABSTRACT NO. 46, SECTION 284, BLOCK 72 THE FRANZ BUSCHMAR SURVEY, ABSTRACT NO. 47, SECTION 1 THE C&M RAILROAD COMPANY SURVEY, ABSTRACT NO. 1033, AND BEING ALL OF SECTION 2, BLOCK 11 THE H&T.C. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1821, SECTION 3, BLOCK 11 THE H&T.C. RAILROAD COMPANY SURVEY, ABSTRACT NO. 383, SECTION 6, BLOCK 11 THE H&T.C. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1822, SECTION 7, BLOCK 11 THE H&T.C. RAILROAD COMPANY SURVEY, ABSTRACT NO. 385, SECTION 2 THE E.L. & R.R. RAILROAD SURVEY, ABSTRACT NO. 1823, SECTION 268 THE PETER MERKLE SURVEY, ABSTRACT NO. 609, THE JOSEPH WARE SURVEY, ABSTRACT NO. 1017, SECTION 286 THE FRIEDRICH SCHILLING SURVEY, ABSTRACT NO. 744, SECTION 285 THE FRIEDRICH SCHILLING SURVEY, ABSTRACT NO. 743, SECTION 500 THE R.T. TRAIL SURVEY, ABSTRACT NO. 1903, SECTION 50 THE G.W. KEMP SURVEY, ABSTRACT NO. 1578, SECTION 2 THE C&M RAILROAD COMPANY SURVEY, ABSTRACT NO. 1344, SECTION 269 THE NICOLAS ZERGER SURVEY, ABSTRACT NO. 1007, SECTION 270 THE NICOLAS ZERGER SURVEY, ABSTRACT NO. 1006, SECTION 155, BLOCK 72 THE T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 905, SECTION 156, BLOCK 72 THE T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1406, SECTION 290, BLOCK 72 THE PETER BLUME SURVEY, ABSTRACT NO. 49, SECTION 291, BLOCK 72 THE PETER BLUME SURVEY, ABSTRACT NO. 48, SECTION 154, BLOCK 72 THE T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1118, SECTION 292, BLOCK 72 THE OTTO HEGAR SURVEY, ABSTRACT NO. 346, SECTION 305, BLOCK 72 THE CARL FRANZ SURVEY, ABSTRACT NO. 155, SECTION 307, BLOCK 72 THE GEORGE SCHICKENDANZ SURVEY, ABSTRACT NO. 753, SECTION 136, BLOCK 72 T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1707, SECTION 136, BLOCK 72 THE T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1651, AND SECTION 136, BLOCK 72 THE T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1653, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 2, BLOCK 11, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 1, BLOCK 10 THE H&T.C. RAILROAD SURVEY, ABSTRACT NO. 446, AND THE NORTHEAST CORNER OF SECTION 12, BLOCK 10 THE H&T.C. RAILROAD SURVEY, ABSTRACT NO. 1791, AND THE SOUTHEAST CORNER OF SECTION 1, BLOCK 11 THE H&T.C. RAILROAD SURVEY, ABSTRACT NO. 382;

THENCE NORTH 00 DEGREES 26 MINUTES 26 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 2, BLOCK 11, A DISTANCE OF 5231.42 FEET TO THE NORTHWEST CORNER OF SAID SECTION 2, BLOCK 11 AND THE SOUTHWEST CORNER OF SAID SECTION 3, BLOCK 11;

THENCE NORTH 00 DEGREES 17 MINUTES 23 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 3, BLOCK 11, A DISTANCE OF 5238.62 FEET TO THE NORTHWEST CORNER OF SAID SECTION 3, BLOCK 11 AND THE SOUTHWEST CORNER OF SAID SECTION 6, BLOCK 11;

THENCE NORTH 00 DEGREES 05 MINUTES 59 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 6, BLOCK 11, A DISTANCE OF 5268.69 FEET TO THE NORTHWEST CORNER

OF SAID SECTION 6, BLOCK 11 AND THE SOUTHWEST CORNER OF SAID SECTION 7, BLOCK 11;

THENCE NORTH 00 DEGREES 02 MINUTES 16 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 7, BLOCK 11, A DISTANCE OF 5335.43 FEET TO THE NORTHWEST CORNER OF SAID SECTION 7, BLOCK 11;

THENCE NORTH 89 DEGREES 59 MINUTES 52 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 7, BLOCK 11, A DISTANCE OF 4968.83 FEET TO THE MOST NORTHERLY SOUTHWEST CORNER OF SAID SECTION 2, ABSTRACT 1823;

THENCE NORTH 00 DEGREES 29 MINUTES 27 SECONDS EAST, DEPARTING SAID NORTH LINE AND ALONG THE MOST WESTERLY WEST LINE OF SAID SECTION 2, ABSTRACT 1823, A DISTANCE OF 1153.92 FEET TO THE NORTHWEST CORNER OF SAID SECTION 2, ABSTRACT 1823;

THENCE SOUTH 89 DEGREES 59 MINUTES 56 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 2, A DISTANCE OF 1868.74 FEET TO THE NORTHEAST CORNER OF SAID SECTION 2, ABSTRACT 1823;

THENCE SOUTH 00 DEGREES 22 MINUTES 52 SECONDS WEST, ALONG THE MOST WESTERLY EAST LINE OF SAID SECTION 2, ABSTRACT 1823, A DISTANCE OF 2105.43 FEET TO THE NORTHWEST CORNER OF SAID SECTION 268, ABSTRACT 609;

THENCE SOUTH 89 DEGREES 47 MINUTES 03 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 268, ABSTRACT 609, A DISTANCE OF 1316.60 FEET TO THE NORTHEAST CORNER OF SAID SECTION 268, ABSTRACT 609 ON THE WEST LINE OF SAID SECTION 266, ABSTRACT 145;

THENCE NORTH 00 DEGREES 20 MINUTES 28 SECONDS EAST, ALONG SAID WEST LINE, A DISTANCE OF 4554.09 FEET TO A POINT;

THENCE SOUTH 89 DEGREES 56 MINUTES 01 SECOND EAST, DEPARTING SAID WEST LINE OVER AND ACROSS SAID SECTION 266, ABSTRACT 145, A DISTANCE OF 926.29 FEET TO A POINT;

THENCE SOUTH 22 DEGREES 39 MINUTES 45 SECONDS EAST, CONTINUING OVER AND ACROSS, A DISTANCE OF 394.13 FEET TO A POINT;

THENCE SOUTH 89 DEGREES 39 MINUTES 18 SECONDS EAST, CONTINUING OVER AND ACROSS, A DISTANCE OF 297.17 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 266, ABSTRACT 145 AND THE WEST LINE OF SAID SECTION 265, ABSTRACT 144;

THENCE SOUTH 52 DEGREES 22 MINUTES 36 SECONDS EAST, DEPARTING SAID EAST AND WEST LINE, OVER AND ACROSS SAID SECTION 265, ABSTRACT 144, A DISTANCE OF 821.20 FEET TO A POINT;

THENCE SOUTH 87 DEGREES 17 MINUTES 59 SECONDS EAST, CONTINUING OVER AND ACROSS SAID SECTION 265, ABSTRACT 144 AND OVER AND ACROSS SAID SECTION 264, ABSTRACT 664, SECTION 263, ABSTRACT 663, AND SECTION 262, ABSTRACT 719, A DISTANCE OF 4555.47 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 262, ABSTRACT 719;

THENCE SOUTH 00 DEGREES 06 MINUTES 46 SECONDS EAST, ALONG SAID EAST LINE, A DISTANCE OF 1176.47 FEET TO A POINT FOR A NORTHWEST CORNER OF SAID SECTION 2, ABSTRACT 1292;

THENCE SOUTH 89 DEGREES 52 MINUTES 13 SECONDS EAST, ALONG A NORTH LINE OF SAID SECTION 2, ABSTRACT 1292 A DISTANCE OF 1499.76 FEET TO A POINT FOR AN INNER ELL CORNER OF SAID SECTION 2, ABSTRACT 1292;

THENCE NORTH 00 DEGREES 00 MINUTES 05 SECONDS WEST, ALONG THE MOST EASTERLY WEST LINE OF SAID SECTION 2, ABSTRACT 1292, A DISTANCE OF 1075.85 FEET TO A POINT;

THENCE SOUTH 87 DEGREES 09 MINUTES 35 SECONDS EAST, DEPARTING SAID LINE OVER AND ACROSS SAID SECTION 2, ABSTRACT 1292, A DISTANCE OF 1277.71 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 2, ABSTRACT 1292;

THENCE SOUTH 00 DEGREES 15 MINUTES 12 SECONDS WEST, ALONG SAID EAST LINE, A DISTANCE OF 4457.43 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 2, ABSTRACT 1292 AND THE NORTHEAST CORNER OF THE JOSEPH WARE SURVEY, ABSTRACT 1017;

THENCE SOUTH 00 DEGREES 17 MINUTES 48 SECONDS WEST, ALONG THE EAST LINE OF SAID JOSEPH WARE SURVEY, A DISTANCE OF 3783.77 FEET TO THE SOUTHEAST CORNER OF SAID JOSEPH WARE SURVEY AND THE NORTHWEST CORNER OF SAID SECTION 156, BLOCK 72;

THENCE NORTH 89 DEGREES 57 MINUTES 45 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 156, BLOCK 72, A DISTANCE OF 5247.12 FEET TO THE NORTHEAST CORNER OF SAID SECTION 156, BLOCK 72 AND THE NORTHWEST CORNER OF SAID SECTION 307, BLOCK 72;

THENCE NORTH 89 DEGREES 35 MINUTES 20 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 307, BLOCK 72, A DISTANCE OF 5318.93 FEET TO THE NORTHEAST CORNER OF SAID SECTION 307, BLOCK 72;

THENCE SOUTH 00 DEGREES 30 MINUTES 16 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 307, BLOCK 72, A DISTANCE OF 2716.40 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 307, BLOCK 72, AND THE NORTHEAST CORNER OF SAID SECTION 306, BLOCK 72;

THENCE SOUTH 89 DEGREES 39 MINUTES 01 SECOND WEST, ALONG THE NORTH LINE OF SAID SECTION 306, BLOCK 72 AND THE SOUTH LINE OF SAID SECTION 307, BLOCK 72, A DISTANCE OF 5331.87 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 307, BLOCK 72 AND THE NORTHWEST CORNER OF SAID SECTION 306, BLOCK 72;

THENCE SOUTH 45 DEGREES 18 MINUTES 58 SECONDS EAST, OVER AND ACROSS SAID SECTION 306, BLOCK 72 AND SECTION 135, BLOCK 72, A DISTANCE OF 7532.20 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 135, BLOCK 72;

THENCE SOUTH 00 DEGREES 13 MINUTES 47 SECONDS WEST, ALONG SAID EAST LINE, A DISTANCE OF 2640.53 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 135, BLOCK 72 AND THE NORTHWEST CORNER OF SAID SECTION 136, BLOCK 72;

THENCE NORTH 89 DEGREES 55 MINUTES 16 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 136, BLOCK 72, A DISTANCE OF 5330.25 FEET TO THE NORTHEAST CORNER OF SAID SECTION 136, BLOCK 72;

THENCE SOUTH 00 DEGREES 33 MINUTES 27 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 136, BLOCK 72, A DISTANCE OF 2731.63 FEET TO A POINT;

THENCE SOUTH 00 DEGREES 38 MINUTES 58 SECONDS WEST, CONTINUING ALONG SAID EAST LINE, A DISTANCE OF 2647.98 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 136, BLOCK 72;

THENCE SOUTH 89 DEGREES 57 MINUTES 24 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 136, BLOCK 72, A DISTANCE OF 5379.04 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 136, BLOCK 72;

THENCE NORTH 00 DEGREES 28 MINUTES 28 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 136, BLOCK 72, A DISTANCE OF 2742.72 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 305, BLOCK 72;

THENCE NORTH 88 DEGREES 45 MINUTES 53 SECONDS WEST, DEPARTING SAID WEST LINE ALONG THE SOUTH LINE OF SAID SECTION 305, BLOCK 72, A DISTANCE OF 5399.23 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 305, BLOCK 72 ON THE EAST LINE OF SAID SECTION 154, BLOCK 72;

THENCE SOUTH 01 DEGREE 07 MINUTES 35 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 154, BLOCK 72, A DISTANCE OF 2658.19 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 154, BLOCK 72 AND THE NORTHEAST CORNER OF SAID SECTION 292, BLOCK 72;

THENCE SOUTH 00 DEGREES 01 MINUTE 05 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 292, BLOCK 72, A DISTANCE OF 2606.55 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 292, BLOCK 72 AND THE NORTHEAST CORNER OF SAID SECTION 293, BLOCK 72;

THENCE SOUTH 89 DEGREES 54 MINUTES 35 SECONDS WEST, ALONG THE NORTH LINE OF SAID SECTION 293, BLOCK 72, AND THE SOUTH LINE OF SAID SECTION 292, BLOCK 72, A DISTANCE OF 2654.19 FEET TO A POINT;

THENCE SOUTH 00 DEGREES 06 MINUTES 46 SECONDS WEST, DEPARTING SAID NORTH AND SOUTH LINES OVER AND ACROSS SAID SECTION 293, BLOCK 72, A DISTANCE OF 2691.13 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 293, BLOCK 72;

THENCE NORTH 88 DEGREES 30 MINUTES 05 SECONDS WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 2660.70 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 293, BLOCK 72;

THENCE NORTH 00 DEGREES 14 MINUTES 19 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 293, BLOCK 72, A DISTANCE OF 2617.38 FEET TO THE NORTHWEST CORNER OF SAID SECTION 293, BLOCK 72 AND THE SOUTHWEST CORNER OF SAID SECTION 292, BLOCK 72;

THENCE NORTH 00 DEGREES 14 MINUTES 43 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 292, BLOCK 72, A DISTANCE OF 2642.89 FEET TO THE NORTHWEST CORNER OF SAID SECTION 292, BLOCK 72 AND THE SOUTHWEST CORNER OF SAID SECTION 154, BLOCK 72, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF SAID SECTION 283, BLOCK 72;

THENCE NORTH 00 DEGREES 23 MINUTES 29 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 154, BLOCK 72, A DISTANCE OF 3750.62 FEET TO A POINT;

THENCE SOUTH 87 DEGREES 50 MINUTES 12 SECONDS WEST, DEPARTING SAID WEST LINE OVER AND ACROSS SAID SECTION 284, BLOCK 72, A DISTANCE OF 2757.72 FEET TO A POINT;

THENCE SOUTH 15 DEGREES 44 MINUTES 47 SECONDS EAST, CONTINUING OVER AND ACROSS SAID SECTION 284, BLOCK 72 AND OVER AND ACROSS SAID SECTION 283, BLOCK 72, A DISTANCE OF 2105.29 FEET TO A POINT;

THENCE SOUTH 89 DEGREES 54 MINUTES 21 SECONDS WEST, CONTINUING OVER AND ACROSS SAID SECTION 283, BLOCK 72 AND OVER AND ACROSS SAID SECTION 1, ABSTRACT 1033, A DISTANCE OF 8499.07 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 1, ABSTRACT 1033 AND THE EAST LINE OF SAID SECTION 2, ABSTRACT 1344;

THENCE SOUTH 00 DEGREES 00 MINUTES 31 SECONDS WEST, ALONG SAID EAST AND WEST LINES, A DISTANCE OF 1603.17 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 1, ABSTRACT 1033 AND THE SOUTHEAST CORNER OF SAID SECTION 2, ABSTRACT 1344;

THENCE SOUTH 89 DEGREES 55 MINUTES 53 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 2, ABSTRACT 1344, A DISTANCE OF 1396.95 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 2, ABSTRACT 1344;

THENCE NORTH 00 DEGREES 41 MINUTES 13 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 2, ABSTRACT 1344, A DISTANCE OF 634.14 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 2, BLOCK 11;

THENCE SOUTH 89 DEGREES 43 MINUTES 41 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 2, BLOCK 11, A DISTANCE OF 5263.87 FEET TO POINT OF BEGINNING AND CONTAINING 567,325,820 SQUARE FEET, OR 13,024 ACRES OF LAND MORE OR LESS.

NOTES:

BEARINGS, DISTANCES, AND AREAS ARE BASED SOLELY ON GIS LINES PROVIDED BY THE TEXAS GENERAL LAND OFFICE AND REINVESTMENT ZONE SHAPE PROVIDED BY CLIENT. NO FURTHER RESEARCH WAS DONE BY THE SURVEYOR IN THE OFFICE OR FIELD TO ESTABLISH SAID LINES.

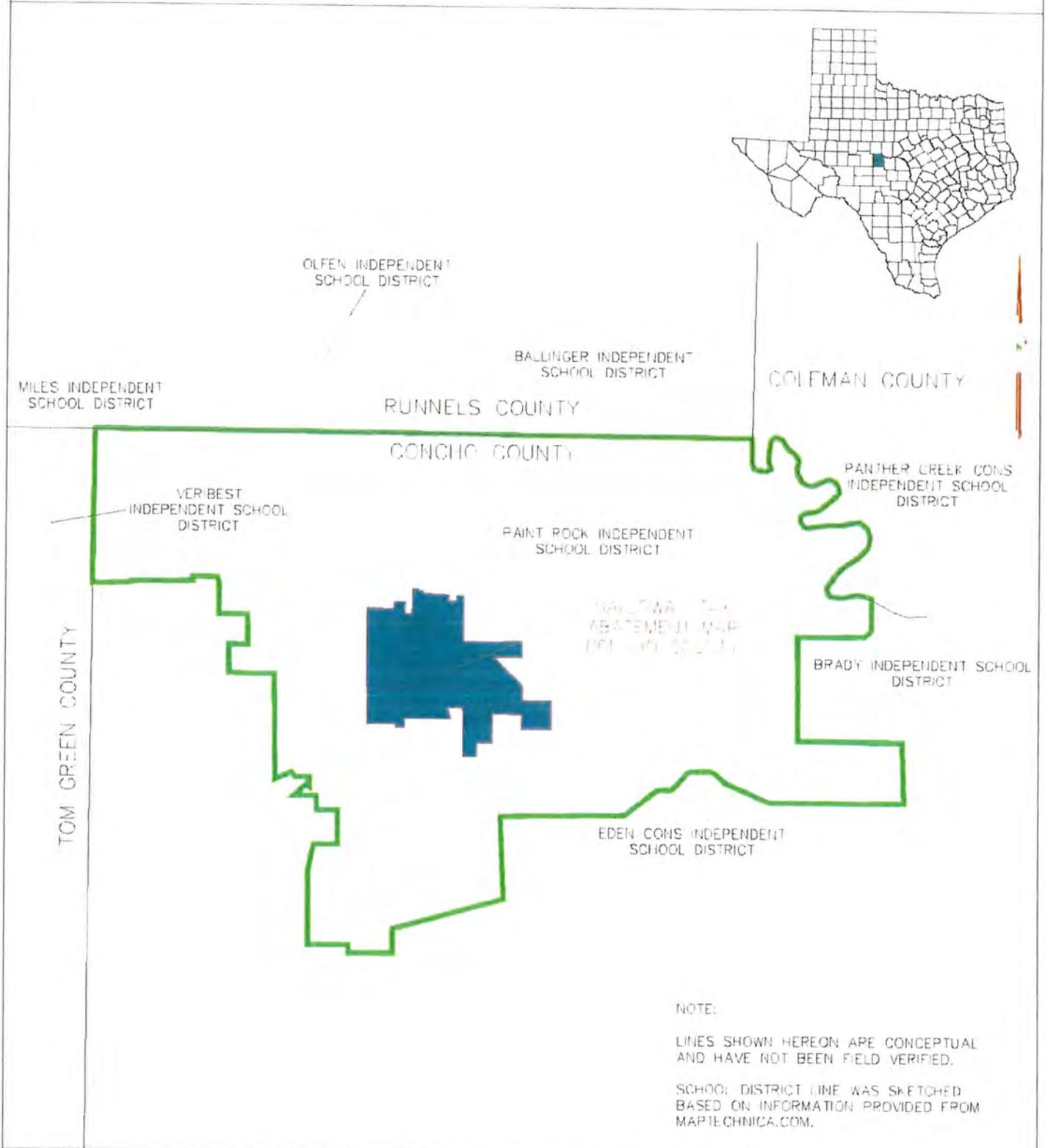
THIS DESCRIPTION SHALL ONLY BE USED FOR CONCEPTUAL PLANNING. SURVEYOR WILL NOT BE HELD LIABLE FOR ANY DESIGN WORK CONSTRUCTED FROM THIS DESCRIPTION.

THE SURVEYOR DOES NOT CERTIFY TO THE ACCURACY OF LINES.

NO FIELD WORK WAS PERFORMED TO CREATE THIS LEGAL DESCRIPTION.

EXHIBIT C

VICINITY MAP



GALLOWAY TAX ABATEMENT

PROJECT SITE MAP

VICINITY MAP
 SITUATED IN
 PAINTED ROCK I.S.D.

- PROJECT BOUNDARY/
PROPOSED REINVESTMENT ZONE
- COUNTY LINE
- SCHOOL DISTRICT LINE

DATE: 11/19/2018



Tab 17

Signatures and Certification

AUSTIN • DALLAS • DENVER

1900 DALROCK ROAD • ROWLETT, TX 75088 • T (469) 298-1594 • F (469) 298-1595 • keatax.com

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print here Ronald Lee Clive Superintendent
Print Name (Authorized School District Representative)
 Title
 sign here [Signature] 9/9/2019
Signature (Authorized School District Representative)
 Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here Thomas Butzenbach President
Print Name (Authorized Company Representative (Applicant))
 Title
 sign here [Signature] September 16, 2019
Signature (Authorized Company Representative (Applicant))
 Date

GIVEN under my hand and seal of office this, the _____ day of _____,

 Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires: _____

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On September 16, 2019 before me, Daniel Coltellaro
(insert name and title of the officer)

personally appeared Thomas Buttgenbach
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)





January 15, 2020

Paint Rock Independent School District
ATT: Superintendent Cline
cc. Texas Comptroller of Public Accounts
P.O. Box 277
Paint Rock, Texas 76866

RE: 224WB 8me LLC Amendment One for Application #1431

Superintendent Cline:

Please find attached Amendment One for Application #1431 224WB 8me LLC.

It is our request that you consider the following changes to the application:

- Section 14 Q7a.: Updated Average Weekly Wage
- Tab 11: Updated Maps
- Tab 13: Updated Calculation 1
- Tab 16: Description of Reinvestment Zone Attached
- Tab 17: Updated Signature Page Attached

If you have any questions or would like to request further information, please do not hesitate to contact us.

Sincerely,

Mike Fry-Director, Energy Services
mfry@keatax.com



Tab 1: Pages 1 through 11 of Application

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0
2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2019
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 2
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 a. Average weekly wage for all jobs (all industries) in the county is 715.50
 b. 110% of the average weekly wage for manufacturing jobs in the county is 513.43
 c. 110% of the average weekly wage for manufacturing jobs in the region is 928.10
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 48,261.40
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 48,261.40
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No
 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

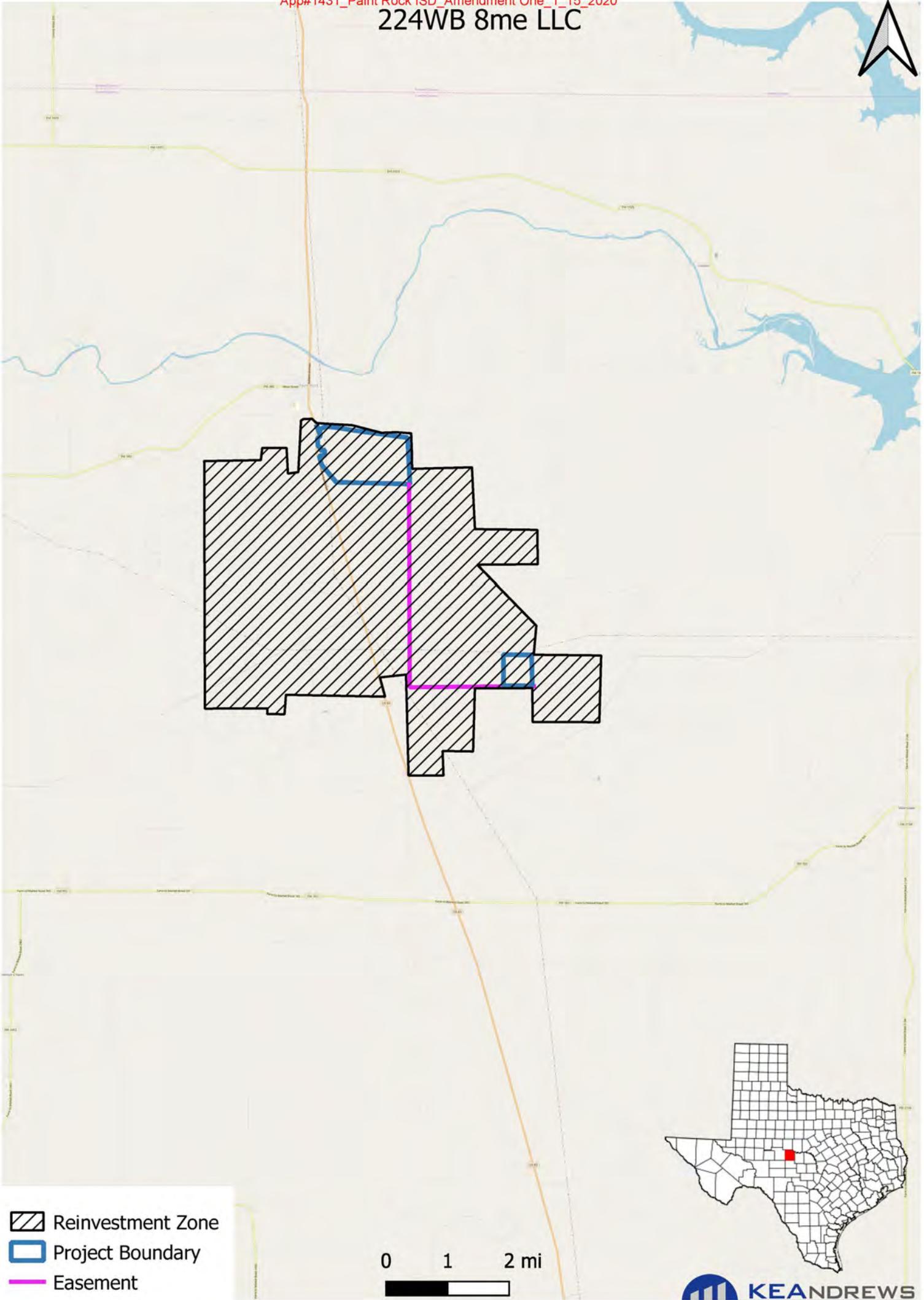
SECTION 15: Economic Impact

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



Tab 11: Maps

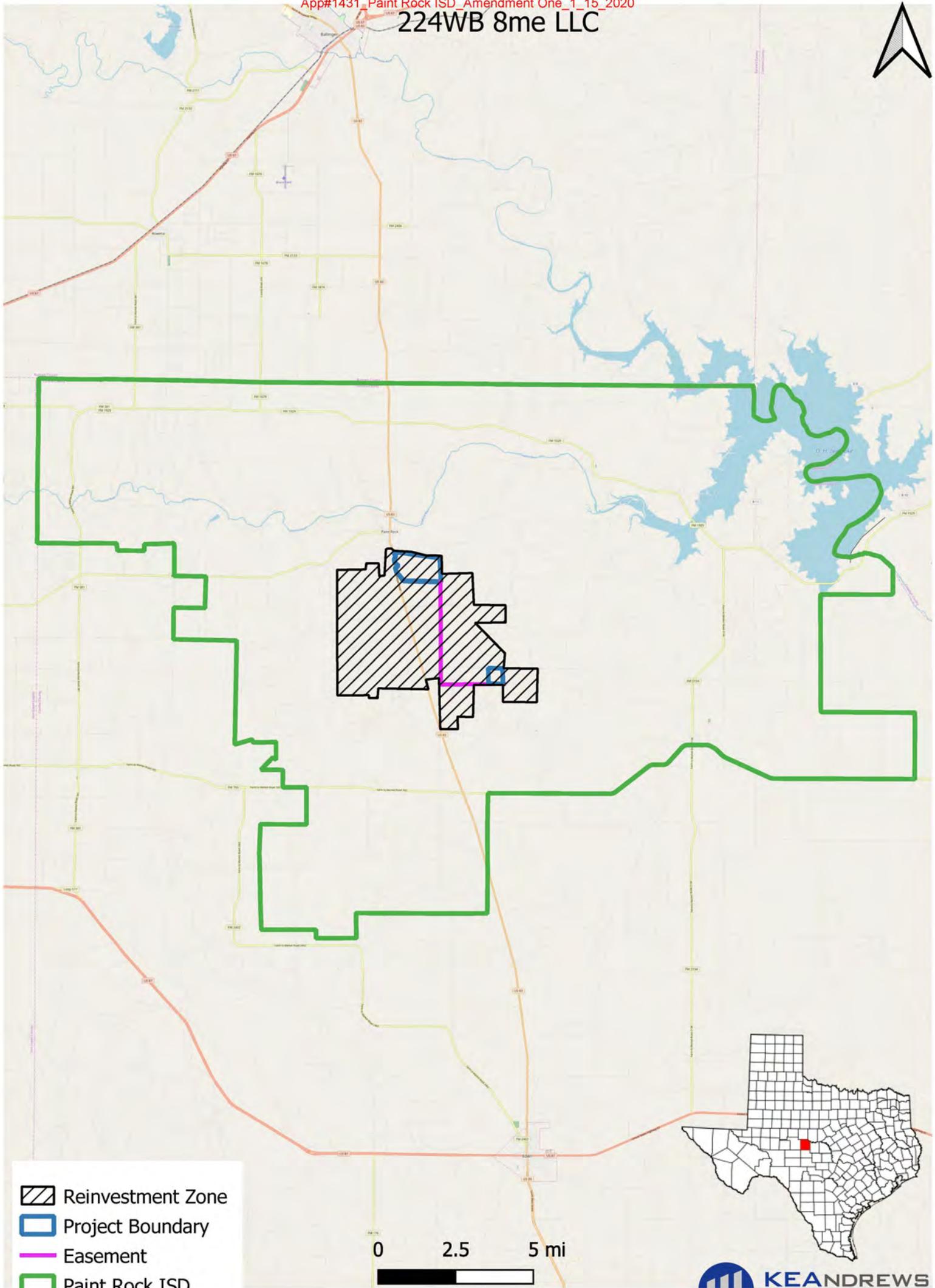
224WB 8me LLC



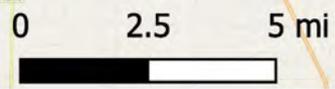
-  Reinvestment Zone
-  Project Boundary
-  Easement



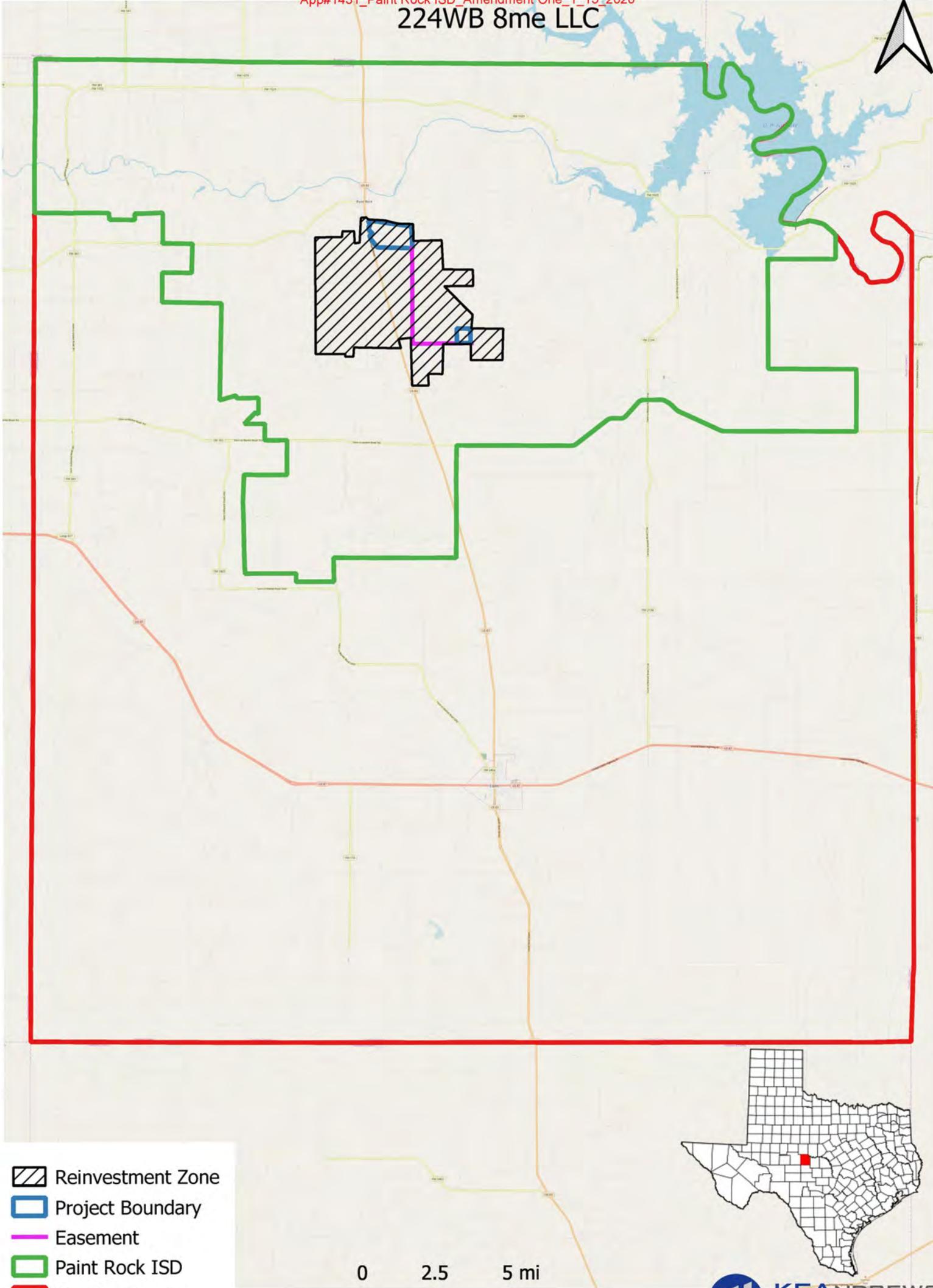
224WB 8me LLC



-  Reinvestment Zone
-  Project Boundary
-  Easement
-  Paint Rock ISD



224WB 8me LLC



-  Reinvestment Zone
-  Project Boundary
-  Easement
-  Paint Rock ISD
-  Concho County

0 2.5 5 mi





Tab 13: Calculation of Three Possible Wage Requirements and Supporting Information (if applicable)

Calculation 1: Concho County Average Weekly Wage: \$715.50

<i>Period</i>	<i>County</i>	<i>Industry</i>	<i>Average Weekly Wage</i>
<i>Q3 2018</i>	<i>Concho Co. Texas</i>	<i>All</i>	<i>\$705.00</i>
<i>Q4 2018</i>	<i>Concho Co. Texas</i>	<i>All</i>	<i>\$728.00</i>
<i>Q1 2019</i>	<i>Concho Co. Texas</i>	<i>All</i>	<i>\$728.00</i>
<i>Q2 2019</i>	<i>Concho Co. Texas</i>	<i>All</i>	<i>\$701.00</i>

Quarterly Census of Employment and Wages (QCEW) Report

Customize the report/Help with Accessibility

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

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2018	01	Concho	Total All	Total, All Industries	827
2018	02	Concho	Total All	Total, All Industries	665
2018	03	Concho	Total All	Total, All Industries	705
2018	04	Concho	Total All	Total, All Industries	728
2019	01	Concho	Total All	Total, All Industries	728
2019	02	Concho	Total All	Total, All Industries	701



Tab 16: Description of Reinvestment or Enterprise Zone

Attached.

**IN THE COMMISSIONERS COURT
OF
CONCHO COUNTY, TEXAS**

**RESOLUTION AND ORDER CREATING CONCHO COUNTY
REINVESTMENT ZONE No. 4-GALLOWAY, REVISED 2A and 2B**

WHEREAS, on the 10th day of July, 2018, the Commissioners Court of Concho County approved Tax Abatement Guidelines and Criteria pursuant to Chapter 312 of the Texas Tax Code, and

WHEREAS, on the 10th day of December, 2019, came on for consideration the Designation of a Reinvestment Zone pursuant to Chapter 312 of the Texas Tax Code, and

WHEREAS, attached to this Order are the following descriptive documents:

1. A description of the project and property to be contained within the Concho County Reinvestment Zone No. 4-Galloway, revised 2A and 2B, said description being incorporated herein by reference as Exhibit A.
2. A Map of the location within the County of Concho where said Reinvestment Zone No. 4-Galloway revised 2A and 2B tracts are located, incorporated herein by reference as Exhibit A.

The Application, Maps and Property Description attached to this Order are intended to more fully and accurately describe the geographic region included within the Reinvestment Zone to be known as Concho County Reinvestment Zone No. 4, revised 2A and 2B.

THEREFORE, BE IS RESOLVED that Concho County is eligible to participate in tax abatement pursuant to Chapter 312 of the Texas Tax Code; and

WHEREAS, prior to the creation of the Concho County Reinvestment Zone No. 4-Galloway II, revised 2A and 2B, the Commissioners Court made a determination that the application filed by 224WB 8me, LLC, meets the applicable guidelines and criteria adopted by the Commissioners Court, and that a tax abatement agreement between the County and 224WB 8me, LLC, would be in compliance with the established guidelines and criteria for tax abatement, and

WHEREAS, the Commissioners Court did conduct a public hearing, after due notice, as required by law, prior to the creation of a reinvestment zone, as required by Chapter 312 of the Texas Tax Code. After receiving public comment, the Commissioners Court hereby determined that the designation of the area as described herein as a reinvestment zone would contribute to the retention or expansion of primary employment in Concho County, Texas, and would contribute to the economic development of the County,

THEREFORE, PREMISES CONSIDERED, the Commissioners Court of Concho County, Texas does hereby create the Concho County Reinvestment Zone No. 4-Galloway II, as described more fully in the attachments to this Order, which are incorporated herein by reference and are to be filed in the minutes of the Commissioners Court with this Order.

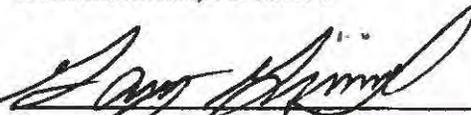
It is further ORDERED by the Commissioners Court that the County Judge is hereby authorized to execute, on behalf of Concho County, Texas, such documents as may be necessary to facilitate and implement this Order.

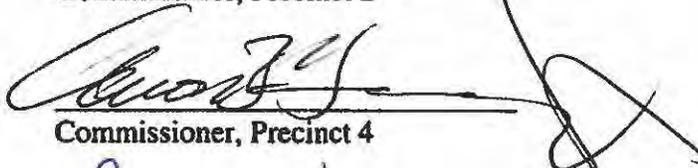
Dated: Adopted on December 10, 2019.


County Judge, Concho County, Texas


Commissioner, Precinct 1


Commissioner, Precinct 2


Commissioner, Precinct 3


Commissioner, Precinct 4

Attest:




County Clerk, Concho County, Texas



*Tab 17: Signature and Certification Page, Signed and Dated by
Authorized School District Representative and Authorized
Company Representative (applicant)*

SECTION 16. Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print here [Signature] Ronald Lee Clive Print Name (Authorized School District Representative) Superintendent Title 1/23/2020 Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here [Signature] Thomas Buttgenbach Print Name (Authorized Company Representative (Applicant)) President & CEO Title 01/16/20 Date

see attached (Notary Seal)

GIVEN under my hand and seal of office this, the day of Notary Public in and for the State of Texas My Commission expires: see attached

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of SAN FRANCISCO)

On JANUARY 16, 2020 before me, BRITTANY EDWARDS, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared THOMAS BUTTGENBACH
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document APP # 1431
Title or Type of Document: PAINT ROCK ISD Document Date: 01/15/20
Number of Pages: 12 Signer(s) Other Than Named Above: NONE

Capacity(ies) Claimed by Signer(s)

Signer's Name: THOMAS BUTTGENBACH Signer's Name: _____
 Corporate Officer — Title(s): CEO & PRESIDENT Corporate Officer — Title(s): _____
 Partner — Limited General Partner — Limited General
 Individual Attorney in Fact Individual Attorney in Fact
 Trustee Guardian or Conservator Trustee Guardian or Conservator
 Other: _____ Other: _____
Signer Is Representing: 8minute Solar Energy, LLC Signer Is Representing: _____

Attachment B

Franchise Tax Account Status



Franchise Tax Account Status

As of : 02/14/2020 08:42:34

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

224WB 8ME LLC

Texas Taxpayer Number 32070140028

Mailing Address 4370 TOWN CENTER BLVD STE 110 EL
DORADO HLS, CA 95762-7139

Right to Transact Business in Texas ACTIVE

State of Formation DE

Effective SOS Registration Date 03/21/2019

Texas SOS File Number 0803271189

Registered Agent Name COGENCY GLOBAL INC.

Registered Office Street Address 1601 ELM ST., SUITE 4360 DALLAS, TX 75201

Attachment C

State Comptroller's Certification



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

February 11, 2020

Ron Cline
Superintendent
Paint Rock Independent School District
PO Box 277
Paint Rock, Texas 76866

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Paint Rock Independent School District and 224WB 8me, LLC, Application 1431

Dear Superintendent Cline:

On February 11, 2020, the Comptroller issued written notice that 224WB 8me, LLC (applicant) submitted a completed application (Application 1431) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on September 9, 2019, to the Paint Rock Independent School District (school district) by the applicant.

This presents the results of the Comptroller's review of the application 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)

Sec. 313.024(a) Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b) Applicant is proposing to use the property for an eligible project.

¹ All Statutory references are to the Texas Tax Code, unless otherwise noted.

Sec. 313.024(d) Applicant has requested a waiver to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.

Sec. 313.024(d-2) Not applicable to Application 1431.

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.

Certificate 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'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 has 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, see Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

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 executing Amendment No. 1 for application 1344 - 225DD 8me, LLC prior to approving and executing the agreement by December 31, 2020.

Note that any building or improvement existing as of the application review start date of February 11, 2020, or any tangible personal property placed in service prior to that date

may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

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

Sincerely,

A handwritten signature in cursive script that reads "Lisa Craven".

Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of 224WB 8me LLC (project) applying to Paint Rock 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 224WB 8me LLC.

Applicant	224WB 8me LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Solar
School District	Paint Rock ISD
2018-2019 Average Daily Attendance	459
County	Concho
Proposed Total Investment in District	\$100,500,000
Proposed Qualified Investment	\$100,500,000
Limitation Amount	\$20,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	2*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$928
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$928
Minimum annual wage committed to by applicant for qualified jobs	\$48,261
Minimum weekly wage required for non-qualifying jobs	\$716
Minimum annual wage required for non-qualifying jobs	\$37,207
Investment per Qualifying Job	\$50,250,000
Estimated M&O levy without any limit (15 years)	\$6,925,620
Estimated M&O levy with Limitation (15 years)	\$3,136,640
Estimated gross M&O tax benefit (15 years)	\$3,788,980

* 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 224WB 8me LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2021	300	360	660	\$14,478,420	\$34,259,580	\$48,738,000
2022	2	30	32.387	\$96,523	\$5,874,477	\$5,971,000
2023	2	19	21	\$96,523	\$4,118,477	\$4,215,000
2024	2	2	4	\$96,523	\$2,179,477	\$2,276,000
2025	2	(7)	-5	\$96,523	\$1,000,477	\$1,097,000
2026	2	(10)	-8	\$96,523	\$353,477	\$450,000
2027	2	(9)	-7	\$96,523	\$67,477	\$164,000
2028	2	(7)	-5	\$96,523	\$39,477	\$136,000
2029	2	(4)	-2	\$96,523	\$152,477	\$249,000
2030	2	(2)	0	\$96,523	\$330,477	\$427,000
2031	2	1	3	\$96,523	\$552,477	\$649,000
2032	2	3	5	\$96,523	\$772,477	\$869,000
2033	2	5	7	\$96,523	\$966,477	\$1,063,000
2034	2	6	8	\$96,523	\$1,125,477	\$1,222,000
2035	2	6	8	\$96,523	\$1,242,477	\$1,339,000
2036	2	6	8	\$96,523	\$1,312,477	\$1,409,000

Source: CPA REMI, 224WB 8me 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*	Paint Rock ISD I&S Tax Levy	Paint Rock ISD M&O Tax Levy	Paint Rock ISD M&O and I&S Tax Levies	Concho County Tax Levy	Concho County Hospital District Tax Levy	Lipan-Kickapoo Water District Tax Levy	Estimated Total Property Taxes
			0.2700	0.2700	1.0400		0.9013	0.2750	0.0103	
2022	\$100,500,000	\$100,500,000		\$271,350	\$1,045,200	\$1,316,550	\$905,792	\$276,375	\$10,352	\$2,509,069
2023	\$90,485,000	\$90,485,000		\$244,310	\$941,044	\$1,185,354	\$815,529	\$248,834	\$9,320	\$2,259,036
2024	\$80,470,000	\$80,470,000		\$217,269	\$836,888	\$1,054,157	\$725,265	\$221,293	\$8,288	\$2,009,003
2025	\$70,455,000	\$70,455,000		\$190,229	\$732,732	\$922,961	\$635,001	\$193,751	\$7,257	\$1,758,970
2026	\$60,440,000	\$60,440,000		\$163,188	\$628,576	\$791,764	\$544,737	\$166,210	\$6,225	\$1,508,937
2027	\$50,425,000	\$50,425,000		\$136,148	\$524,420	\$660,568	\$454,473	\$138,669	\$5,194	\$1,258,903
2028	\$40,410,000	\$40,410,000		\$109,107	\$420,264	\$529,371	\$364,210	\$111,128	\$4,162	\$1,008,870
2029	\$30,395,000	\$30,395,000		\$82,067	\$316,108	\$398,175	\$273,946	\$83,586	\$3,131	\$758,837
2030	\$20,380,000	\$20,380,000		\$55,026	\$211,952	\$266,978	\$183,682	\$56,045	\$2,099	\$508,804
2031	\$20,365,000	\$20,365,000		\$54,986	\$211,796	\$266,782	\$183,547	\$56,004	\$2,098	\$508,430
2032	\$20,350,000	\$20,350,000		\$54,945	\$211,640	\$266,585	\$183,412	\$55,963	\$2,096	\$508,055
2033	\$20,335,000	\$20,335,000		\$54,905	\$211,484	\$266,389	\$183,277	\$55,921	\$2,095	\$507,681
2034	\$20,320,000	\$20,320,000		\$54,864	\$211,328	\$266,192	\$183,141	\$55,880	\$2,093	\$507,306
2035	\$20,305,000	\$20,305,000		\$54,824	\$211,172	\$265,996	\$183,006	\$55,839	\$2,091	\$506,932
2036	\$20,290,000	\$20,290,000		\$54,783	\$211,016	\$265,799	\$182,871	\$55,798	\$2,090	\$506,557
			Total	\$1,797,998	\$6,925,620	\$8,723,618	\$6,001,889	\$1,831,294	\$68,590	\$16,625,390

Source: CPA, 224WB 8me LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Concho County, 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 and Concho County Hospital District.

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*	Paint Rock ISD I&S Tax Levy	Paint Rock ISD M&O Tax Levy	Paint Rock ISD M&O and I&S Tax Levies	Concho County Tax Levy	Concho County Hospital District Tax Levy	Lipan-Kickapoo Water District Tax Levy	Estimated Total Property Taxes
				0.2700	1.0400		0.9013	0.2750	0.0103	
2022	\$100,500,000	\$20,000,000		\$271,350	\$208,000	\$479,350	\$181,158	\$55,275	\$10,352	\$726,135
2023	\$90,485,000	\$20,000,000		\$244,310	\$208,000	\$452,310	\$163,106	\$49,767	\$9,320	\$674,502
2024	\$80,470,000	\$20,000,000		\$217,269	\$208,000	\$425,269	\$145,053	\$44,259	\$8,288	\$622,869
2025	\$70,455,000	\$20,000,000		\$190,229	\$208,000	\$398,229	\$127,000	\$38,750	\$7,257	\$571,236
2026	\$60,440,000	\$20,000,000		\$163,188	\$208,000	\$371,188	\$108,947	\$33,242	\$6,225	\$519,603
2027	\$50,425,000	\$20,000,000		\$136,148	\$208,000	\$344,148	\$90,895	\$27,734	\$5,194	\$467,970
2028	\$40,410,000	\$20,000,000		\$109,107	\$208,000	\$317,107	\$72,842	\$22,226	\$4,162	\$416,337
2029	\$30,395,000	\$20,000,000		\$82,067	\$208,000	\$290,067	\$54,789	\$16,717	\$3,131	\$364,704
2030	\$20,380,000	\$20,000,000		\$55,026	\$208,000	\$263,026	\$36,736	\$11,209	\$2,099	\$313,071
2031	\$20,365,000	\$20,000,000		\$54,986	\$208,000	\$262,986	\$36,709	\$11,201	\$2,098	\$312,993
2032	\$20,350,000	\$20,350,000		\$54,945	\$211,640	\$266,585	\$183,412	\$55,963	\$2,096	\$508,055
2033	\$20,335,000	\$20,335,000		\$54,905	\$211,484	\$266,389	\$183,277	\$55,921	\$2,095	\$507,681
2034	\$20,320,000	\$20,320,000		\$54,864	\$211,328	\$266,192	\$183,141	\$55,880	\$2,093	\$507,306
2035	\$20,305,000	\$20,305,000		\$54,824	\$211,172	\$265,996	\$183,006	\$55,839	\$2,091	\$506,932
2036	\$20,290,000	\$20,290,000		\$54,783	\$211,016	\$265,799	\$182,871	\$55,798	\$2,090	\$506,557
			Total	\$1,797,998	\$3,136,640	\$4,934,638	\$1,932,943	\$589,779	\$68,590	\$7,525,950
			Diff	\$0	\$3,788,980	\$3,788,980	\$4,068,946	\$1,241,515	\$0	\$9,099,441

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, 224WB 8me 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.

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller’s determination that 224WB 8me 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 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)
Limitation Pre-Years	2019	\$0	\$0	\$0	\$0
	2020	\$0	\$0	\$0	\$0
	2021	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2022	\$208,000	\$208,000	\$837,200	\$837,200
	2023	\$208,000	\$416,000	\$733,044	\$1,570,244
	2024	\$208,000	\$624,000	\$628,888	\$2,199,132
	2025	\$208,000	\$832,000	\$524,732	\$2,723,864
	2026	\$208,000	\$1,040,000	\$420,576	\$3,144,440
	2027	\$208,000	\$1,248,000	\$316,420	\$3,460,860
	2028	\$208,000	\$1,456,000	\$212,264	\$3,673,124
	2029	\$208,000	\$1,664,000	\$108,108	\$3,781,232
	2030	\$208,000	\$1,872,000	\$3,952	\$3,785,184
	2031	\$208,000	\$2,080,000	\$3,796	\$3,788,980
Maintain Viable Presence (5 Years)	2032	\$211,640	\$2,291,640	\$0	\$3,788,980
	2033	\$211,484	\$2,503,124	\$0	\$3,788,980
	2034	\$211,328	\$2,714,452	\$0	\$3,788,980
	2035	\$211,172	\$2,925,624	\$0	\$3,788,980
	2036	\$211,016	\$3,136,640	\$0	\$3,788,980
Additional Years as Required by 313.026(c)(1) (10 Years)	2037	\$210,860	\$3,347,500	\$0	\$3,788,980
	2038	\$210,704	\$3,558,204	\$0	\$3,788,980
	2039	\$210,548	\$3,768,752	\$0	\$3,788,980
	2040	\$210,392	\$3,979,144	\$0	\$3,788,980
	2041	\$210,236	\$4,189,380	\$0	\$3,788,980
	2042	\$210,080	\$4,399,460	\$0	\$3,788,980
	2043	\$209,924	\$4,609,384	\$0	\$3,788,980
	2044	\$209,768	\$4,819,152	\$0	\$3,788,980
	2045	\$209,612	\$5,028,764	\$0	\$3,788,980
	2046	\$209,456	\$5,238,220	\$0	\$3,788,980

\$5,238,220

is greater than

\$3,788,980

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
---	-----

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, 224WB 8me LLC

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.

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines 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.” This represents the basis for the Comptroller's determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller has determined that the limitation on appraised value is a determining factor in the 224WB 8me LLC's decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Per 224WB 8me LLC in Tab 4 of their Application for a Limitation on Appraised Value:
 - A. 224WB 8me LLC has applied to the Electric Reliability Council of Texas and was assigned IGNR #191NR0003 on June 23, 2016. Please note this project is not known by any other names.
- Per 224WB 8me LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - B. “Currently, 8minute Solar Energy is considering a variety of other locations for 224WB 8me LLC but believes Concho County, Texas, would be an ideal location for this solar facility. Due to the national footprint of 8minute Solar Energy, there are locations across the world and other parts of the United States being evaluated for the establishment of this solar facility. In the event a 313 agreement is not permitted, 8minute Solar Energy will relocate 224WB 8me LLC to another area more financially viable for the continuation of this project. Additional sites being evaluated for the establishment of this facility include locations throughout Oklahoma where 8minute Solar Energy is actively developing and managing additional projects. Failure to reach a 313 value-limitation agreement would unfortunately dismiss Paint Rock ISD and Concho County from receiving the economic benefits associated with the development of a solar facility within their county. Therefore, it is our goal to reach a 313 value-limitation agreement for 224WB 8me LLC for the benefit of all parties.”
 - C. “224WB 8me LLC is a solar energy project managed by 8minute Solar Energy. Their mission is to make solar energy abundant and be a leader in lowering the cost of dispatchable solar PV. 8minute Solar Energy is a privately held company focused on producing reliable solar energy with consistent long-term pricing with over 7,500 MW under development, 8minute Solar Energy is eager to continue their development of projects within the United States. Their team of experienced professionals are committed to building quality stakeholder relationships in the communities they choose to invest.”
 - D. “8minute Solar Energy is the United States' largest independent solar PV and energy storage developer. Many of the nation's largest and most recognizable solar PV projects have been

developed by 8minute Solar Energy, including Mount Signal Solar Farm in California, one of the world's largest solar facility."

- E. "Not only 8minute Solar Energy, but all prudent energy developers know tax incentives play an important role in attracting capital intensive facilities due to the high property tax burden in Texas. Ultimately, the decision to invest in Texas, or any other state, requires any capital investment by 8minute Solar Energy to be based on expected economic return on their investment. With property tax liabilities composing a substantial ongoing cost of operation that directly impacts the rate of return on the investment, without the 313 Value Limitation tax incentive, the economics of this project could be less competitive with other capital- intensive projects and the viability of the proposed project becomes uncertain. 8minute Solar Energy evaluates the economic viability of proposed projects through comparing the proposed project's rate of return with the Chapter 313 appraised value limitation agreement and without the value limitation agreement."
- F. "To move forward, the rate of return with the valuation limitation agreement, must exceed the minimum rate of return required to proceed with the proposed investment. Therefore, receiving a value limitation agreement under Chapter 313 results in significant annual operating cost savings and incentivizes 8minute Solar Energy to invest capital in the proposed project rather than making an alternative investment. This make the ability to enter into a Chapter 313 appraised value limitation agreement with the school district "the determining factor" to invest in this project."
- According to Paint Rock ISD Regular Board meeting dated September 9, 2019, "Discussion and possible Board action to accept the Application of 224WB 8me LLC for an Appraised Value Limitation on Qualified Property; authorize the Superintendent to review the Application for completeness and submit to the Comptroller; and authorize the Superintendent to enter into any agreement to extend the deadline for Board action beyond 150 days subject to Board ratification."

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
- c) Additional information provided by the Applicant or located by the Comptroller

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.

Supporting Information

**Section 8 of the Application for
a Limitation on Appraised Value**

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

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

SECTION 8: Limitation as Determining Factor

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

Chapter 313.025(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

Supporting Information

**Attachments provided in Tab 5
of the Application for a
Limitation on Appraised Value**



Tab 5

Limitation as a Determining Factor

Currently, 8minute Solar Energy is considering a variety of other locations for 224WB 8me LLC but believes Concho County, Texas, would be an ideal location for this solar facility. Due to the national footprint of 8minute Solar Energy, there are locations across the world and other parts of the United States being evaluated for the establishment of this solar facility. In the event a 313 agreement is not permitted, 8minute Solar Energy will relocate 224WB 8me LLC to another area more financially viable for the continuation of this project. Additional sites being evaluated for the establishment of this facility include locations throughout Oklahoma where 8minute Solar Energy is actively developing and managing additional projects. Failure to reach a 313 value-limitation agreement would unfortunately dismiss Paint Rock ISD and Concho County from receiving the economic benefits associated with the development of a solar facility within their county. Therefore, it is our goal to reach a 313 value-limitation agreement for 224WB 8me LLC for the benefit of all parties.

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Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

Regular MEETING
Monday, September 9, 2019
6:00 P.M.
PRISD Cafeteria inside
Bill May Memorial Gym and Cafeteria
698 S. Sims
Paint Rock, Texas 76866

BOARD AGENDA
Board of Trustees
Paint Rock Independent School District

- I. Call to Order and Establish Quorum
- II. Invocation
- III. Pledge of Allegiance
 - A. United States and Texas
- IV. Public Comments

Limited to a maximum of 5 minutes per individual. Individuals desiring to speak must sign-in and list the topic(s) they wish to address. Persons addressing complaints should take those through the district's grievance process rather than address the board directly until the grievance has run its course through Level III. All personnel and student discipline matters should go through the grievance process.
- V. Presentation:
 - A. PRISD Cheerleaders & Sponsor
- VI. Public Hearing:
 - A. Public Hearing on the Application of 225DD 8me LLC (Comptroller Application No: 1344) for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Property Tax Code.
- VII. Information Items/Superintendent's Report
 - A. Up-coming School Board trainings
 - i. Legislative Update Training @ ESC 15 – September 11, 2019
 - ii. TASA/TASB Convention in Dallas- September 20-22, 2019
 - B. Update on solar farm proposals
 - i. Galloway I by 8 minute
 - ii. Galloway II by 8 minute
 - iii. Painted Rocks I by Savion
 - iv. Painted Rocks II by Savion
 - v. Sun Dagger
 - vi. West of Eden
 - C. PRISD Organizational Chart for 2019-2020
- VIII. Consent Agenda
 - A. Approve Agenda
 - B. Approve Minutes of Previous Meetings
 - C. Approve Financial Report and Pay Bills

- D. Approve Quarterly Investment Report
- E. Approve Budget Amendments, if any
- F. Accept Donations, if any

IX. Discuss and Vote On Items Removed from Consent Agenda

X. Action Items

- A. Discussion and possible board action to ratify extension request for the approval of pending application 225DD 8me LLC Texas Comptroller File (No. 1344), for Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.
- B. Consider and adopt Findings under the Texas Economic Development Act on the Application of 225DD 8me LLC, Comptroller Application No: 1344, for an Appraised Value Limitation on Qualified Property for School District Maintenance and Operations Taxes
- C. Discussion and possible Board action to consider the waiver of job creation requirement requested by 225DD 8me LLC.
- D. Consider and approve Agreement with 225DD 8me LLC, Comptroller Application No: 1344, for an Appraised Value Limitation on Qualified Property for School District Maintenance and Operations Taxes, pursuant to Chapter 313 of the Texas Tax Code.
- E. Discussion and possible Board action to accept the Application of 224WB 8me LLC for an Appraised Value Limitation on Qualified Property; authorize the Superintendent to review the Application for completeness and submit to the Comptroller; and authorize the Superintendent to enter into any agreement to extend the deadline for Board action beyond 150 days subject to Board ratification.
- F. Discussion and possible Board action to retain consultants to assist the District in processing of Application for Appraised Value Limitation on Qualified Property from 224WB 8me LLC.
- G. Discussion and possible board action allowing members of the PRISD Cheerleaders and/or Mascot to travel across state and/or national borders.
- H. Discussion and possible board action in funding all or part of trips by PRISD Cheerleader(s) and/or Mascot to attend and participate in national/international cheerleading/mascot events.
- I. Discussion and possible board action on bid to re-key school locks, doors, . . . on campus.
- J. Discussion and possible board action on the bid to refinish the old gym floors and clean the bricks in the old gym
- K. School Board Self-Assessment Activities & Discussion (Closed Session)
- L. Discuss Legal matters with School Attorney (Closed Session)
- M. Discuss Real Estate matters with Superintendent (Closed Session)
- N. Personnel (Closed Session)
 - i. Personnel matters brought to the school board by the Superintendent
 - ii. Accept resignations
 - iii. Hire personnel
- O. Act on matters discussed in Closed Session

XI. Upcoming Activities/Events

- A. Legislative Update Training for School Boards – 6pm, Wednesday, September 11, 2019
- B. TASA/TASB Convention in Dallas- September 20-22, 2019

XII. Adjourn

NOTE * Any of these items, where appropriate, may become action items at the board's discretion. If, during the course of the meeting, discussion of any items on the agenda should be held in a closed meeting, the board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas government code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of that act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting. This notice was posted in compliance with the Texas Open Meetings Act at 1:30pm on Friday, September 6, 2019.

X

Ronald Lee Cline, Superintendent
for the PRISD Board of Trustees

Attachment D

Summary of Financial Impact

**CHAPTER 313 PROPERTY VALUE LIMITATION
FINANCIAL IMPACT OF THE PROPOSED
224WB 8ME LLC PROJECT IN THE PAINT ROCK
INDEPENDENT SCHOOL DISTRICT
(PROJECT # 1431)**

PREPARED BY



FEBRUARY 13, 2020

Executive Summary

224WB 8me LLC (Company) has requested that the Paint Rock Independent School District (PRISD) 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 PRISD on September 9, 2019 the Company plans to invest \$100.5 million to construct a renewable 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 224WB 8me 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, PRISD may offer a minimum value limitation of \$20 million. This value limitation, under the proposed application, will begin in the 2022-23 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 PRISD	\$1.1 million
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$2.7 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. A Completeness Letter was issued for this application on February 11, 2020.

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. Based on an expedited review that resulted from some technical issues that were resolved with the Application, the Certificate was also issued on February 11, 2020.

O'Hanlon, Demerath & Castillo (ODC) has contact the school district to discuss the value limitation agreement and undertook negotiations of the supplemental benefit payment with the Company. A final version of the agreement has been 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, ODC 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 PRISD, 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 with regard to 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:	214
Local M&O Tax Base	\$89.5 million
2019-20 M&O Tax Rate:	\$1.0618 per \$100 of Taxable Value
2020-21 Projected M&O Tax Rate:	\$1.0484 per \$100 of Taxable Value
I&S Tax Rate:	\$0.2700 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 224WB 8me 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
QTP0	2020-21	214.18	422.99	\$1.0484	\$0.2700	\$75,268,434	\$75,268,434	\$177,942	\$177,942
QTP1	2021-22	214.18	422.99	\$1.0484	\$0.2700	\$75,268,434	\$75,268,434	\$177,942	\$177,942
QTP2/VL1	2022-23	214.18	422.99	\$1.0484	\$0.2700	\$95,268,434	\$95,268,434	\$225,224	\$225,224
VL2	2023-24	214.18	422.99	\$1.0484	\$0.2700	\$195,768,434	\$115,268,434	\$462,816	\$272,506
VL3	2024-25	214.18	422.99	\$1.0484	\$0.2700	\$185,753,434	\$115,268,434	\$439,140	\$272,506
VL4	2025-26	214.18	422.99	\$1.0484	\$0.2700	\$175,738,434	\$115,268,434	\$415,463	\$272,506
VL5	2026-27	214.18	422.99	\$1.0484	\$0.2700	\$165,723,434	\$115,268,434	\$391,787	\$272,506
VL6	2027-28	214.18	422.99	\$1.0484	\$0.2700	\$155,708,434	\$115,268,434	\$368,110	\$272,506
VL7	2028-29	214.18	422.99	\$1.0484	\$0.2700	\$145,693,434	\$115,268,434	\$344,434	\$272,506
VL8	2029-30	214.18	422.99	\$1.0484	\$0.2700	\$135,678,434	\$115,268,434	\$320,757	\$272,506
VL9	2030-31	214.18	422.99	\$1.0484	\$0.2700	\$125,663,434	\$115,268,434	\$297,081	\$272,506
VL10	2031-32	214.18	422.99	\$1.0484	\$0.2700	\$115,648,434	\$115,268,434	\$273,404	\$272,506
VP1	2032-33	214.18	422.99	\$1.0484	\$0.2700	\$137,398,434	\$137,033,434	\$324,824	\$323,961
VP2	2033-34	214.18	422.99	\$1.0484	\$0.2700	\$137,368,434	\$137,368,434	\$324,753	\$324,753
VP3	2034-35	214.18	422.99	\$1.0484	\$0.2700	\$137,338,434	\$137,338,434	\$324,682	\$324,682
VP4	2035-36	214.18	422.99	\$1.0484	\$0.2700	\$137,308,434	\$137,308,434	\$324,611	\$324,611
VP5	2036-37	214.18	422.99	\$1.0484	\$0.2700	\$137,278,434	\$137,278,434	\$324,540	\$324,540

*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 224WB 8me Project on PRISD

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 \$20 million to the model. The difference between the two models (Table 4) indicates there will be a total revenue loss of \$1,111,045 over the course of the Agreement, with nearly all the loss reflected in the first limitation year (2022-23).

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
QTP0	2020-21	\$718,834	\$2,010,735	\$0	\$103,427	\$356,842	\$0	\$0	\$3,189,838
QTP1	2021-22	\$898,467	\$2,010,735	\$0	\$129,272	\$446,015	\$0	\$0	\$3,484,489
QTP2/VL1	2022-23	\$1,815,882	\$1,827,435	\$0	\$261,271	\$657,323	\$0	\$0	\$4,561,911
VL2	2023-24	\$1,724,095	\$906,355	\$0	\$248,065	\$176,368	\$0	\$0	\$3,054,883
VL3	2024-25	\$1,632,307	\$998,142	\$0	\$234,858	\$188,573	\$0	\$0	\$3,053,880
VL4	2025-26	\$1,540,520	\$1,089,929	\$0	\$221,652	\$200,717	\$0	\$0	\$3,052,818
VL5	2026-27	\$1,448,733	\$1,181,716	\$0	\$208,445	\$212,800	\$0	\$0	\$3,051,694
VL6	2027-28	\$1,356,945	\$1,273,504	\$0	\$195,239	\$224,772	\$0	\$0	\$3,050,460
VL7	2028-29	\$1,265,158	\$1,365,291	\$0	\$182,032	\$236,391	\$0	\$0	\$3,048,872
VL8	2029-30	\$1,173,371	\$1,457,078	\$0	\$168,826	\$247,911	\$0	\$0	\$3,047,186
VL9	2030-31	\$1,081,584	\$1,548,866	\$0	\$155,619	\$259,039	\$0	\$0	\$3,045,108
VL10	2031-32	\$1,276,932	\$1,640,653	\$0	\$183,727	\$348,411	\$0	\$0	\$3,449,723
VP1	2032-33	\$1,276,596	\$1,441,315	\$0	\$183,678	\$264,051	\$0	\$0	\$3,165,640
VP2	2033-34	\$1,276,327	\$1,441,589	\$0	\$183,639	\$264,091	\$0	\$0	\$3,165,646
VP3	2034-35	\$1,276,057	\$1,441,864	\$0	\$183,600	\$264,132	\$0	\$0	\$3,165,653
VP4	2035-36	\$1,275,788	\$1,442,139	\$0	\$183,562	\$264,172	\$0	\$0	\$3,165,661
VP5	2036-37	\$1,275,922	\$1,442,414	\$0	\$183,582	\$264,212	\$0	\$0	\$3,166,130

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 \$3.8 million over the life of the agreement. The PRISD revenue losses are expected to total approximately \$1.1 million. The total potential net tax benefits (after hold-harmless payments are made) are estimated to total \$2.7 million, prior to any negotiations with 224WB 8me on supplemental payments. (See Table 5.)

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 @		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
		Compressed Rate	State Aid						
QTP0	2020-21	\$718,834	\$2,010,735	\$0	\$103,427	\$356,842	\$0	\$0	\$3,189,838
QTP1	2021-22	\$898,467	\$2,010,735	\$0	\$129,272	\$446,015	\$0	\$0	\$3,484,489
QTP2/VL1	2022-23	\$1,078,101	\$1,827,435	\$0	\$155,118	\$390,212	\$0	\$0	\$3,450,866
VL2	2023-24	\$1,078,101	\$1,644,136	\$0	\$155,118	\$295,428	\$0	\$0	\$3,172,783
VL3	2024-25	\$1,078,101	\$1,644,136	\$0	\$155,118	\$295,428	\$0	\$0	\$3,172,783
VL4	2025-26	\$1,078,101	\$1,644,136	\$0	\$155,118	\$295,428	\$0	\$0	\$3,172,783
VL5	2026-27	\$1,078,101	\$1,644,136	\$0	\$155,118	\$295,428	\$0	\$0	\$3,172,783
VL6	2027-28	\$1,078,101	\$1,644,136	\$0	\$155,118	\$295,428	\$0	\$0	\$3,172,783
VL7	2028-29	\$1,078,101	\$1,644,136	\$0	\$155,118	\$295,428	\$0	\$0	\$3,172,783
VL8	2029-30	\$1,078,101	\$1,644,136	\$0	\$155,118	\$295,428	\$0	\$0	\$3,172,783
VL9	2030-31	\$1,078,101	\$1,644,136	\$0	\$155,118	\$295,428	\$0	\$0	\$3,172,783
VL10	2031-32	\$1,273,587	\$1,644,136	\$0	\$183,245	\$349,014	\$0	\$0	\$3,449,982
VP1	2032-33	\$1,276,596	\$1,444,660	\$0	\$183,678	\$265,171	\$0	\$0	\$3,170,105
VP2	2033-34	\$1,276,327	\$1,441,589	\$0	\$183,639	\$264,091	\$0	\$0	\$3,165,646
VP3	2034-35	\$1,276,057	\$1,441,864	\$0	\$183,600	\$264,132	\$0	\$0	\$3,165,653
VP4	2035-36	\$1,275,788	\$1,442,139	\$0	\$183,562	\$264,172	\$0	\$0	\$3,165,661
VP5	2036-37	\$1,275,922	\$1,442,414	\$0	\$183,582	\$264,212	\$0	\$0	\$3,166,130

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 @		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
		Compressed Rate	State Aid						
QTP0	2020-21	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP1	2021-22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP2/VL1	2022-23	-\$737,781	\$0	\$0	-\$106,153	-\$267,111	\$0	\$0	-\$1,111,045
VL2	2023-24	-\$645,994	\$737,781	\$0	-\$92,947	\$119,060	\$0	\$0	\$117,900
VL3	2024-25	-\$554,206	\$645,994	\$0	-\$79,740	\$106,855	\$0	\$0	\$118,903
VL4	2025-26	-\$462,419	\$554,207	\$0	-\$66,534	\$94,711	\$0	\$0	\$119,965
VL5	2026-27	-\$370,632	\$462,420	\$0	-\$53,327	\$82,628	\$0	\$0	\$121,089
VL6	2027-28	-\$278,844	\$370,632	\$0	-\$40,121	\$70,656	\$0	\$0	\$122,323
VL7	2028-29	-\$187,057	\$278,845	\$0	-\$26,914	\$59,037	\$0	\$0	\$123,911
VL8	2029-30	-\$95,270	\$187,058	\$0	-\$13,708	\$47,517	\$0	\$0	\$125,597
VL9	2030-31	-\$3,483	\$95,270	\$0	-\$501	\$36,389	\$0	\$0	\$127,675
VL10	2031-32	-\$3,345	\$3,483	\$0	-\$482	\$603	\$0	\$0	\$259
VP1	2032-33	\$0	\$3,345	\$0	\$0	\$1,120	\$0	\$0	\$4,465
VP2	2033-34	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP3	2034-35	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP4	2035-36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP5	2036-37	\$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 224WB 8me Project Property Value Limitation Request Submitted to PRISD at \$1.04837 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	Tax Savings to Company	School District Revenue Protection	Estimated Net Tax Benefits
QTP0	2020-21	\$0	\$0	\$1.04837	\$0	\$0	\$0
QTP1	2021-22	\$0	\$0	\$1.04837	\$0	\$0	\$0
QTP2/VL1	2022-23	\$100,500,000	\$20,000,000	\$1.04837	\$843,934	-\$1,111,045	-\$267,111
VL2	2023-24	\$90,485,000	\$20,000,000	\$1.04837	\$738,940	\$0	\$738,940
VL3	2024-25	\$80,470,000	\$20,000,000	\$1.04837	\$633,946	\$0	\$633,946
VL4	2025-26	\$70,455,000	\$20,000,000	\$1.04837	\$528,953	\$0	\$528,953
VL5	2026-27	\$60,440,000	\$20,000,000	\$1.04837	\$423,959	\$0	\$423,959
VL6	2027-28	\$50,425,000	\$20,000,000	\$1.04837	\$318,965	\$0	\$318,965
VL7	2028-29	\$40,410,000	\$20,000,000	\$1.04837	\$213,971	\$0	\$213,971
VL8	2029-30	\$30,395,000	\$20,000,000	\$1.04837	\$108,978	\$0	\$108,978
VL9	2030-31	\$20,380,000	\$20,000,000	\$1.04837	\$3,984	\$0	\$3,984
VL10	2031-32	\$20,365,000	\$20,000,000	\$1.04837	\$3,827	\$0	\$3,827
VP1	2032-33	\$20,350,000	\$20,350,000	\$1.04837	\$0	\$0	\$0
VP2	2033-34	\$20,335,000	\$20,335,000	\$1.04837	\$0	\$0	\$0
VP3	2034-35	\$20,320,000	\$20,320,000	\$1.04837	\$0	\$0	\$0
VP4	2035-36	\$20,305,000	\$20,305,000	\$1.04837	\$0	\$0	\$0
VP5	2036-37	\$20,335,000	\$20,335,000	\$1.04837	\$0	\$0	\$0
\$3,819,456						-\$1,111,045	\$2,708,411

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 PRISD currently levying a \$0.27 per \$100 I&S rate. As shown in the Table 6 below, local taxpayers should benefit from the addition of the 224WB 8me project to the local I&S tax roll. Our initial analysis indicates that PRISD is eligible for little or no state facilities assistance under current law prior to the proposed project. As a result, local taxpayers should benefit from the expanded I&S tax base, 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 224WB 8me Project Property Value Limitation Request on PRISD 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
QTP0	2020-21	\$0.2700	\$77,836,237	\$210,158	\$0	\$0.270000	\$0.0000
QTP1	2021-22	\$0.2700	\$77,836,237	\$210,158	\$0	\$0.270000	\$0.0000
QTP2/VL1	2022-23	\$0.2700	\$77,836,237	\$210,158	\$100,500,000	\$0.117844	-\$0.1522
VL2	2023-24	\$0.2700	\$77,836,237	\$210,158	\$90,485,000	\$0.124855	-\$0.1451
VL3	2024-25	\$0.2700	\$77,836,237	\$210,158	\$80,470,000	\$0.132754	-\$0.1372
VL4	2025-26	\$0.2700	\$77,836,237	\$210,158	\$70,455,000	\$0.141720	-\$0.1283
VL5	2026-27	\$0.2700	\$77,836,237	\$210,158	\$60,440,000	\$0.151984	-\$0.1180
VL6	2027-28	\$0.2700	\$77,836,237	\$210,158	\$50,425,000	\$0.163851	-\$0.1061
VL7	2028-29	\$0.2700	\$77,836,237	\$210,158	\$40,410,000	\$0.177729	-\$0.0923
VL8	2029-30	\$0.2700	\$77,836,237	\$210,158	\$30,395,000	\$0.194175	-\$0.0758
VL9	2030-31	\$0.2700	\$77,836,237	\$210,158	\$20,380,000	\$0.213975	-\$0.0560
VL10	2031-32	\$0.2700	\$77,836,237	\$210,158	\$20,365,000	\$0.214007	-\$0.0560
VP1	2032-33	\$0.2700	\$77,836,237	\$210,158	\$20,350,000	\$0.214040	-\$0.0560
VP2	2033-34	\$0.2700	\$77,836,237	\$210,158	\$20,335,000	\$0.214073	-\$0.0559
VP3	2034-35	\$0.2700	\$77,836,237	\$210,158	\$20,320,000	\$0.214105	-\$0.0559
VP4	2035-36	\$0.2700	\$77,836,237	\$210,158	\$20,305,000	\$0.214138	-\$0.0559
VP5	2036-37	\$0.2700	\$77,836,237	\$210,158	\$20,335,000	\$0.214073	-\$0.0559

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.

Attachment E

Taxable Value of Property

048-903/Paint Rock ISD

Category	Local Tax Roll Value	2018 WTD Mean Ratio	2018 PTAD Value Estimate	2018 Value Assigned
A. SINGLE-FAMILY RESIDENCES	32,506,510	1.0589	30,698,376	32,506,510
B. MULTIFAMILY RESIDENCES	0	N/A	0	0
C1. VACANT LOTS	5,130,960	0.7014	7,315,312	5,130,960
C2. COLONIA LOTS	0	N/A	0	0
D1. QUALIFIED AG LAND	14,676,085	0.9896	14,830,519	14,676,085
D2. REAL PROP:FARM & RANCH	2,337,636	N/A	2,337,636	2,337,636
E. REAL PROP NONQUAL ACREAGE	15,017,829	1.0121	14,838,286	15,017,829
F1. COMMERCIAL REAL	1,672,450	N/A	1,672,450	1,672,450
F2. INDUSTRIAL REAL	195,230	N/A	195,230	195,230
G. OIL,GAS,MINERALS	740,334	N/A	740,334	740,334
J. UTILITIES	23,325,551	0.9401	24,811,776	23,325,551
L1. COMMERCIAL PERSONAL	377,220	N/A	377,220	377,220
L2. INDUSTRIAL PERSONAL	3,824,725	N/A	3,824,725	3,824,725
M. MOBILE HOMES	1,761,690	N/A	1,761,690	1,761,690
N. INTANGIBLE PERSONAL PROP	0	N/A	0	0
O. RESIDENTIAL INVENTORY	164,270	N/A	164,270	164,270
S. SPECIAL INVENTORY	0	N/A	0	0
Subtotal	101,730,490	0	103,567,824	101,730,490
Less Total Deductions	14,430,919	0	13,526,288	14,430,919
Total Taxable Value	87,299,571	0	90,041,536	87,299,571

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

T1	T2	T3	T4
89,115,712	87,299,571	89,115,712	87,299,571

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
1,816,141	0

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

T7	T8	T9	T10
89,115,712	87,299,571	89,115,712	87,299,571

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

Attachment F

TEA's Facilities Value

Attachment G

Participation Agreement

**AGREEMENT FOR LIMITATION ON APPRAISED
VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES**

by and between

PAINT ROCK INDEPENDENT SCHOOL DISTRICT

and

224WB 8me LLC

(Texas Taxpayer ID # 32070140028)

Comptroller Application # 1431

Dated

February 27, 2020

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR
SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES**

STATE OF TEXAS §

COUNTY OF CONCHO §

THIS AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, hereinafter referred to as this “Agreement,” is executed and delivered by and between the **PAINT ROCK INDEPENDENT SCHOOL DISTRICT**, hereinafter referred to as the “District,” a lawfully created independent school district within the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **224WB 8me LLC**, Texas Taxpayer Identification Number 32070140028, hereinafter referred to as the “Applicant.” The Applicant and the District are hereinafter sometimes referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, on September 9, 2019, the Superintendent of Schools of the Paint Rock Independent School District, acting as agent of the Board of Trustees of the District, received from the Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the TEXAS TAX CODE;

WHEREAS, on September 9, 2019, the Board of Trustees has acknowledged receipt of the Application, and along with the requisite application fee as established pursuant to Section 313.025(a) of the TEXAS TAX CODE and Local District Policy CCG (Local), and agreed to consider the Application;

WHEREAS, the Application, was delivered to the Texas Comptroller’s Office for review pursuant to Section 313.025 of the TEXAS TAX CODE;

WHEREAS, the District and the Texas Comptroller’s Office have determined that the Application is complete and February 11, 2020 is the Application Review Start Date as that term is defined by 34 TEXAS ADMIN. CODE Section 9.1051;

WHEREAS, pursuant to 34 TEXAS ADMIN. CODE Section 9.1054, the Application was delivered to the Concho Appraisal District established in Concho County, Texas (the “Concho County Appraisal District”), pursuant to Section 6.01 of the TEXAS TAX CODE;

WHEREAS, the Texas Comptroller's Office reviewed the Application pursuant to Section 313.025 of the TEXAS TAX CODE, conducted an economic impact evaluation pursuant to Section 313.026 of the TEXAS TAX CODE, and on February 11, 2020, issued a certificate for limitation on appraised value of the property described in the Application and provided the certificate to the District;

WHEREAS, the Board of Trustees has reviewed and carefully considered the economic impact evaluation and certificate for limitation on appraised value submitted by the Texas Comptroller's Office pursuant to Section 313.025 of the TEXAS TAX CODE;

WHEREAS, on February 27, 2020, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District;

WHEREAS, on February 27, 2020, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) the Applicant is eligible for the limitation on appraised value of the Applicant's Qualified Property; (iii) the project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the 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; (iv) the limitation on appraised value is a determining factor in the Applicant's decision to invest capital and construct the project in this State; and (v) this Agreement is in the best interest of the District and the State of Texas;

WHEREAS, on February 27, 2020, pursuant to the provisions of 313.025(f-1) of the TEXAS TAX CODE, the Board of Trustees waived the job creation requirement set forth in Section 313.051(b) of the TEXAS TAX CODE;

WHEREAS, on February 14, 2020, the Texas Comptroller's Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes;

WHEREAS, on February 27, 2020, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary, or in the event the Board President and Secretary are unavailable or have disclosed a conflict of interest, the Board of Trustees has authorized the Board Vice President to execute and deliver such Agreement to the Applicant; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 DEFINITIONS. Wherever used in this Agreement, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning. Words or terms defined in 34 TEXAS ADMIN. CODE Section 9.1051 and not defined in this Agreement shall have the meanings provided by 34 TEXAS ADMIN. CODE Section 9.1051.

“Act” means the Texas Economic Development Act set forth in Chapter 313 of the TEXAS TAX CODE, as amended.

“Agreement” means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented as approved pursuant to Sections 10.2 and 10.3.

“Applicant” means 224WB 8me LLC, (*Texas Taxpayer ID # 32070140028*) the entity listed in the Preamble of this Agreement and that is listed as the Applicant on the Application as of the Application Approval Date. The term “Applicant” shall also include the Applicant’s assigns and successors-in-interest as approved according to Sections 10.2 and 10.3 of this Agreement.

“Applicant’s Qualified Investment” means the Qualified Investment of the Applicant during the Qualifying Time Period and as more fully described in **EXHIBIT 3** of this Agreement.

“Applicant’s Qualified Property” means the Qualified Property of the Applicant to which the value limitation identified in the Agreement will apply and as more fully described in **EXHIBIT 4** of this Agreement.

“Application” means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C of the TEXAS TAX CODE) filed with the District by the Applicant on September 9, 2019. The term includes all forms required by the Comptroller, the schedules attached thereto, and all other documentation submitted by the Applicant for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant.

“Application Approval Date” means the date that the Application is approved by the Board of Trustees of the District and as further identified in Section 2.3.B of this Agreement.

“Application Review Start Date” means the later date of either the date on which the District issues its written notice that the Applicant has submitted a completed Application or the date on which the Comptroller issues its written notice that the Applicant has submitted a completed Application and as further identified in Section 2.3.A of this Agreement.

“Appraised Value” shall have the meaning assigned to such term in Section 1.04(8) of the TEXAS TAX CODE.

“Appraisal District” means the Concho County Appraisal District.

“Board of Trustees” means the Board of Trustees of the Paint Rock Independent School District.

“Commercial Operation” means the date on which the project becomes commercially operational, has installed or constructed Qualified Property on the Land, and is able to generate electricity and is connected to the grid with an interconnection agreement.

“Comptroller” means the Texas Comptroller of Public Accounts, or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of the Comptroller.

“Comptroller’s Rules” means the applicable rules and regulations of the Comptroller set forth in Chapter 34 TEXAS ADMIN. CODE Chapter 9, Subchapter F, together with any court or administrative decisions interpreting same.

“County” means Concho County, Texas.

“District” or “School District” means the Paint Rock Independent School District, being a duly authorized and operating school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries and to which Subchapter C of the Act applies. The term also includes any successor independent school district or other successor governmental authority having the power to levy and collect ad valorem taxes for school purposes on the Applicant’s Qualified Property or the Applicant’s Qualified Investment.

“Final Termination Date” means the last date of the final year in which the Applicant is required to Maintain Viable Presence and as further identified in Section 2.3.E of this Agreement.

“Force Majeure” means those causes generally recognized under Texas law as constituting impossible conditions. Each Party must inform the other in writing with proof of

receipt within sixty (60) business days of the existence of such Force Majeure or otherwise waive this right as a defense.

“Land” means the real property described on **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes.

“Maintain Viable Presence” means (i) the operation during the term of this Agreement of the facility or facilities for which the tax limitation is granted; and (ii) the Applicant’s maintenance of jobs and wages as required by the Act and as set forth in its Application.

“Market Value” shall have the meaning assigned to such term in Section 1.04(7) of the TEXAS TAX CODE.

“New Qualifying Jobs” means the total number of jobs to be created by the Applicant after the Application Approval Date in connection with the project that is the subject of its Application that meet the criteria of Qualifying Job as defined in Section 313.021(3) of the TEXAS TAX CODE and the Comptroller’s Rules.

“New Non-Qualifying Jobs” means the number of Non-Qualifying Jobs, as defined in 34 TEXAS ADMIN. CODE Section 9.1051(14), to be created by the Applicant after the Application Approval Date in connection with the project which is the subject of its Application.

“Qualified Investment” has the meaning set forth in Section 313.021(1) of the TEXAS TAX CODE, as interpreted by the Comptroller’s Rules.

“Qualified Property” has the meaning set forth in Section 313.021(2) of the TEXAS TAX CODE and as interpreted by the Comptroller’s Rules and the Texas Attorney General, as these provisions existed on the Application Review Start Date.

“Qualifying Time Period” means the period defined in Section 2.3.C, during which the Applicant shall make investment on the Land where the Qualified Property is located in the amount required by the Act, the Comptroller’s Rules, and this Agreement.

“State” means the State of Texas.

“Supplemental Payment” means any payments or transfers of things of value made to the District or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the Agreement and that is not authorized pursuant to Sections 313.027(f)(1) or (2) of the TEXAS TAX CODE, and specifically includes any payments required pursuant to Article VI of this Agreement.

“Tax Limitation Amount” means the maximum amount which may be placed as the Appraised Value on the Applicant’s Qualified Property for maintenance and operations tax assessment in each Tax Year of the Tax Limitation Period of this Agreement pursuant to Section 313.054 of the TEXAS TAX CODE.

“Tax Limitation Period” means the Tax Years for which the Applicant’s Qualified Property is subject to the Tax Limitation Amount and as further identified in Section 2.3.D of this Agreement.

“Tax Year” shall have the meaning assigned to such term in Section 1.04(13) of the TEXAS TAX CODE (*i.e.*, the calendar year).

“Taxable Value” shall have the meaning assigned to such term in Section 1.04(10) of the TEXAS TAX CODE.

Section 1.2 NEGOTIATED DEFINITIONS. Wherever used in Articles IV, V, and VI, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning or otherwise; provided however, if there is a conflict between a term defined in this section and a term defined in the Act, the Comptroller’s Rules, or Section 1.1 of Agreement, the conflict shall be resolved by reference to Section 10.9.C.

“Applicable School Finance Law” means Chapters 41, 42, 48, and 49 of the TEXAS EDUCATION CODE, the Texas Economic Development Act (Chapter 313 of the TEXAS TAX CODE), Chapter 403, Subchapter M, of the TEXAS GOVERNMENT CODE applicable to District, and the Constitution and general laws of the State applicable to the school districts of the State for each and every year of this Agreement, including specifically, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term includes any and all amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of Applicant’s ad valorem tax obligation to District, either with or without the limitation of property values made pursuant to this Agreement. For each year of this Agreement, the “Applicable School Finance Law” shall be interpreted to include all provisions made applicable for any calculations made for the specific year for which calculations are being made.

“New M&O Revenue” means the total State and local Maintenance & Operations Revenue that the District would have actually received for such school year, if calculated using prior year taxable values.

“Original M&O Revenue” means the total State and local Maintenance & Operations revenue that the District would have received for the school year under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Qualified Property and/or Qualified

Investment been subject to the ad valorem maintenance & operations tax at the tax rate actually adopted by the District for the applicable year. For purposes of this calculation, the Third Party will base its calculations upon taxable values for the prior school year as certified by the County Appraisal District for all other taxable accounts in the District, save and except for the Qualified Property subject to this Agreement, plus the taxable value of the Qualified Property for the prior school year subject to this Agreement. (For clarification, the taxable value used by the District in calculating the taxes payable for Interest and Sinking Fund taxation purposes on Applicant's Qualified Property will be used for the Qualified Property in lieu of the property's M&O taxable value.)

ARTICLE II

AUTHORITY, PURPOSE AND LIMITATION AMOUNTS

Section 2.1. AUTHORITY. This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District in Section 313.027 of the TEXAS TAX CODE.

Section 2.2. PURPOSE. In consideration of the execution and subsequent performance of the terms and obligations by the Applicant pursuant to this Agreement, identified in Sections 2.5 and 2.6 and as more fully specified in this Agreement, the value of the Applicant's Qualified Property listed and assessed by the County Appraiser for the District's maintenance and operation ad valorem property tax shall be the Tax Limitation Amount as set forth in Section 2.4 of this Agreement during the Tax Limitation Period.

Section 2.3. TERM OF THE AGREEMENT.

A. The Application Review Start Date for this Agreement is February 11, 2020, which will be used to determine the eligibility of the Applicant’s Qualified Property and all applicable wage standards.

B. The Application Approval Date for this Agreement is February 27, 2020.

C. The Qualifying Time Period for this Agreement:

- i. Starts on February 27, 2020, the Application Approval Date; and
- ii. Ends on December 31, 2022, the last day of the second complete Tax Year following the Qualifying Time Period start date.

D. The Tax Limitation Period for this Agreement:

- i. Starts on January 1, 2022, the first complete Tax Year after the commencement of Commercial Operation;
- ii. Ends on December 31, 2031.

E. The Final Termination Date for this Agreement is December 31, 2036.

F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and become effective on the Application Approval Date identified in Section 2.3.B. This Agreement, and the obligations and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Section 2.3.E, unless extended by the express terms of this Agreement.

Section 2.4. TAX LIMITATION. So long as the Applicant makes the Qualified Investment as required by Section 2.5, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, on January 1 of each Tax Year of the Tax Limitation Period, the Appraised Value of the Applicant’s Qualified Property for the District’s maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

A. the Market Value of the Applicant’s Qualified Property; or Twenty Million Dollars (\$20,000,000) based on Section 313.054 of the TEXAS TAX CODE

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the Application Approval Date, as set out by Section 313.052.

Section 2.5. TAX LIMITATION ELIGIBILITY. In order to be eligible and entitled to receive the value limitation identified in Section 2.4 for the Qualified Property identified in Article III, the Applicant shall:

- A. have completed the Applicant's Qualified Investment in the amount of \$10,000,000 during the Qualifying Time Period;
- B. have created and maintained, subject to the provisions of Section 313.0276 of the TEXAS TAX CODE, New Qualifying Jobs as required by the Act; and
- C. pay an average weekly wage of at least \$715.50 for all New Non-Qualifying Jobs created by the Applicant.

Section 2.6. TAX LIMITATION OBLIGATIONS. In order to receive and maintain the limitation authorized by Section 2.4, Applicant shall:

- A. provide payments to District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV;
- B. provide payments to the District that protect the District from the payment of extraordinary education- related expenses related to the project, as more fully specified in Article V;
- C. provide such Supplemental Payments as more fully specified in Article VI;
- D. create and Maintain Viable Presence on or with the Qualified Property and perform additional obligations as more fully specified in Article VIII of this Agreement; and
- E. No additional conditions are identified in the certificate for a limitation on appraised value by the Comptroller for this project.

ARTICLE III
QUALIFIED
PROPERTY

Section 3.1. LOCATION WITHIN ENTERPRISE OR REINVESTMENT ZONE. At the time of the Application Approval Date, the Land is within an area designated either as an enterprise zone, pursuant to Chapter 2303 of the TEXAS GOVERNMENT CODE, or a reinvestment zone, pursuant to Chapter 311 or 312 of the TEXAS TAX CODE. The legal description, and information concerning the designation, of such zone is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described in **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY. The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 4**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in

EXHIBIT 4 shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for purposes of this Agreement, unless by official action the Board of Trustees provides that such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's Rules, and Section 10.2 of this Agreement.

Section 3.4. CURRENT INVENTORY OF QUALIFIED PROPERTY. In addition to the requirements of Section 10.2 of this Agreement, if there is a material change in the Qualified Property described in **EXHIBIT 4**, then within 60 days from the date commercial operation begins, the Applicant shall provide to the District, the Comptroller, the Appraisal District or the State Auditor's Office a specific and detailed description of the tangible personal property, buildings, and/or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Land to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such described property on the Land.

Section 3.5. QUALIFYING USE. The Applicant's Qualified Property described in Section 3.3 qualifies for a tax limitation agreement under Section 313.024(b)(5) property used for renewable energy electric generation.

ARTICLE IV

PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 4.1. INTENT OF THE PARTIES. Subject only to the limitations contained in Section 7.1 of this Agreement, it is the intent of the Parties that the District shall, in accordance with the provisions of Section 313.027(f)(1) of the TEXAS TAX CODE, be compensated by Applicant for any loss that District incurs in its Maintenance and Operations Revenue in each year of this Agreement for which this Agreement was, in any manner, a sole and direct producing cause. Such payments shall be independent of, and in addition to such other payments as set forth in Article V and Article VI in this Agreement. Subject only to the limitations contained in Section 7.1 of this Agreement, it is the intent of the Parties that the risk of any and all negative financial consequences to the District's total annual Maintenance and Operations Revenue, for which the execution of this Agreement was a sole and direct producing cause will be borne solely by Applicant and not by District.

The Parties hereto expressly understand and agree that, for all years to which this Agreement may apply, the calculation of negative financial consequences will be defined for each applicable year in accordance with the Applicable School Finance Law, as defined in Section 1.2 above, and that such definition specifically contemplates that calculations made under this Agreement may well periodically change in accordance with changes made from time to time in the Applicable School Finance Law. The Parties further agree that the printouts and projections produced during the negotiations and approval of this Agreement are: i) for illustrative purposes only, are not intended

to be relied upon, and have not been relied upon by the Parties as a prediction of future consequences to either Party to the Agreement; ii) are based upon current Applicable School Finance Law, which is subject to change by statute, by administrative regulation, or by judicial decision at any time; and, iii) may change in future years to reflect changes in the Applicable School Finance Law.

Section 4.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT

A. Calculation of the Revenue Protection Amount.

The amount to be paid by the Applicant to compensate the District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year during the term of this Agreement (the "Revenue Protection Amount") shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

The Revenue Protection Amount owed by the Applicant to District means the Original M&O Revenue minus the New M&O Revenue;

Where:

1. *"Original M&O Revenue"* means the total State and local Maintenance & Operations Revenue that the District would have received for the school year under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Qualified Property and/or Qualified Investment been subject to the ad valorem maintenance & operations tax at the tax rate actually adopted by the District for the applicable year. For purposes of this calculation, the Third Party will base its calculations upon taxable values for the prior school year as certified by the County Appraisal District for all other taxable accounts in the District, save and except for the Qualified Property subject to this Agreement, plus the taxable value of the Qualified Property for the prior school year subject to this Agreement. (For clarification, the taxable value used by the District in calculating the taxes payable for Interest and Sinking Fund taxation purposes on Applicant's Qualified Property will be used for the Qualified Property in lieu of the property's M&O taxable value.)
2. *"New M&O Revenue"* means the total State and local Maintenance & Operations Revenue that the District would have actually received for such school year, if calculated using prior year taxable values.

- B. In making the calculations required by this Section 4.2 of this Agreement:
- i. The Taxable Value of property for each school year will be determined under the Applicable School Finance Law as that law exists for each year for which the calculation is made.
 - ii. For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property will be presumed to be one hundred percent (100%).
 - iii. If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue, as calculated under this Section 4.2 of this Agreement, results in a negative number, the negative number will be considered to be zero.
 - iv. For All calculations made for years during the Tax Limitation Period under Section 4.2 of this Agreement, Subsection ii of this subsection will reflect the Tax Limitation Amount for such year

Section 4.3. CALCULATIONS TO BE MADE BY THIRD PARTY. All calculations under this Agreement shall be made annually by an independent third party (the "Third Party") approved each year by the District. To the extent not inconsistent with a statutory change to Applicable School Finance Law, all calculations made by the Third Party under this Agreement shall be made using a methodology which isolates only the revenue impact caused by this Agreement. Applicant shall not be responsible to reimburse District for other revenue losses created by other agreements or any other factors.

Section 4.4. DATA USED FOR CALCULATIONS. The calculations for payments under this Agreement shall be initially based upon the valuations placed upon the Applicant's Qualified Investment and/or the Applicant's Qualified Property by the Appraisal District in its annual certified tax roll submitted to the District for each Tax Year pursuant to Texas Tax Code § 26.01 on or about July 25 of each year of this Agreement. Immediately upon receipt of the valuation information by the District, the District shall submit the valuation information to the Third Party selected under Section 4.3. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. All other data utilized by the Third Party to make the calculations contemplated by this Agreement shall be based upon the best available current estimates. The data utilized by the Third Party shall be adjusted from time to time by the Third Party to reflect actual amounts, subsequent adjustments by the Appraisal District to the District's certified tax roll or any other changes in student counts, tax collections, or other data.

Section 4.5. DELIVERY OF CALCULATIONS. On or before November 1 of each year for which this Agreement is effective, the Third Party appointed pursuant to Section 4.3 of this Agreement

shall forward to the Parties a certification containing the calculations required under Sections 4.2, Article VI, and/or Section 7.1 of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Third Party shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed, which fee shall be the sole responsibility of the District, but subject to the provisions of Section 4.7, below. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Third Party's calculations, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Third Party shall maintain supporting data consistent with generally accepted accounting practices, and the employees and agents of the Applicant shall have the right to reproduce and retain for purpose of audit, any of these documents. The Third Party shall preserve all documents pertaining to the calculation until the Final Termination Date of this Agreement. The Applicant shall not be liable for any of the Third Party's costs resulting from an audit of the Third Party's books, records, correspondence, or work papers pertaining to the calculations contemplated by this Agreement.

Section 4.6. PAYMENT BY APPLICANT. The Applicant shall pay any amount determined by the Third Party to be due and owing to the District under this Agreement on or before the January 31 next following the tax levy for each year for which this Agreement is effective. By such date, the Applicant shall also pay any amount billed by the Third Party, plus any reasonable and necessary legal expenses paid by the District to its attorneys, auditors, or financial consultants for the preparation and filing of any financial reports, disclosures, or other reimbursement applications filed with or sent to the State of Texas which are, or may be required under the terms or because of the execution of this Agreement. For no Tax Year during the term of this Agreement shall the Applicant be responsible for the payment of an aggregate amount of fees and expenses under this Section 4.6 which exceeds Fifteen Thousand Dollars (\$15,000.00). For any Tax Year outside of the Tax Limitation Period, Applicant shall not be responsible for the payment of an aggregate amount of fees and expenses under this Section 4.6 which exceeds Seven Thousand Five Hundred Dollars (\$7,500.00).

Section 4.7. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT. If at the time the Third Party selected under Section 4.3 makes its calculations under this Agreement, the Applicant has appealed any matter relating to the valuations placed by the Appraisal District on the Applicant's Qualified Property, and/or the Applicant's Qualified Property and such appeal remains unresolved, the Third Party shall base its calculations upon the values placed upon the Applicant's Qualified Property and/or the Applicant's Qualified Property by the Appraisal District.

If as a result of an appeal or for any other reason, the Taxable Value of the Applicant's Qualified Investment and/or the Applicant's Qualified Property is changed, once the determination of the new Taxable Value becomes final, the Parties shall immediately notify the Third Party who shall immediately issue new calculations for the applicable year or years using the new Taxable Value. In the event the new calculations result in a change in any amount paid or payable by the Applicant

under this Agreement, the Party from whom the adjustment is payable shall remit such amounts to the other Party within thirty (30) days of the receipt of the new calculations from the Third Party.

Section 4.8. STATUTORY CHANGES AFFECTING M&O REVENUE. Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 7.1 of this Agreement, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State, because of its participation in this Agreement, Applicant shall make payments to District, up to the limit set forth in Section 7.1, that are necessary to offset any negative impact on District's Maintenance and Operations Revenue, as a sole and direct result of its participation in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on District.

ARTICLE V

PAYMENT OF EXTRAORDINARY EDUCATION-RELATED EXPENSES

Section 5.1. EXTRAORDINARY EXPENSES. In addition to the amounts determined pursuant to Section 4.2 of this Agreement above, Applicant on an annual basis shall also indemnify and reimburse District for the following: all non-reimbursed costs, certified by District's external auditor to have been incurred by District for extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project during any project construction year. Amounts payable under this Section shall also include all costs incurred by the District in connection with the administration of any election in the District held in order to comply with the District's obligations to comply with the requirements of Chapter 49, Texas Education Code, or any successor statute.

ARTICLE VI

SUPPLEMENTAL PAYMENTS

Section 6.1. INTENT OF PARTIES WITH RESPECT TO SUPPLEMENTAL PAYMENTS

A. Amounts Exclusive of Indemnity Amounts. In addition to undertaking the responsibility for the payment of all of the amounts set forth under Articles IV and V, and as further consideration for the execution of this Agreement by the District, the Applicant shall also be responsible for the supplemental payments set forth in this Article VI, (the "Supplemental Payments"). The Applicant shall not be responsible to the District or to any other person or persons

in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on appraised value made pursuant to Chapter 313, Texas Tax Code, unless it is explicitly set forth in this Agreement. It is the express intent of the Parties that the Applicant's obligation to make Supplemental Payments under this Article VI is separate and independent of the obligation of the Applicant to pay the amounts described in Articles IV and V; provided, however, that all payments under Articles IV, V, and VI are subject to the limitations contained in Section 7.1, and that all payments under this Article VI are subject to the separate limitations contained in Section 6.2.

B. Adherence to Statutory Limits on Supplemental Payments. It is the express intent of the Parties that any Supplemental Payments made to or on behalf of the District by the Applicant under this Article VI shall not exceed the limit imposed by the provisions of Texas Tax Code §313.027(i), as such limit is allowed to be increased by the Legislature for any future year of this Agreement.

Section 6.2. SUPPLEMENTAL PAYMENT LIMITATION. Notwithstanding the foregoing:

A. the total of the Supplemental Payments made pursuant to this Article shall: not exceed for any calendar year of this Agreement an amount equal to the greater of One Hundred Dollars (\$100.00) per student per year in average daily attendance, as defined by Section 42.005 of the TEXAS EDUCATION CODE, or Fifty Thousand Dollars (\$50,000.00) per year times the number of years beginning with the first complete or partial year of the Qualifying Time Period identified in Section 2.3.C and ending with the year for which the Supplemental Payment is being calculated minus all Supplemental Payments previously made by the Application;

B. Supplemental Payments may only be made during the period starting the first year of the Qualifying Time Period and ending December 31 of the third year following the end of the Tax Limitation Period:

C. the limitation in Section 6.2.A does not apply to amounts described by Section 313.027(f)(1)– (2) of the TEXAS TAX CODE as implemented in Articles IV and V of this Agreement.

D. For purposes of this Agreement, the calculation of the limit of the annual Supplemental Payment shall be the greater of \$50,000 or \$100 multiplied by the District's Average Daily Attendance as calculated pursuant to Section 42.005 of the TEXAS EDUCATION CODE, based upon the District's Average Daily Attendance for the prior school year.

Section 6.3. STIPULATED SUPPLEMENTAL PAYMENT AMOUNT - SUBJECT TO ANNUAL PAYMENT LIMIT. Applicant shall pay to the District the Supplemental Payments set forth on the following schedule on the payment due dates shown on the following schedule.

TAX YEAR	PAYMENT DUE DATE	AMOUNT OF ANNUAL PAYMENT LIMIT
2020	January 31, 2021	\$50,000.00
2021	January 31, 2022	\$50,000.00
2022	January 31, 2023	\$50,000.00
2023	January 31, 2024	\$50,000.00
2024	January 31, 2025	\$50,000.00
2025	January 31, 2026	\$50,000.00
2026	January 31, 2027	\$50,000.00
2027	January 31, 2028	\$50,000.00
2028	January 31, 2029	\$50,000.00
2029	January 31, 2030	\$50,000.00
2030	January 31, 2031	\$50,000.00
2031	January 31, 2032	\$50,000.00
2032	January 31, 2033	\$50,000.00
2033	January 31, 2034	\$50,000.00
2034	January 31, 2035	\$50,000.00

Section 6.4. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS

A. All calculations required by this Article shall be calculated by the Third Party selected pursuant to Section 4.3, above.

B. The calculations made by the Third Party shall be made at the same time and on the same schedule as the calculations made pursuant to Section 4.6, above.

C. The payment of all amounts due under this Article shall be made shall be paid on the same date established by Section 4.6 for such Tax Year.

Section 6.5. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY. At any time during this Agreement, the District's Board of Trustees may, in its sole discretion, so long as such decision does not result in additional costs to the Applicant under this Agreement, direct that the Applicant's payment obligations under Article VI of this agreement be made to its educational foundation, or to a similar entity. The alternative entity may only use such funds received under this Article to support the educational mission of the District and its students. Any designation of an alternative entity must be made by recorded vote of the District's Board of Trustees at a properly posted public Board meeting. Any such designation will become effective after public vote and the delivery of notice of said vote to the Applicant in conformance with the provisions of Section 10.1, below. Such designation may be rescinded, with respect to future payments only, by action of the District's Board of Trustees at any time.

Any designation of a successor beneficiary under this Section shall not alter the Supplemental Payments calculated as described in Section 6.5, above.

ARTICLE VII

ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

Section 7.1. ANNUAL LIMITATION. Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year of the Tax Limitation Period beginning after the first Tax Year of the Tax Limitation Period, in no event shall (i) the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District for such Tax Year, plus the sum of all payments otherwise due from the Applicant to the District under Articles IV, V, and VI of this Agreement with respect to such Tax Year, exceed (ii) the amount of the maintenance and operations ad valorem taxes that the Applicant would have paid to the District for such Tax Year (determined by using the District's actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The calculation and comparison of the amounts described in clauses (i) and (ii) of the preceding sentence shall be included in all calculations made pursuant to Article IV of this Agreement, and in the event the sum of the amounts described in said clause (i) exceeds the amount described in said clause (ii), then the payments otherwise due from the Applicant to the District under Articles IV, V, and VI shall be reduced until such excess is eliminated.

Section 7.2. OPTION TO TERMINATE AGREEMENT. In the event that any payment otherwise due from the Applicant to the District under Article IV, Article V, or Article VI of this Agreement with respect to a Tax Year is subject to reduction in accordance with the provisions of Section 7.1, then the Applicant shall have the option to terminate this Agreement. The Applicant may exercise such option to terminate this Agreement by notifying the District of its election in writing not later than the July 31 of the year following the Tax Year with respect to which a

reduction under Section 7.1 is applicable. Any termination of this Agreement under the foregoing provisions of this Section 7.2 shall be effective immediately prior to the second Tax Year next following the Tax Year in which the reduction giving rise to the option occurred.

Section 7.3. EFFECT OF OPTIONAL TERMINATION. Upon the exercise of the option to terminate pursuant to Section 7.2, this Agreement shall terminate and be of no further force or effect; provided, however, that:

A. the Parties respective rights and obligations under this Agreement with respect to the Tax Year or Tax Years (as the case may be) through and including the Tax Year during which such notification is delivered to the District, shall not be impaired or modified as a result of such termination and shall survive such termination unless and until satisfied and discharged; and

B. the provisions of this Agreement regarding payments (including liquidated damages and tax payments), records and dispute resolution shall survive the termination or expiration of this Agreement.

ARTICLE VIII

ADDITIONAL OBLIGATIONS OF APPLICANT

Section 8.1. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall Maintain Viable Presence in the District commencing at the start of the Tax Limitation Period through the Final Termination Date of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, the Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure, provided the Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure.

Section 8.2. REPORTS. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall submit all reports required from time to time by the Comptroller, listed in 34 TEXAS ADMIN. CODE Section 9.1052 and as currently located on the Comptroller's website, including all data elements required by such form to the satisfaction of the Comptroller on the dates indicated on the form or the Comptroller's website and starting on the first such due date after the Application Approval Date.

Section 8.3. COMPTROLLER'S REPORT ON CHAPTER 313 AGREEMENTS. During the term of this Agreement, both Parties shall provide the Comptroller with all information reasonably necessary for the Comptroller to assess performance under this Agreement for the purpose of issuing the Comptroller's report, as required by Section 313.032 of the TEXAS TAX CODE.

Section 8.4. DATA REQUESTS. Upon the written request of the District, the State Auditor's Office, the Appraisal District, or the Comptroller during the term of this Agreement, the Applicant,

the District or any other entity on behalf of the District shall provide the requesting party with all information reasonably necessary for the requesting party to determine whether the Applicant is in compliance with its rights, obligations or responsibilities, including, but not limited to, any employment obligations which may arise under this Agreement.

Section 8.5. SITE VISITS AND RECORD REVIEW. The Applicant shall allow authorized employees of the District, the Comptroller, the Appraisal District, and the State Auditor's Office to have reasonable access to the Applicant's Qualified Property and business records from the Application Review Start Date through the Final Termination Date, in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property.

A. All inspections will be made at a mutually agreeable time after the giving of not less than forty-eight (48) hours prior written notice, and will be conducted in such a manner so as not to unreasonably interfere with either the construction or operation of the Applicant's Qualified Property.

B. All inspections may be accompanied by one or more representatives of the Applicant, and shall be conducted in accordance with the Applicant's safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the Applicant to provide the District, the Comptroller, or the Appraisal District with any technical or business information that is proprietary, a trade secret, or is subject to a confidentiality agreement with any third party.

Section 8.6. RIGHT TO AUDIT; SUPPORTING DOCUMENTS; AUTHORITY OF STATE AUDITOR. By executing this Agreement, implementing the authority of, and accepting the benefits provided by Chapter 313 of the TEXAS TAX CODE, the Parties agree that this Agreement and their performance pursuant to its terms are subject to review and audit by the State Auditor as if they are parties to a State contract and subject to the provisions of Section 2262.154 of the TEXAS GOVERNMENT CODE and Section 313.010(a) of the TEXAS TAX CODE. The Parties further agree to comply with the following requirements:

A. The District and the Applicant shall maintain and retain supporting documents adequate to ensure that claims for the Tax Limitation Amount are in accordance with applicable Comptroller and State of Texas requirements. The Applicant and the District shall maintain all such documents and other records relating to this Agreement and the State's property for a period of four (4) years after the latest occurring date of:

- i. date of submission of the final payment;
- ii. Final Termination Date; or
- iii. date of resolution of all disputes or payment.

B. During the time period defined under Section 8.6.A, the District and the Applicant shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to this Agreement; the Applicant's Application; and the Applicant's Qualified Property, Qualified Investment, New Qualifying Jobs, and wages paid for New Non-Qualifying Jobs such as work papers, reports, books, data, files, software, records, calculations,

spreadsheets and other supporting documents pertaining to this Agreement, for purposes of inspecting, monitoring, auditing, or evaluating by the Comptroller, State Auditor's Office, State of Texas or their authorized representatives. The Applicant and the District shall cooperate with auditors and other authorized Comptroller and State of Texas representatives and shall provide them with prompt access to all of such property as requested by the Comptroller or the State of Texas. By example and not as an exclusion to other breaches or failures, the Applicant's or the District's failure to comply with this Section shall constitute a Material Breach of this Agreement.

C. In addition to and without limitation on the other audit provisions of this Agreement, the acceptance of tax benefits or funds by the Applicant or the District or any other entity or person directly under this Agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Applicant or the District or other entity that is the subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit. The Parties agree that this Agreement shall for its duration be subject to all rules and procedures of the State Auditor acting under the direction of the legislative audit committee.

D. The Applicant shall include the requirements of this Section 8.6 in its subcontract with any entity whose employees or subcontractors are subject to wage requirements under the Act, the Comptroller's Rules, or this Agreement, or any entity whose employees or subcontractors are included in the Applicant's compliance with job creation or wage standard requirement of the Act, the Comptroller's Rules, or this Agreement.

Section 8.7. FALSE STATEMENTS; BREACH OF REPRESENTATIONS. The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application, and any supplements or amendments thereto, without which the Comptroller would not have approved this Agreement and the District would not have executed this Agreement. By signature to this Agreement, the Applicant:

A. represents and warrants that all information, facts, and representations contained in the Application are true and correct to the best of its knowledge;

B. agrees and acknowledges that the Application and all related attachments and schedules are included by reference in this Agreement as if fully set forth herein; and

C. acknowledges that if the Applicant submitted its Application with a false statement, signs this Agreement with a false statement, or submits a report with a false statement, or it is subsequently determined that the Applicant has violated any of the representations, warranties, guarantees, certifications, or affirmations included in the Application or this Agreement, the Applicant shall have materially breached this Agreement and the Agreement shall be invalid and void except for the enforcement of the provisions required by Section 9.2 of this Agreement.

ARTICLE IX

MATERIAL BREACH OR EARLY TERMINATION

Section 9.1. EVENTS CONSTITUTING MATERIAL BREACH OF AGREEMENT. The Applicant shall

be in Material Breach of this Agreement if it commits one or more of the following acts or omissions (each a “Material Breach”):

- A. The Application, any Application Supplement, or any Application Amendment on which this Agreement is approved is determined to be inaccurate as to any material representation, information, or fact or is not complete as to any material fact or representation or such application;
- B. The Applicant failed to complete Qualified Investment as required by Section 2.5.A. of this Agreement during the Qualifying Time Period;
- C. The Applicant failed to create and maintain the number of New Qualifying Jobs required by the Act;
- D. The Applicant failed to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application;
- E. The Applicant failed to pay at least the average weekly wage of all jobs in the county in which the jobs are located for all New Non-Qualifying Jobs created by the Applicant;
- F. The Applicant failed to provide payments to the District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV of this Agreement;
- G. The Applicant failed to provide the payments to the District that protect the District from the payment of extraordinary education-related expenses related to the project to the extent and in the amounts that the Applicant agreed to provide such payments in Article V of this Agreement;
- H. The Applicant failed to provide the Supplemental Payments to the extent and in the amounts that the Applicant agreed to provide such Supplemental Payments in Article VI of this Agreement;
- I. The Applicant failed to create and Maintain Viable Presence on or with the Qualified Property as more fully specified in Article VIII of this Agreement;
- J. The Applicant failed to submit the reports required to be submitted by Section 8.2 to the satisfaction of the Comptroller;
- K. The Applicant failed to provide the District or the Comptroller with all information reasonably necessary for the District or the Comptroller to determine whether the Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement;
- L. The Applicant failed to allow authorized employees of the District, the Comptroller, the Appraisal District, or the State Auditor’s Office to have access to the Applicant’s Qualified Property or business records in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant’s Qualified Property under Sections 8.5 and 8.6;
- M. The Applicant failed to comply with a request by the State Auditor’s office to review and audit the Applicant’s compliance with this Agreement;

N. The Applicant has made any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on Appraised Value made pursuant to Chapter 313 of the TEXAS TAX CODE, in excess of the amounts set forth in Articles IV, V and VI of this Agreement;

O. The Applicant failed to comply with the conditions included in the certificate for limitation issued by the Comptroller.

Section 9.2. DETERMINATION OF BREACH AND TERMINATION OF AGREEMENT.

A. Prior to making a determination that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the District shall provide the Applicant with a written notice of the facts which it believes have caused the breach of this Agreement, and if cure is possible, the cure proposed by the District. After receipt of the notice, the Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in breach of its obligations under this Agreement, or that it has cured or undertaken to cure any such breach.

B. If the Board of Trustees is not satisfied with such response or that such breach has been cured, then the Board of Trustees shall, after reasonable notice to the Applicant, conduct a hearing called and held for the purpose of determining whether such breach has occurred and, if so, whether such breach has been cured. At any such hearing, the Applicant shall have the opportunity, together with their counsel, to be heard before the Board of Trustees. At the hearing, the Board of Trustees shall make findings as to:

- i. whether or not a breach of this Agreement has occurred;
- ii. whether or not such breach is a Material Breach;
- iii. the date such breach occurred, if any;
- iv. whether or not any such breach has been cured; and

C. In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it shall at that time determine:

- i. the amount of recapture taxes under Section 9.4.C (net of all credits under Section 9.4.C);
- ii. the amount of any penalty or interest under Section 9.4.E that are owed to the District; and
- iii. in the event of a finding of a Material Breach, whether to terminate this Agreement.

D. After making its determination regarding any alleged breach, the Board of Trustees shall cause the Applicant to be notified in writing of its determination (a "Determination of Breach and Notice of Contract Termination") and provide a copy to the Comptroller.

Section 9.3. DISPUTE RESOLUTION.

A. After receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 9.2, the Applicant shall have not greater than thirty (30)

days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to the District, in which case the District and the Applicant shall be required to make a good faith effort to resolve, without resort to litigation and within thirty (30) days after the Applicant initiates mediation, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then presiding in Concho County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the TEXAS CIVIL PRACTICE AND REMEDIES CODE and such other rules as the mediator shall prescribe. With respect to such mediation, (i) the District shall bear one-half of such mediator's fees and expenses and the Applicant shall bear one-half of such mediator's fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys' fees) incurred in connection with such mediation.

B. In the event that any mediation is not successful in resolving the dispute or that payment is not received within the time period described for mediation in Section 9.3.A, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in a judicial proceeding in a state district court in Concho, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any contract, agreement or undertaking made by a Party pursuant to this Agreement.

C. If payments become due under this Agreement and are not received before the expiration of the thirty (30) days provided for such payment in Section 9.3.A, and if the Applicant has not contested such payment calculations under the procedures set forth herein, including judicial proceedings, the District shall have the remedies for the collection of the amounts determined under Section 9.4 as are set forth in Chapter 33, Subchapters B and C, of the TEXAS TAX CODE for the collection of delinquent taxes. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees to the attorneys representing the District pursuant to Section 6.30 of the TEXAS TAX CODE and a tax lien shall attach to the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to Section 33.07 of the TEXAS TAX CODE to secure payment of such fees.

Section 9.4. Consequences of Early Termination or Other Breach by Applicant.

A. In the event that the Applicant terminates this Agreement without the consent of the District, except as provided in Section 7.2 of this Agreement, the Applicant shall pay to the District liquidated damages for such failure within thirty (30) days after receipt of the notice of breach.

B. In the event that the District determines that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the Applicant shall pay to the District liquidated damages, as calculated by Section 9.4.C, prior to, and the District may terminate the Agreement effective on the later of: (i) the expiration of the thirty (30) days provided for in Section 9.3.A, and (ii) thirty (30) days after any

mediation and judicial proceedings initiated pursuant to Sections 9.3.A and 9.3.B are resolved in favor of the District.

C. The sum of liquidated damages due and payable shall be the sum total of the District ad valorem taxes for all of the Tax Years for which a tax limitation was granted pursuant to this Agreement prior to the year in which the default occurs that otherwise would have been due and payable by the Applicant to the District without the benefit of this Agreement, including penalty and interest, as calculated in accordance with Section 9.4.E. For purposes of this liquidated damages calculation, the Applicant shall be entitled to a credit for all payments made to the District pursuant to Articles IV, V, and VI. Upon payment of such liquidated damages, the Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

D. In the event that the District determines that the Applicant has committed a Material Breach identified in Section 9.1, after the notice and mediation periods provided by Sections 9.2 and 9.3, then the District may, in addition to the payment of liquidated damages required pursuant to Section 9.4.C, terminate this Agreement.

E. In determining the amount of penalty or interest, or both, due in the event of a breach of this Agreement, the District shall first determine the base amount of recaptured taxes less all credits under Section 9.4.C owed for each Tax Year during the Tax Limitation Period. The District shall calculate penalty or interest for each Tax Year during the Tax Limitation Period in accordance with the methodology set forth in Chapter 33 of the TEXAS TAX CODE, as if the base amount calculated for such Tax Year less all credits under Section 9.4.C had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(a) of the TEXAS TAX CODE, or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(c) of the TEXAS TAX CODE, or its successor statute.

Section 9.5. LIMITATION OF OTHER DAMAGES. Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the Applicant, the District's damages for such a default shall under no circumstances exceed the amounts calculated under Section 9.4. In addition, the District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement. The Parties further agree that the limitation of damages and remedies set forth in this Section 9.5 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

Section 9.6. STATUTORY PENALTY FOR INADEQUATE QUALIFIED INVESTMENT. Pursuant to Section 313.0275 of the TEXAS TAX CODE, in the event that the Applicant fails to make \$10,000,000 of Qualified Investment, in whole or in part, during the Qualifying Time Period, the Applicant is liable to the State for a penalty. The amount of the penalty is the amount determined by: (i) multiplying the maintenance and operations tax rate of the school district for that tax year that the penalty is due by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the Market Value of the property

identified on the Appraisal District's records for the Tax Year the penalty is due. This penalty shall be paid on or before February 1 of the year following the expiration of the Qualifying Time Period and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE. The Comptroller may grant a waiver of this penalty in the event of Force Majeure which prevents compliance with this provision.

Section 9.7. REMEDY FOR FAILURE TO CREATE AND MAINTAIN REQUIRED NEW QUALIFYING JOBS

Pursuant to Section 313.0276 of the TEXAS TAX CODE, for any full Tax Year that commences after the project has become operational, in the event that it has been determined that the Applicant has failed to meet the job creation or retention requirements defined in Sections 9.1.C, the Applicant shall not be deemed to be in Material Breach of this Agreement until such time as the Comptroller has made a determination to rescind this Agreement under Section 313.0276 of TEXAS TAX CODE, and that determination is final.

Section 9.8. REMEDY FOR FAILURE TO CREATE AND MAINTAIN COMMITTED NEW QUALIFYING JOBS

A. In the event that the Applicant fails to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application, an event constituting a Material Breach as defined in Section 9.1.D, the Applicant and the District may elect to remedy the Material Breach through a penalty payment.

B. Following the notice and mediation periods provided by Sections 9.2 and 9.3, the District may request the Applicant to make a payment to the State in an amount equal to: (i) multiplying the maintenance and operations tax rate of the school district for that Tax Year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the market value of the property identified on the Appraisal District's records for each tax year the Material Breach occurs.

C. In the event that there is no tax limitation in place for the tax year that the Material Breach occurs, the payment to the State shall be in an amount equal to: (i) multiplying the maintenance and operations tax rate of the School District for each tax year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the tax limitation amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the last Tax Year for which the Applicant received a tax limitation.

D. The penalty shall be paid no later than 30 days after the notice of breach and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE.

ARTICLE X.

MISCELLANEOUS PROVISIONS

Section 10.1. INFORMATION AND NOTICES.

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if

(i) delivered in person, by courier (*e.g.*, by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile or email transmission, with notice of receipt obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile or email transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

Notices to the District shall be addressed to the District's Authorized Representative as follows:

Mr. Ron Cline
Superintendent
Paint Rock Independent School District
P.O. Box 277
Paint Rock, Texas 76866-0277387
Phone: 325-732-4384
Email: Ron.Cline@PaintRockisd.net

B. Notices to the Applicant shall be addressed to its Authorized Representative as follows:

Thomas Hubertus Buttgenbach
President
8minutenergy Solar Energy
250 Sutter Street, Suite 600
San Francisco, California 94108
Email: tbuttgenbach@8minutenergy.com

or at such other address or to such other facsimile transmission number and to the attention of such other person as a Party may designate by written notice to the other.

D. A copy of any notice delivered to the Applicant shall also be delivered to any lender for which the Applicant has provided the District notice of collateral assignment information pursuant to Section 10.3.C, below.

Section 10.2. AMENDMENTS TO APPLICATION AND AGREEMENT; WAIVERS.

A. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties and after completing the requirements of

Section 10.2.B. Waiver of any term, condition, or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition, or provision, or a waiver of any other term, condition, or provision of this Agreement.

B. By official action of the District's Board of Trustees, the Application and this Agreement may only be amended according to the following:

i. The Applicant shall submit to the District and the Comptroller:

a. a written request to amend the Application and this Agreement, which shall specify the changes the Applicant requests;

b. any changes to the information that was provided in the Application that was approved by the District and considered by the Comptroller;

c. and any additional information requested by the District or the Comptroller necessary to evaluate the amendment or modification;

ii. The Comptroller shall review the request and any additional information for compliance with the Act and the Comptroller's Rules and provide a revised Comptroller certificate for a limitation within 90 days of receiving the revised Application and, if the request to amend the Application has not been approved by the Comptroller by the end of the 90-day period, the request is denied; and

iii. If the Comptroller has not denied the request, the District's Board of Trustees shall approve or disapprove the request before the expiration of 150 days after the request is filed.

C. Any amendment of the Application and this Agreement adding additional or replacement Qualified Property pursuant to this Section 10.2 of this Agreement shall:

i. require that all property added by amendment be eligible property as defined by Section 313.024 of the TEXAS TAX CODE;

ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and

D. The Application and this Agreement may not be amended to extend the value limitation time period beyond its ten-year statutory term.

E. The Comptroller determination made under Section 313.026(c)(2) of the TEXAS TAX CODE in the original certificate for a limitation satisfies the requirement of the Comptroller to make the same determination for any amendment of the Application and this Agreement, provided that the facts upon which the original determination was made have not changed.

Section 10.3. ASSIGNMENT.

A. Any assignment of any rights, benefits, obligations, or interests of the Parties in this Agreement, other than a collateral assignment purely for the benefit of creditors of the project, is considered a collateral amendment to the Agreement and such Party may only assign such rights, benefits, obligations, or interests of this Agreement after complying with the provisions of

Section 10.2 regarding amendments to the Agreement. Other than a collateral assignment to a creditor, this Agreement may only be assigned to an entity that is eligible to apply for and execute an agreement for limitation on appraised value pursuant to the provisions of Chapter 313 of the TEXAS TAX CODE and the Comptroller's Rules.

B. In the event of a merger or consolidation of the District with another school district or other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

C. In the event of an assignment to a creditor, the Applicant must notify the District and the Comptroller in writing no later than 30 days after the assignment. This Agreement shall be binding on the assignee.

Section 10.4. MERGER. This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 10.5. Governing Law. This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in a state district court in Concho.

Section 10.6. AUTHORITY TO EXECUTE AGREEMENT. Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

Section 10.7. SEVERABILITY. If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal, or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision, or condition cannot be so reformed, then such term, provision, or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality, and enforceability of the remaining terms, provisions, and conditions contained herein (and any other application such term, provision, or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible so that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.7, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree, or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority,

instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

Section 10.8. PAYMENT OF EXPENSES. Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement.

Section 10.9. INTERPRETATION.

A. When a reference is made in this Agreement to a Section, Article, or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

B. The words “include,” “includes,” and “including” when used in this Agreement shall be deemed in such case to be followed by the phrase, “but not limited to”. Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require.

C. The provisions of the Act and the Comptroller’s Rules are incorporated by reference as if fully set forth in this Agreement. In the event of a conflict, the conflict will be resolved by reference to the following order of precedence:

- i. The Act;
- ii. The Comptroller’s Rules as they exist at the time the Agreement is executed, except as allowed in the definition of Qualified Property in Section 1.1; and
- iii. This Agreement and its Attachments including the Application as incorporated by reference.

Section 10.10. EXECUTION OF COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

Section 10.11. PUBLICATION OF DOCUMENTS. The Parties acknowledge that the District is required to publish the Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to the District; and the approved and executed copy of this Agreement or any amendment thereto, as follows:

A. Within seven (7) days of receipt of such document, the District shall submit a copy to the Comptroller for publication on the Comptroller’s Internet website;

B. The District shall provide on its website a link to the location of those documents posted on the Comptroller’s website;

C. This Section does not require the publication of information that is confidential under Section 313.028 of the TEXAS TAX CODE.

Section 10.12. CONTROL; OWNERSHIP; LEGAL PROCEEDINGS. The Applicant shall immediately notify the District in writing of any actual or anticipated change in the control or ownership of the Applicant and of any legal or administrative investigations or proceedings initiated against the Applicant related to the project regardless of the jurisdiction from which such proceedings originate.

Section 10.13. DUTY TO DISCLOSE. If circumstances change or additional information is obtained regarding any of the representations and warranties made by the Applicant in the Application or this Agreement, or any other disclosure requirements, subsequent to the date of this Agreement, the Applicant's duty to disclose continues throughout the term of this Agreement.

Section 10.14. CONFLICTS OF INTEREST.

A. The District represents that, after diligent inquiry, each local public official or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, has disclosed any conflicts of interest in obtaining or performing this Agreement and related activities, appropriately recused from any decisions relating to this Agreement when a disclosure has been made, and the performance of this Agreement will not create any appearance of impropriety. The District represents that it, the District's local public officials or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

B. The Applicant represents that, after diligent inquiry, each of its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, involved in the representation of the Applicant with the District has complied with the provisions of Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE. The Applicant represents that it and its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

C. The District and the Applicant each separately agree to notify the other Party and the Comptroller immediately upon learning of any conflicts of interest.

Section 10.15. PROVISIONS SURVIVING EXPIRATION OR TERMINATION. Notwithstanding the expiration or termination (by agreement, breach, or operation of time) of this Agreement, the provisions of this Agreement regarding payments (including liquidated

damages and tax payments), reports, records, and dispute resolution of the Agreement shall survive the termination or expiration dates of this Agreement until the following occurs:

- A. all payments, including liquidated damage and tax payments, have been made;
- B. all reports have been submitted;
- C. all records have been maintained in accordance with Section 8.6.A; and
- D. all disputes in controversy have been resolved.

Section 10.16. FACSIMILE OR ELECTRONIC DELIVERY.

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

B. Delivery is deemed complete as follows:

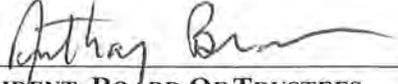
- i. When delivered if delivered personally or sent by express courier service;
- ii. Three (3) business days after the date of mailing if sent by registered or certified U.S. mail, postage prepaid, with return receipt requested;
- iii. When transmitted if sent by facsimile, provided a confirmation of transmission is produced by the sending machine; or
- iv. When the recipient, by an e-mail sent to the e-mail address for the executing Parties acknowledges having received that e-mail (an automatic “read receipt” does not constitute acknowledgment of an e-mail for delivery purposes).

IN WITNESS WHEREOF, the District and Applicant have caused this Amendment No. 1 to be executed and delivered by their duly authorized representatives on this 27th day of February, 2020.

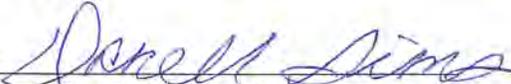
225DD 8me LLC

By: 
Thomas Buttgenbach, President

PAINT ROCK INDEPENDENT SCHOOL DISTRICT

By: 
PRESIDENT, BOARD OF TRUSTEES

ATTEST:

By: 
SECRETARY, BOARD OF TRUSTEES

OR IN THE EVENT OF A CONFLICT OF INTEREST

By: _____
VICE PRESIDENT, BOARD OF TRUSTEES

LEGAL DESCRIPTION
GALLOWAY REINVESTMENT ZONE

BEING A TRACT OF LAND SITUATED IN CONCHO COUNTY, TEXAS, AND BEING PART OF SECTION 267 THE HENRICH W. AURAND SURVEY, ABSTRACT NO. 6, SECTION 266 THE HENRICH W. AURAND SURVEY, ABSTRACT NO. 145, SECTION 265 THE JOHANN J. FROELICH SURVEY, ABSTRACT NO. 144, SECTION 264 THE JOHANN J. NICKEL SURVEY, ABSTRACT NO. 664, SECTION 263 THE JOHANN J. NICKEL SURVEY, ABSTRACT NO. 663, SECTION 262 THE HEINRICH SCHRUMANN SURVEY, ABSTRACT NO. 719, SECTION 2 THE S.R. GOODRUM SURVEY, ABSTRACT NO. 1292, SECTION 306, BLOCK 72 THE GEORGE SCHICKENDANZ SURVEY, ABSTRACT NO. 752, SECTION 135, BLOCK 72 THE T&NO RAILROAD COMPANY SURVEY, ABSTRACT NO. 895, SECTION 293, BLOCK 72 THE G.R. GLENN SURVEY, ABSTRACT NO. 312, SECTION 283, BLOCK 72 THE FRANZ BUSCHMAR SURVEY, ABSTRACT NO. 46, SECTION 284, BLOCK 72 THE FRANZ BUSCHMAR SURVEY, ABSTRACT NO. 47, SECTION 1 THE C&M RAILROAD COMPANY SURVEY, ABSTRACT NO. 1033, AND BEING ALL OF SECTION 2, BLOCK 11 THE H&T.C. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1821, SECTION 3, BLOCK 11 THE H&T.C. RAILROAD COMPANY SURVEY, ABSTRACT NO. 383, SECTION 6, BLOCK 11 THE H&T.C. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1822, SECTION 7, BLOCK 11 THE H&T.C. RAILROAD COMPANY SURVEY, ABSTRACT NO. 385, SECTION 2 THE E.L. & R.R. RAILROAD SURVEY, ABSTRACT NO. 1823, SECTION 268 THE PETER MERKLE SURVEY, ABSTRACT NO. 609, THE JOSEPH WARE SURVEY, ABSTRACT NO. 1017, SECTION 286 THE FRIEDRICH SCHILLING SURVEY, ABSTRACT NO. 744, SECTION 285 THE FRIEDRICH SCHILLING SURVEY, ABSTRACT NO. 743, SECTION 500 THE R.T. TRAIL SURVEY, ABSTRACT NO. 1903, SECTION 50 THE G.W. KEMP SURVEY, ABSTRACT NO. 1578, SECTION 2 THE C&M RAILROAD COMPANY SURVEY, ABSTRACT NO. 1344, SECTION 269 THE NICOLAS ZERGER SURVEY, ABSTRACT NO. 1007, SECTION 270 THE NICOLAS ZERGER SURVEY, ABSTRACT NO. 1006, SECTION 155, BLOCK 72 THE T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 905, SECTION 156, BLOCK 72 THE T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1406, SECTION 290, BLOCK 72 THE PETER BLUME SURVEY, ABSTRACT NO. 49, SECTION 291, BLOCK 72 THE PETER BLUME SURVEY, ABSTRACT NO. 48, SECTION 154, BLOCK 72 THE T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1118, SECTION 292, BLOCK 72 THE OTTO HEGAR SURVEY, ABSTRACT NO. 346, SECTION 305, BLOCK 72 THE CARL FRANZ SURVEY, ABSTRACT NO. 155, SECTION 307, BLOCK 72 THE GEORGE SCHICKENDANZ SURVEY, ABSTRACT NO. 753, SECTION 136, BLOCK 72 T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1707, SECTION 136, BLOCK 72 THE T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1651, AND SECTION 136, BLOCK 72 THE T&N.O. RAILROAD COMPANY SURVEY, ABSTRACT NO. 1653, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 2, BLOCK 11, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SECTION 1, BLOCK 10 THE H&T.C. RAILROAD SURVEY, ABSTRACT NO. 446, AND THE NORTHEAST CORNER OF SECTION 12, BLOCK 10 THE H&T.C. RAILROAD SURVEY, ABSTRACT NO. 1791, AND THE SOUTHEAST CORNER OF SECTION 1, BLOCK 11 THE H&T.C. RAILROAD SURVEY, ABSTRACT NO. 382;

THENCE NORTH 00 DEGREES 26 MINUTES 26 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 2, BLOCK 11, A DISTANCE OF 5231.42 FEET TO THE NORTHWEST CORNER OF SAID SECTION 2, BLOCK 11 AND THE SOUTHWEST CORNER OF SAID SECTION 3, BLOCK 11;

THENCE NORTH 00 DEGREES 17 MINUTES 23 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 3, BLOCK 11, A DISTANCE OF 5238.62 FEET TO THE NORTHWEST CORNER OF SAID SECTION 3, BLOCK 11 AND THE SOUTHWEST CORNER OF SAID SECTION 6, BLOCK 11;

THENCE NORTH 00 DEGREES 05 MINUTES 59 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 6, BLOCK 11, A DISTANCE OF 5268.69 FEET TO THE NORTHWEST CORNER

OF SAID SECTION 6, BLOCK 11 AND THE SOUTHWEST CORNER OF SAID SECTION 7, BLOCK 11;

THENCE NORTH 00 DEGREES 02 MINUTES 16 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 7, BLOCK 11, A DISTANCE OF 5335.43 FEET TO THE NORTHWEST CORNER OF SAID SECTION 7, BLOCK 11;

THENCE NORTH 89 DEGREES 59 MINUTES 52 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 7, BLOCK 11, A DISTANCE OF 4968.83 FEET TO THE MOST NORTHERLY SOUTHWEST CORNER OF SAID SECTION 2, ABSTRACT 1823;

THENCE NORTH 00 DEGREES 29 MINUTES 27 SECONDS EAST, DEPARTING SAID NORTH LINE AND ALONG THE MOST WESTERLY WEST LINE OF SAID SECTION 2, ABSTRACT 1823, A DISTANCE OF 1153.92 FEET TO THE NORTHWEST CORNER OF SAID SECTION 2, ABSTRACT 1823;

THENCE SOUTH 89 DEGREES 59 MINUTES 56 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 2, A DISTANCE OF 1868.74 FEET TO THE NORTHEAST CORNER OF SAID SECTION 2, ABSTRACT 1823;

THENCE SOUTH 00 DEGREES 22 MINUTES 52 SECONDS WEST, ALONG THE MOST WESTERLY EAST LINE OF SAID SECTION 2, ABSTRACT 1823, A DISTANCE OF 2105.43 FEET TO THE NORTHWEST CORNER OF SAID SECTION 268, ABSTRACT 609;

THENCE SOUTH 89 DEGREES 47 MINUTES 03 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 268, ABSTRACT 609, A DISTANCE OF 1316.60 FEET TO THE NORTHEAST CORNER OF SAID SECTION 268, ABSTRACT 609 ON THE WEST LINE OF SAID SECTION 266, ABSTRACT 145;

THENCE NORTH 00 DEGREES 20 MINUTES 28 SECONDS EAST, ALONG SAID WEST LINE, A DISTANCE OF 4554.09 FEET TO A POINT;

THENCE SOUTH 89 DEGREES 56 MINUTES 01 SECOND EAST, DEPARTING SAID WEST LINE OVER AND ACROSS SAID SECTION 266, ABSTRACT 145, A DISTANCE OF 926.29 FEET TO A POINT;

THENCE SOUTH 22 DEGREES 39 MINUTES 45 SECONDS EAST, CONTINUING OVER AND ACROSS, A DISTANCE OF 394.13 FEET TO A POINT;

THENCE SOUTH 89 DEGREES 39 MINUTES 18 SECONDS EAST, CONTINUING OVER AND ACROSS, A DISTANCE OF 297.17 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 266, ABSTRACT 145 AND THE WEST LINE OF SAID SECTION 265, ABSTRACT 144;

THENCE SOUTH 52 DEGREES 22 MINUTES 36 SECONDS EAST, DEPARTING SAID EAST AND WEST LINE, OVER AND ACROSS SAID SECTION 265, ABSTRACT 144, A DISTANCE OF 821.20 FEET TO A POINT;

THENCE SOUTH 87 DEGREES 17 MINUTES 59 SECONDS EAST, CONTINUING OVER AND ACROSS SAID SECTION 265, ABSTRACT 144 AND OVER AND ACROSS SAID SECTION 264, ABSTRACT 664, SECTION 263, ABSTRACT 663, AND SECTION 262, ABSTRACT 719, A DISTANCE OF 4555.47 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 262, ABSTRACT 719;

THENCE SOUTH 00 DEGREES 06 MINUTES 46 SECONDS EAST, ALONG SAID EAST LINE, A DISTANCE OF 1176.47 FEET TO A POINT FOR A NORTHWEST CORNER OF SAID SECTION 2, ABSTRACT 1292;

THENCE SOUTH 89 DEGREES 52 MINUTES 13 SECONDS EAST, ALONG A NORTH LINE OF SAID SECTION 2, ABSTRACT 1292 A DISTANCE OF 1499.76 FEET TO A POINT FOR AN INNER ELL CORNER OF SAID SECTION 2, ABSTRACT 1292;

THENCE NORTH 00 DEGREES 00 MINUTES 05 SECONDS WEST, ALONG THE MOST EASTERLY WEST LINE OF SAID SECTION 2, ABSTRACT 1292, A DISTANCE OF 1075.85 FEET TO A POINT;

THENCE SOUTH 87 DEGREES 09 MINUTES 35 SECONDS EAST, DEPARTING SAID LINE OVER AND ACROSS SAID SECTION 2, ABSTRACT 1292, A DISTANCE OF 1277.71 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 2, ABSTRACT 1292;

THENCE SOUTH 00 DEGREES 15 MINUTES 12 SECONDS WEST, ALONG SAID EAST LINE, A DISTANCE OF 4457.43 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 2, ABSTRACT 1292 AND THE NORTHEAST CORNER OF THE JOSEPH WARE SURVEY, ABSTRACT 1017;

THENCE SOUTH 00 DEGREES 17 MINUTES 48 SECONDS WEST, ALONG THE EAST LINE OF SAID JOSEPH WARE SURVEY, A DISTANCE OF 3783.77 FEET TO THE SOUTHEAST CORNER OF SAID JOSEPH WARE SURVEY AND THE NORTHWEST CORNER OF SAID SECTION 156, BLOCK 72;

THENCE NORTH 89 DEGREES 57 MINUTES 45 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 156, BLOCK 72, A DISTANCE OF 5247.12 FEET TO THE NORTHEAST CORNER OF SAID SECTION 156, BLOCK 72 AND THE NORTHWEST CORNER OF SAID SECTION 307, BLOCK 72;

THENCE NORTH 89 DEGREES 35 MINUTES 20 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 307, BLOCK 72, A DISTANCE OF 5318.93 FEET TO THE NORTHEAST CORNER OF SAID SECTION 307, BLOCK 72;

THENCE SOUTH 00 DEGREES 30 MINUTES 16 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 307, BLOCK 72, A DISTANCE OF 2716.40 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 307, BLOCK 72, AND THE NORTHEAST CORNER OF SAID SECTION 306, BLOCK 72;

THENCE SOUTH 89 DEGREES 39 MINUTES 01 SECOND WEST, ALONG THE NORTH LINE OF SAID SECTION 306, BLOCK 72 AND THE SOUTH LINE OF SAID SECTION 307, BLOCK 72, A DISTANCE OF 5331.87 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 307, BLOCK 72 AND THE NORTHWEST CORNER OF SAID SECTION 306, BLOCK 72;

THENCE SOUTH 45 DEGREES 18 MINUTES 58 SECONDS EAST, OVER AND ACROSS SAID SECTION 306, BLOCK 72 AND SECTION 135, BLOCK 72, A DISTANCE OF 7532.20 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 135, BLOCK 72;

THENCE SOUTH 00 DEGREES 13 MINUTES 47 SECONDS WEST, ALONG SAID EAST LINE, A DISTANCE OF 2640.53 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 135, BLOCK 72 AND THE NORTHWEST CORNER OF SAID SECTION 136, BLOCK 72;

THENCE NORTH 89 DEGREES 55 MINUTES 16 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 136, BLOCK 72, A DISTANCE OF 5330.25 FEET TO THE NORTHEAST CORNER OF SAID SECTION 136, BLOCK 72;

THENCE SOUTH 00 DEGREES 33 MINUTES 27 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 136, BLOCK 72, A DISTANCE OF 2731.63 FEET TO A POINT;

THENCE SOUTH 00 DEGREES 38 MINUTES 58 SECONDS WEST, CONTINUING ALONG SAID EAST LINE, A DISTANCE OF 2647.98 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 136, BLOCK 72;

THENCE SOUTH 89 DEGREES 57 MINUTES 24 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 136, BLOCK 72, A DISTANCE OF 5379.04 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 136, BLOCK 72;

THENCE NORTH 00 DEGREES 28 MINUTES 28 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 136, BLOCK 72, A DISTANCE OF 2742.72 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 305, BLOCK 72;

THENCE NORTH 88 DEGREES 45 MINUTES 53 SECONDS WEST, DEPARTING SAID WEST LINE ALONG THE SOUTH LINE OF SAID SECTION 305, BLOCK 72, A DISTANCE OF 5399.23 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 305, BLOCK 72 ON THE EAST LINE OF SAID SECTION 154, BLOCK 72;

THENCE SOUTH 01 DEGREE 07 MINUTES 35 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 154, BLOCK 72, A DISTANCE OF 2658.19 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 154, BLOCK 72 AND THE NORTHEAST CORNER OF SAID SECTION 292, BLOCK 72;

THENCE SOUTH 00 DEGREES 01 MINUTE 05 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 292, BLOCK 72, A DISTANCE OF 2606.55 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 292, BLOCK 72 AND THE NORTHEAST CORNER OF SAID SECTION 293, BLOCK 72;

THENCE SOUTH 89 DEGREES 54 MINUTES 35 SECONDS WEST, ALONG THE NORTH LINE OF SAID SECTION 293, BLOCK 72, AND THE SOUTH LINE OF SAID SECTION 292, BLOCK 72, A DISTANCE OF 2654.19 FEET TO A POINT;

THENCE SOUTH 00 DEGREES 06 MINUTES 46 SECONDS WEST, DEPARTING SAID NORTH AND SOUTH LINES OVER AND ACROSS SAID SECTION 293, BLOCK 72, A DISTANCE OF 2691.13 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 293, BLOCK 72;

THENCE NORTH 88 DEGREES 30 MINUTES 05 SECONDS WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 2660.70 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 293, BLOCK 72;

THENCE NORTH 00 DEGREES 14 MINUTES 19 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 293, BLOCK 72, A DISTANCE OF 2617.38 FEET TO THE NORTHWEST CORNER OF SAID SECTION 293, BLOCK 72 AND THE SOUTHWEST CORNER OF SAID SECTION 292, BLOCK 72;

THENCE NORTH 00 DEGREES 14 MINUTES 43 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 292, BLOCK 72, A DISTANCE OF 2642.89 FEET TO THE NORTHWEST CORNER OF SAID SECTION 292, BLOCK 72 AND THE SOUTHWEST CORNER OF SAID SECTION 154, BLOCK 72, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF SAID SECTION 283, BLOCK 72;

THENCE NORTH 00 DEGREES 23 MINUTES 29 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 154, BLOCK 72, A DISTANCE OF 3750.62 FEET TO A POINT;

THENCE SOUTH 87 DEGREES 50 MINUTES 12 SECONDS WEST, DEPARTING SAID WEST LINE OVER AND ACROSS SAID SECTION 284, BLOCK 72, A DISTANCE OF 2757.72 FEET TO A POINT;

THENCE SOUTH 15 DEGREES 44 MINUTES 47 SECONDS EAST, CONTINUING OVER AND ACROSS SAID SECTION 284, BLOCK 72 AND OVER AND ACROSS SAID SECTION 283, BLOCK 72, A DISTANCE OF 2105.29 FEET TO A POINT;

THENCE SOUTH 89 DEGREES 54 MINUTES 21 SECONDS WEST, CONTINUING OVER AND ACROSS SAID SECTION 283, BLOCK 72 AND OVER AND ACROSS SAID SECTION 1, ABSTRACT 1033, A DISTANCE OF 8499.07 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 1, ABSTRACT 1033 AND THE EAST LINE OF SAID SECTION 2, ABSTRACT 1344;

THENCE SOUTH 00 DEGREES 00 MINUTES 31 SECONDS WEST, ALONG SAID EAST AND WEST LINES, A DISTANCE OF 1603.17 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 1, ABSTRACT 1033 AND THE SOUTHEAST CORNER OF SAID SECTION 2, ABSTRACT 1344;

THENCE SOUTH 89 DEGREES 55 MINUTES 53 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 2, ABSTRACT 1344, A DISTANCE OF 1396.95 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 2, ABSTRACT 1344;

THENCE NORTH 00 DEGREES 41 MINUTES 13 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 2, ABSTRACT 1344, A DISTANCE OF 634.14 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 2, BLOCK 11;

THENCE SOUTH 89 DEGREES 43 MINUTES 41 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 2, BLOCK 11, A DISTANCE OF 5263.87 FEET TO POINT OF BEGINNING AND CONTAINING 567,325,820 SQUARE FEET, OR 13,024 ACRES OF LAND MORE OR LESS.

NOTES:

BEARINGS, DISTANCES, AND AREAS ARE BASED SOLELY ON GIS LINES PROVIDED BY THE TEXAS GENERAL LAND OFFICE AND REINVESTMENT ZONE SHAPE PROVIDED BY CLIENT. NO FURTHER RESEARCH WAS DONE BY THE SURVEYOR IN THE OFFICE OR FIELD TO ESTABLISH SAID LINES.

THIS DESCRIPTION SHALL ONLY BE USED FOR CONCEPTUAL PLANNING. SURVEYOR WILL NOT BE HELD LIABLE FOR ANY DESIGN WORK CONSTRUCTED FROM THIS DESCRIPTION.

THE SURVEYOR DOES NOT CERTIFY TO THE ACCURACY OF LINES.

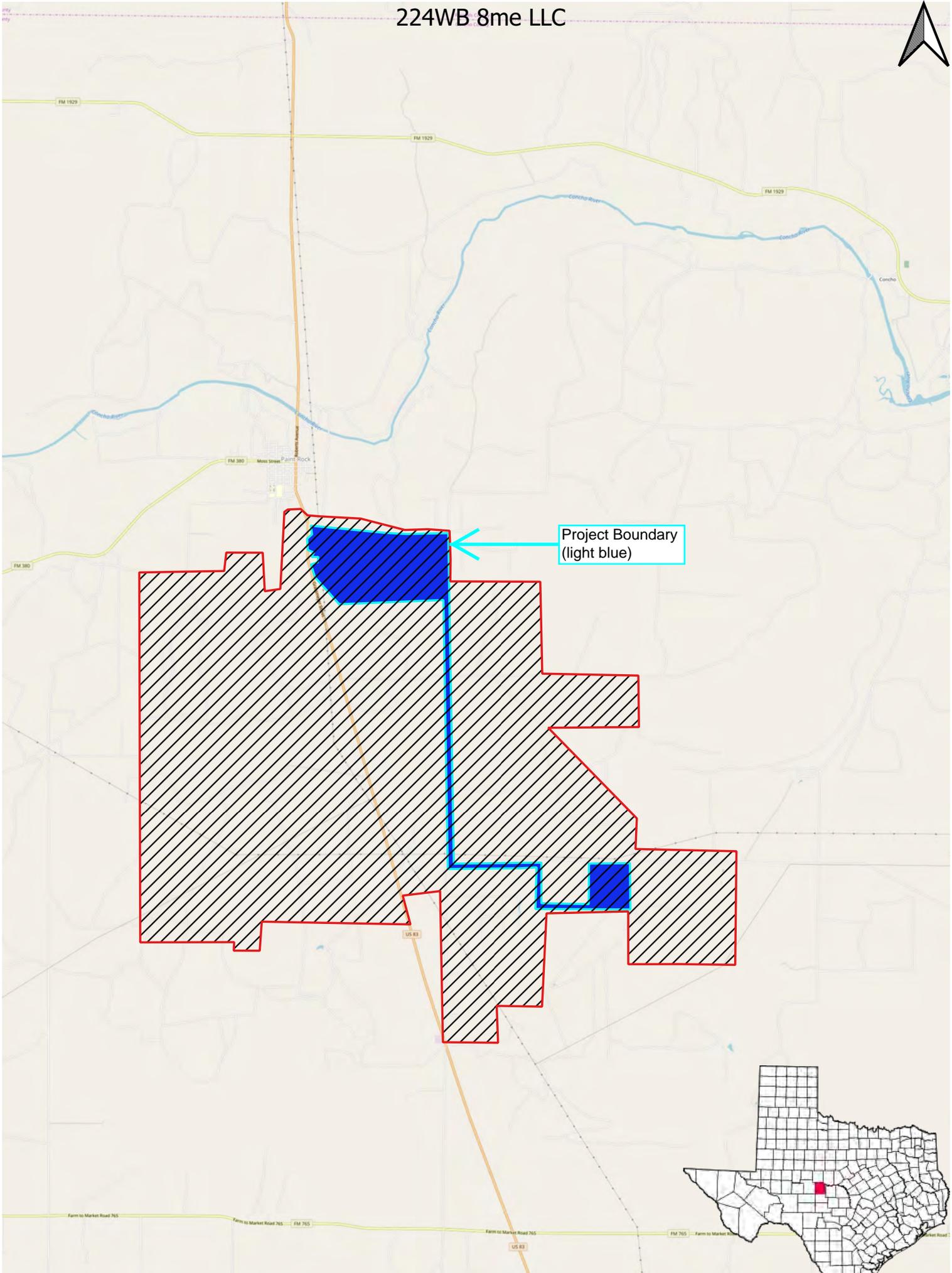
NO FIELD WORK WAS PERFORMED TO CREATE THIS LEGAL DESCRIPTION.

EXHIBIT 1

DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE

On July 10, 2018, a time prior to the Application Approval Date, pursuant to Chapter 312 of the Texas Tax Code, the Concho County Commissioner's Court adopted an Order creating *CONCHO COUNTY REINVESTMENT ZONE No. 04-Galloway, Revised 2A and 2B* . A legal description and a map of *CONCHO COUNTY REINVESTMENT ZONE No. 04-Galloway, Revised 2A and 2B* is attached as the last page of this **EXHIBIT 1** following the legal description of the zone. All of the Applicant's Qualified Property and Applicant's Qualified Investment will be located within the boundaries of *CONCHO COUNTY REINVESTMENT ZONE No. 04-Galloway, Revised 2A and 2B* and the Paint Rock Independent School District.

224WB 8me LLC



Project Boundary
(light blue)

-  Reinvestment Zone
-  224WB 8me LLC Project Area

0 1 2 mi



Final Footprint Subject to Change Within Reinvestment Zone

EXHIBIT 2

DESCRIPTION AND LOCATION OF LAND

All of the Applicant's Qualified Property and Applicant's Qualified Investment will be located within the boundaries of *CONCHO COUNTY REINVESTMENT ZONE No. 04-Galloway, Revised 2A and 2B* and the Paint Rock Independent School District. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described by the legal description and maps attached to **EXHIBIT 1**.

EXHIBIT 3

APPLICANT'S QUALIFIED INVESTMENT

Applicant's Qualified Investment shall be all tangible personal property first placed in service after February 27, 2020, that is owned by the Applicant, as more fully described in Tab #7 of the Application and located within the boundaries of the Paint Rock Independent School District and the *CONCHO COUNTY REINVESTMENT ZONE No. 04-Galloway, Revised 2A and 2B* depicted by the map attached to this **EXHIBIT 4**.

8minute Solar Energy is proposing to construct a solar electric generating facility in Concho County, Texas. The facility will be located in the north-central portion of the county. Additionally, the entirety of the project will be within Paint Rock Independent School District. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 110 MW-AC, and will feature approximately 558,800 photovoltaic panels, and 109 central inverters.

224WB 8me LLC has applied to the Electric Reliability Council of Texas and was assigned IGNR #19INR0003 on June 23, 2016. Please note this project is not known by any other names.

224WB 8me LLC requests that this application includes but is not limited to the following components of this project:

- Solar Modules & Panels
- Inverter Boxes
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities

EXHIBIT 4

DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

Applicant's Qualified Property shall be all tangible personal property first placed in service after February 27, 2020, that is owned by the Applicant, as more fully described in Tab #7 of the Application and located within the boundaries of the Paint Rock Independent School District and the *CONCHO COUNTY REINVESTMENT ZONE No. 04-Galloway, Revised 2A and 2B* depicted by the map attached to this **EXHIBIT 4**.

8minute Solar Energy is proposing to construct a solar electric generating facility in Concho County, Texas. The facility will be located in the north-central portion of the county. Additionally, the entirety of the project will be within Paint Rock Independent School District. Please find attached in Tab 11 maps that further define the location of the facility.

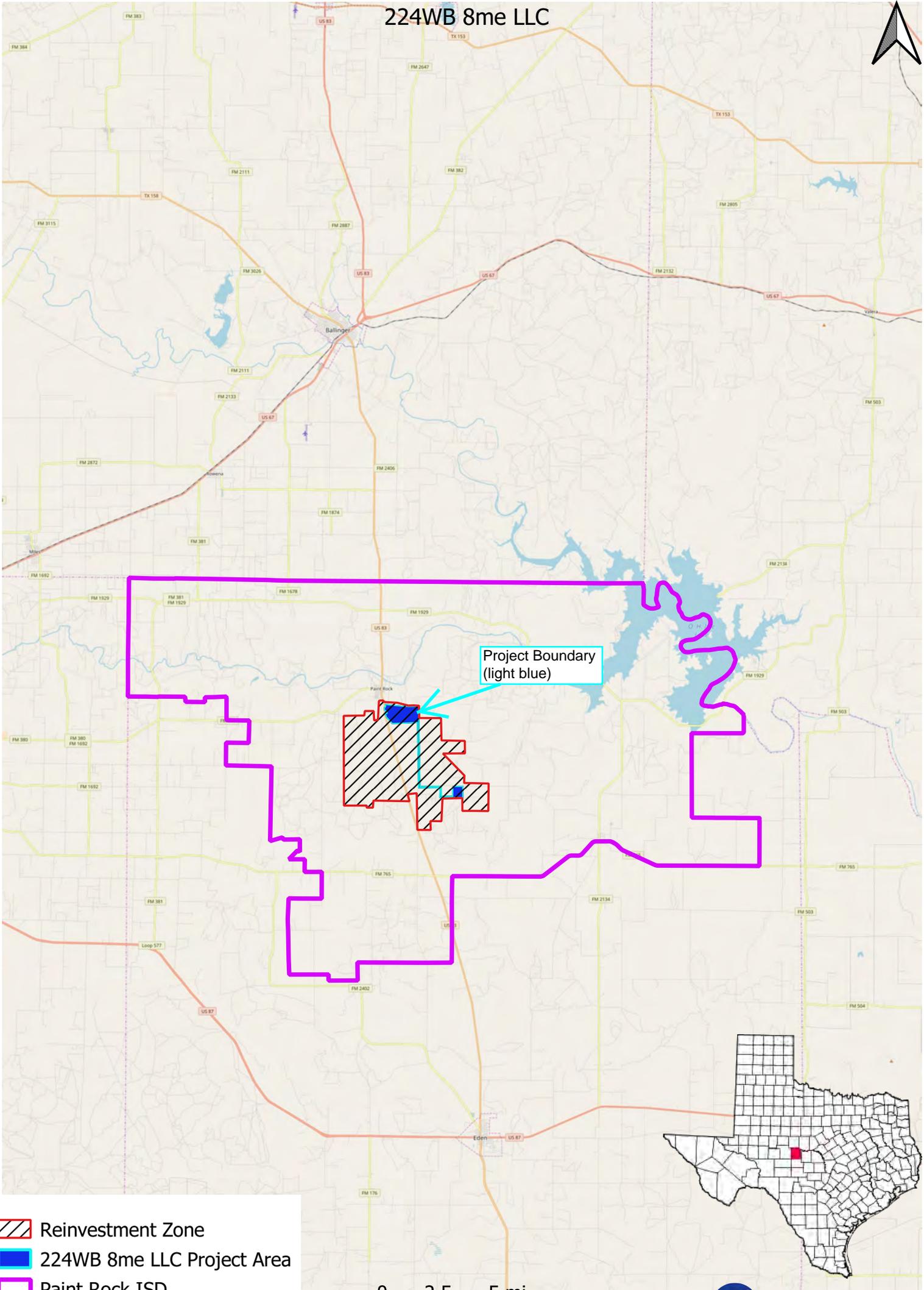
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- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities

224WB 8me LLC



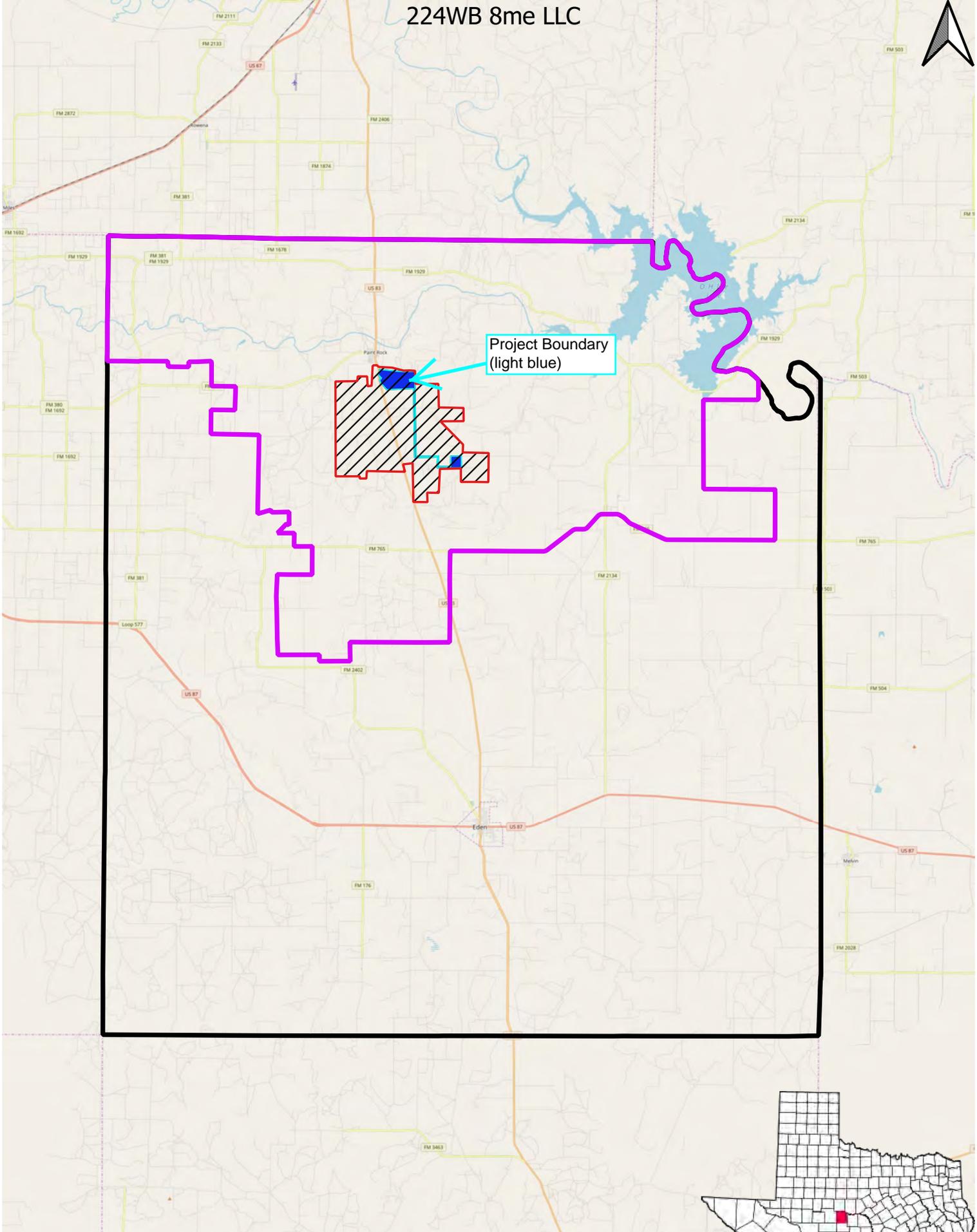
Project Boundary
(light blue)

-  Reinvestment Zone
-  224WB 8me LLC Project Area
-  Paint Rock ISD

0 2.5 5 mi



224WB 8me LLC



-  Reinvestment Zone
-  224WB 8me LLC Project Area
-  Paint Rock ISD
-  Concho County



0 2.5 5 mi



Attachment H

Consultant Verification Letter



LYNN M. MOAK, PARTNER

DANIEL T. CASEY, PARTNER

February 24, 2020

President and Members
Board of Trustees
Paint Rock Independent School District
698 South Sims Street
P.O. Box 277
Paint Rock, Texas 76866

Re: Recommendations and Findings of the Firm Concerning the Application of 224WB 8me, LLC (#1431) for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes

Dear President and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Paint Rock Independent School District, with respect to the pending Application of 224WB 8me, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. Based upon our review, we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.
4. All applicable school finance implications arising from the contemplated Agreement have been explored.
5. The proposed Agreement contains adequate revenue protection provisions to protect the interests of the District over the course of the Agreement.

Because of the foregoing, it is our recommendation that the Board of Trustees approve the Application of 224WB 8me, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

Daniel T. Casey
Partner

www.moakcasey.com

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS & COUNSELORS AT LAW

808 WEST AVE

AUSTIN, TEXAS 78701

TELEPHONE: (512) 494-9949

FACSIMILE: (512) 494-9919

KEVIN O'HANLON
CERTIFIED, CIVIL APPELLATE
CERTIFIED, CIVIL TRIAL

JUSTIN DEMERATH

BENJAMIN CASTILLO

February 24, 2020

President and Members
Board of Trustees
Paint Rock Independent School District
698 South Sims Street
P.O. Box 277
Paint Rock, Texas 76866

*Re: Recommendations and Findings of the Firm Concerning Application of 224WB
8me, LLC (#1431) for a Limitation on Appraised Value of Property for School
District Maintenance and Operations Taxes*

Dear President and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Paint Rock Independent School District, with respect to the pending Application of 224WB 8me, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. We have also negotiated an Agreement between the District and 224WB 8me, LLC. Based upon our review we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.
4. All applicable school finance implications arising from the contemplated Agreement have been explored.

5. The proposed Agreement contains adequate legal provisions to protect the interests of the District.

As a result of the foregoing conclusions it is our recommendation that the Board of Trustees approve the Application of 224WB 8me, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin O'Hanlon", written in a cursive style.

Kevin O'Hanlon
For the Firm

Attachment I

Agreement Review Letter



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13828 • Austin, TX 78711-3828

February 14, 2020

Ron Cline
Superintendent
Paint Rock Independent School District
PO Box 277
Paint Rock, Texas 76866

Re: Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Paint Rock Independent School District and 224WB 8me, LLC, Application 1431

Dear Superintendent Cline:

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 Paint Rock Independent School District and 224WB 8me, 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 Deisy Perez with our office. She can be reached by email at deisy.perez@cpa.texas.gov or by phone at 1-800-531-5441, ext. 5-2410, or at 512-475-2410.

Sincerely,

Will Counihan
Director
Data Analysis & Transparency Division

cc: Dan Casey, Moak, Casey & Associates
Thomas Hubertus Buttgenbach, 8minute Solar Energy
Dan Nelson, 8minute Solar Energy
Mike Fry, KE Andrews

Attachment J

Conflict Of Interest Disclosure

Conflicts of Interest Disclosure Procedure

In its recent audits of Chapter 313 Agreements, The Texas State Auditor's Office has required documentation of inquiries concerning Board Member conflicts of interest at critical junctions in the Chapter 313 approval process. A local public official or a person related to a local public official in the first degree by either affinity or consanguinity has a substantial interest in a business entity or in real property, the local public official, before a vote or decision on any matter involving the business entity or the real property, is required to file an affidavit with an official Board record keeper stating the nature and extent of the interest and shall abstain from further participation in the matter if:

1. In the case of a substantial interest in a business entity, the action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or
2. In the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.
3. A person has a substantial interest in a business entity if:
The person owns at least:
 - a. Ten percent of the voting stock or shares of the business entity, or
 - b. Either ten percent or \$15,000 of the fair market value of the business entity; or
 - c. Funds received by the person from the business entity exceed ten percent of the person's gross income for the previous year.
4. In the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.

The Board may contract with a business entity in which a Trustee has a substantial interest if the Trustee follows the disclosure and abstention procedure set out above.

Does any Board Member have a conflict of interest as defined above?

If so, has the required Affidavit, set forth at District Policy BBFA (Exhibit) been filed?

Please have the answers to the foregoing 2 questions and a copy of this Procedure included in the minutes of this meeting.