

Attachment 1

Application

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

October 30, 2019

Date Application Received by District

Samuel

First Name

Wyatt

Last Name

Superintendent

Title

Rankin Independent School District

School District Name

511 W. 12th Street

Street Address

P.O. Box 90

Mailing Address

Rankin

City

432-693-2461

Phone Number

Texas

State

79778

ZIP

432-693-2552

Fax Number

swyatt@rankinisd.net

Email Address

Mobile Number (optional)

2. Does the district authorize the consultant to provide and obtain information related to this application?



Yes



No

SECTION 1: School District Information *(continued)*3. Authorized School District Consultant *(If Applicable)*

Sara

First Name

Attorney

Title

Sara Leon & Associates, LLC

Firm Name

512-637-4244

Phone Number

Mobile Number *(optional)*

Leon

Last Name

512-637-4245

Fax Number

saraleongroup@saraleonlaw.com

Email Address

November 7, 2019

4. On what date did the district determine this application complete? November 7, 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)*

Kendall

First Name

Project Development Manager

Title

17300 N. Dallas Parkway, Suite 2020

Street Address

17300 N. Dallas Parkway, Suite 2020

Mailing Address

Dallas

City

972-290-0825

Phone Number

Mobile Number *(optional)*

Merkel

Last Name

Tri Global Energy LLC

Organization

Texas

State

972-290-0823

Fax Number

kmerkel@triglobalenergy.com

Business Email Address

75248

ZIP

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.

Shweta

First Name

Manager

Title

17300 N. Dallas Parkway, Suite 2020

Street Address

17300 N. Dallas Parkway, Suite 2020

Mailing Address

Dallas

City

512-516-9427

Phone Number

Mobile Number *(optional)*

Sharma

Last Name

Tri Global Energy, LLC

Organization

Texas

State

Fax Number

shweta_sh@hotmail.com

Business Email Address

75248

ZIP

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)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

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? Appaloosa Run Renewable Energy Project, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32069893314
3. List the NAICS code 221115
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 Company
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 type="checkbox"/> Land has no existing improvements	<input checked="" 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 February 2020
2. Commencement of construction February 2021
3. Beginning of qualifying time period January 1, 2021
4. First year of limitation January 1, 2022
5. Begin hiring new employees July 2021
6. Commencement of commercial operations October 2021
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? October 2021

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Upton County, 100%
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Upton 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: Upton County City: N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: Rankin Hospital District, .206744, 100% Water District: Upton County Water District, .003441, 100%
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): Upton County ESD#1, .009555, 100% Other (describe): _____
(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? \$30,000,000
2. What is the amount of appraised value limitation for which you are applying? \$30,000,000
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): \$ 137,280
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? 4
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 \$1,337.00
- b. 110% of the average weekly wage for manufacturing jobs in the county is \$605.83
- c. 110% of the average weekly wage for manufacturing jobs in the region is \$1,546.60
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? \$31,503
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? \$32,000
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**.

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** ➡_____
Print Name (Authorized School District Representative)_____
Title**sign
here** ➡_____
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** ➡_____
Print Name (Authorized Company Representative (Applicant))_____
Title**sign
here** ➡_____
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.

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project vicinity b) Qualified investment including 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 c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

Attachment 2

Proof of Payment of Application Fee

Please find on the following page a copy of the check for \$75,000 application fee to Rankin Independent School District.

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)*

Attachment 3

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

Not Applicable.

Attachment 4

Detailed description of the project.

Appaloosa Run Renewable Energy Project, LLC ("Appaloosa Run") is a special purpose entity formed to facilitate the development and commercialization of a utility-scale wind energy project initiated by Tri Global Energy, LLC ("Tri Global"). Tri Global, the original developer of Appaloosa Run, is in the business of initiating, developing, and constructing plants generating electricity from the wind resource.

Appaloosa Run Renewable Energy Project, LLC is requesting an appraised value limitation from Rankin ISD for a proposed wind energy project using wind turbines, collection lines, operational structures, and a transmission line located in Upton County. The wind farm and its associated infrastructure will be constructed within a Reinvestment Zone established by Upton County, Texas. A map showing the location of the wind farm is included as Attachment 11a. The wind farm will have an estimated capacity of 175 megawatts ("MW"). To construct the wind farm, Tri Global will install wind turbines, collection lines, and transmission lines all within Rankin ISD that will have a rated capacity of 175 MW (the "Appaloosa Run Project"). In addition, roads will be constructed and improved as necessary along with transmission lines. A collection substation will be installed to permit the interconnection and transmission of electricity generated by the wind turbines and an operations and maintenance building will be erected.

Construction of the wind farm is proposed to begin in March 2021 and is expected to take approximately nine months to complete, with an estimated commercial operations date by December 31, 2021, contingent upon favorable economics for the project.

While the wind resource at the site of the Appaloosa Run Project is very good, there are currently many favorable locations for wind projects that could be developed across the US. The Appaloosa Run Project has modeled its economics with an expectation that it will have an economic Limitation of Appraised Value Agreement with Rankin ISD. Investors are interested in investing in wind projects across the US and can locate projects in a wide variety of locations. Should Tri Global be unable to develop a competitive project in Texas, that is able to generate sufficient returns, investors may deploy their capital elsewhere.

Wind farms are operating, in construction or in development in many states throughout the country. According to the American Wind Energy Association ("AWEA") there are now 97,960 MW of installed wind capacity in the United States and over 57,000 wind turbines. At the end of the second quarter of 2019, there has been more U.S. wind power under development than ever in history with more than 41,801 MW that are currently under construction or in advanced development. When completed, these projects will generate enough electricity annually to power millions of households. A graphic provided by AWEA in its market report demonstrates the national geographic diversity of successfully completed projects.

Clearly, wind projects are abundant, and the Applicant can locate the Project in a wide variety of locations across the United States should it be unable to develop a competitive project in Texas that is able to generate returns sufficient to attract investment capital.

Tri Global team member accomplishments include leadership roles in the development, construction, and operations of approximately 4,000 MWs, or approximately 5%, of the U.S.' installed wind energy capacity and over 2,500 MWs of fossil generation, as well as securing over \$2 billion in corporate and project finance. Tri Global's President, Tom Carbone, is the former North American president of Vestas, one of the world's leading turbine manufacturers. He led the company's sales, project installation, and service business areas, tripling their annual order intake from \$300 million to over \$1 billion. Tri Global's management team is uniquely qualified to develop and construct wind and other energy projects throughout the United States. As such, the development resources necessary to advance the subject planned 175 MW Appaloosa Run Renewable Energy Project, LLC could be redeployed to other renewable energy development projects in other power markets in the United States.

Appaloosa Run Renewable Energy Project, LLC, identified Texas, and in particular Rankin ISD, for its strong wind resource, access to available transmission capacity, participation in the ERCOT market, and favorable property tax incentives under the Tax Code for Chapter 312 tax abatement and Chapter 313 Appraised Value Limitation. Tri Global prefers to develop and build the proposed Appaloosa Run Renewable Energy Project, LLC as described throughout this Application.

Should the appraised value limitation be granted, Appaloosa Run Renewable Energy Project, LLC, has created a development and investment plan that it is capitalized to implement. Without such a limitation the Project, competing against other Texas projects that have qualified, would likely be forced to redeploy its assets and capital to other counties or states competing for similar wind projects.

Attachment 5

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

Has the applicant entered into any agreements, contracts, or letters of intent related to the proposed project?

Appaloosa Run Renewable Energy Project, LLC was formed in 2019.

Since its formation, Appaloosa Run Renewable Energy Project, LLC and its associate parties have entered into the following representative agreements and contracts for the development of a project within Rankin ISD:

- *Ground lease and Easement Agreement*
- *D&O Insurance Policy & Public Liability insurance contract with MHBT Marsh & McLennan Agency LLC*
- *Full wind study and contract with UL AWS Truepower*
- *Full wind analysis and data monitoring contract with Arcvera Renewables*
- *Environmental study contract with SWCA*
- *Interconnection studies/contracts with AEP and ERCOT*
- *Transformer agreement with SMIT Transformatoren*
- *Master monitoring agreement with Flash Technology*

Does the applicant have current business activities at the location where the proposed project will occur?

The business activities and these agreements and contracts listed above will help to determine with greater certainty and granularity the feasibility of completing development of an economic renewable energy project in Rankin ISD. Appaloosa Run Renewable Energy Project, LLC has determined that a value limitation agreement with Snyder ISD is an essential economic driver to allow for the return on investment necessary to finance and construct the wind energy project.

Is the applicant evaluating other locations not in Texas for the proposed project?

The Tri Global team has extensive experience in markets across the country. Based on this experience the management team evaluates all potential projects for feasibility, finance-ability, and the economic returns they represent in comparison to other project opportunities across the country.

The Appaloosa Run Project is currently in such a period of assessment to determine whether the identified site in Rankin ISD represents the best location or whether redeployment of its development resources and capital to other power markets in the United States is more advisable.

A 313 Limitation of Appraised Value Agreement is a key tax incentive agreement necessary to ensure the Project is on a level playing field with other wind projects with similar incentives and with alternative forms of generation that receive their own forms of economic support. Without the requested limitation the Project will be unable to generate sufficient operating margins and net income to produce economically competitive energy and associated returns necessary to attract tax and sponsor equity investment. Such third-party investment is mandatory to finance the projected capital costs of approximately \$202M needed to purchase the necessary equipment and other infrastructure and to fund the construction and closing costs of the facility.

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?

The information provided in this Attachment and throughout the application has been assembled to provide the reviewer with the best possible data on which to make an assessment and determination of the critical nature of the limitation on appraised value to the feasibility of the Appaloosa Run Project.

The applicant continually evaluates locations outside of Texas for its project development activities. The project capital that is planned to be deployed for the Applicant's project (dependent upon approval of the Appraised Value Limitation) has been considered for use in projects located in numerous states, which include Nebraska, Illinois, and Colorado.

Attachment 6

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

All of the planned Qualified Property for the project is presently located solely in Rankin ISD (100%).

Attachment 7

Description of Qualified Investment.

Appaloosa Run Renewable Energy Project, LLC plans to construct an estimated 175 MW wind farm in Upton County, located entirely within Rankin ISD. All the Qualified Investment for this Project is planned to be located entirely within Rankin ISD.

The intended qualified investment includes wind turbines, roads, foundations, collection systems, transmission lines and interconnection infrastructure, additional roads (if necessary), operations and maintenance facilities, and control systems necessary for commercial generation of electricity.

The exact placement of wind turbines is subject to ongoing planning, wind resource studies, engineering, and discussions with landowners and equipment manufacturers. The final project layout, location of wind turbines and supporting structures will be determined before construction begins. The Appaloosa Run Project intends to connect to an existing AEP 138 kV transmission line that transects the northern half of the site. All of the infrastructure will remain within the project boundary and within the Reinvestment Zone. The map in Attachment 11b shows the proposed project area with the anticipated improvement locations.

Attachment 8

Description of Qualified Property.

Appaloosa Run Renewable Energy Project, LLC plans to construct an estimated 175 MW wind farm in Upton County, located entirely within Rankin ISD. All of the Qualified Investment for this Project is planned to be located entirely within Rankin ISD.

The intended qualified investment includes wind turbines, roads, foundations, collection systems, transmission lines and interconnection infrastructure, additional roads (if necessary), operations and maintenance facilities, and control systems necessary for commercial generation of electricity.

The exact placement of wind turbines is subject to ongoing planning, wind resource studies, engineering, and discussions with landowners and equipment manufacturers. The final project layout, location of wind turbines and supporting structures will be determined before construction begins. The Appaloosa Run Project intends to connect to an existing AEP 138 kV transmission line that transects the northern half of the site. All of the infrastructure will remain within the project boundary and within the Reinvestment Zone. The map in Attachment 11c shows the proposed project area with the anticipated improvement locations.

Attachment 9

Description of Land.

Not applicable.

Attachment 10

Description of all property not eligible to become Qualified Property (if applicable).

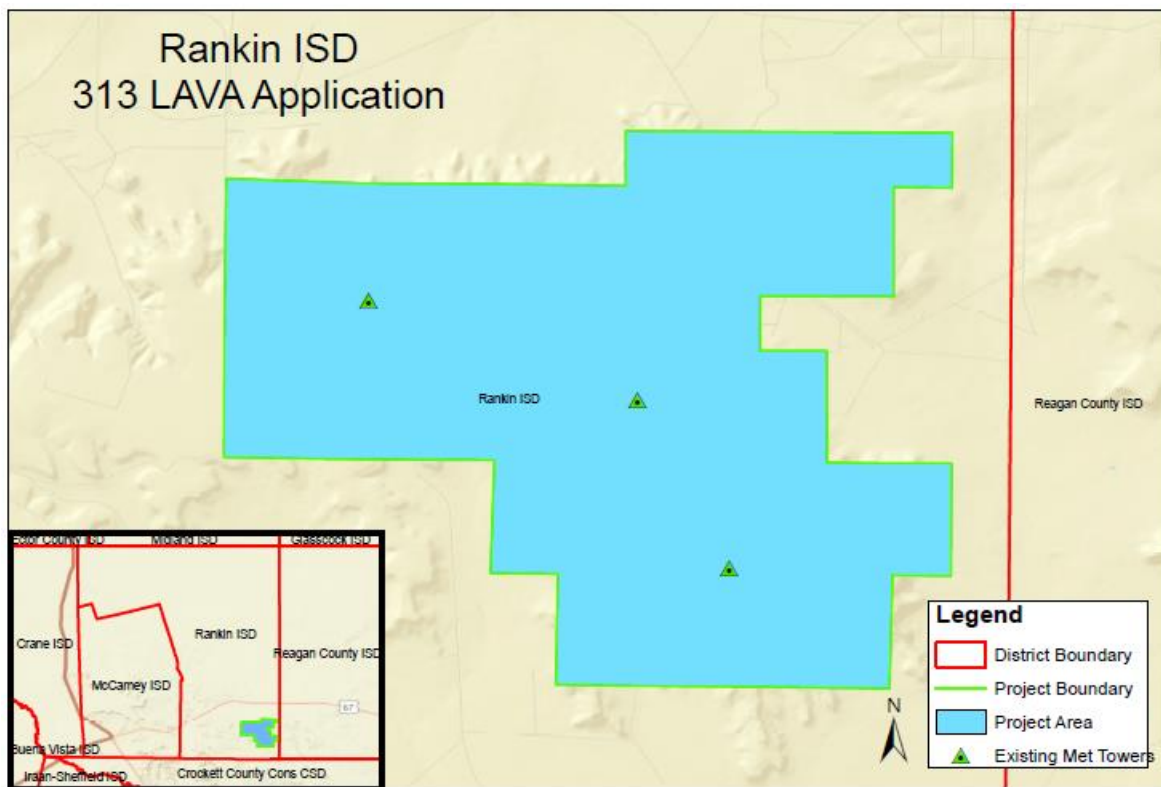
Site No. 0373 60m NRG Tower – Serial No. 820604682 – N 31.164525 W 101.258892

Site No. 0374 60m NRG Tower – Serial No. 820604683 – N 31.13018 W 101.81208

Site No. 0376 80m NRG Tower – Serial No. 939000582 – N 31.152106 W 101.823914

(Please note due to the met towers' 2019 installation dates there is no information currently available on the Upton County Appraisal District's website.)

Please see attached map below.



Appaloosa Run Renewable Energy Project, LLC
Existing Non-Eligible Property

Attachment 11

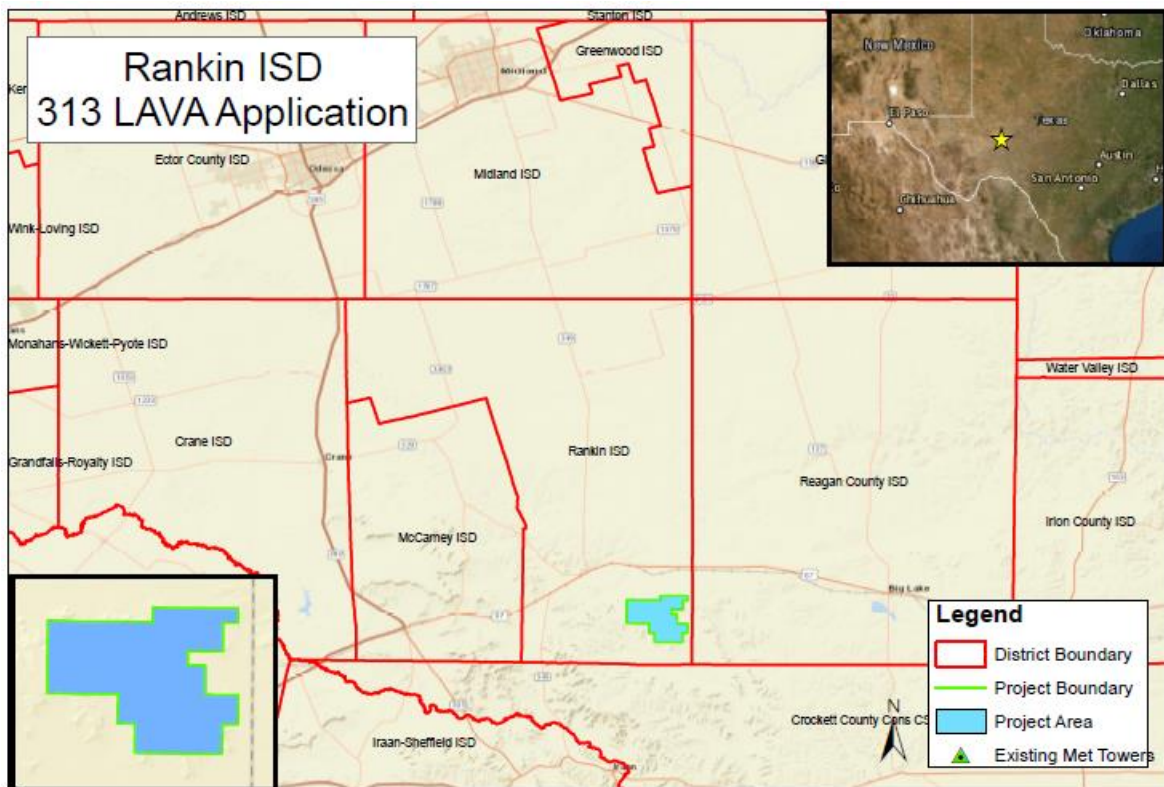
Maps that clearly show:

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

Attachment 11a

a) Project Vicinity

Please see attached map below.

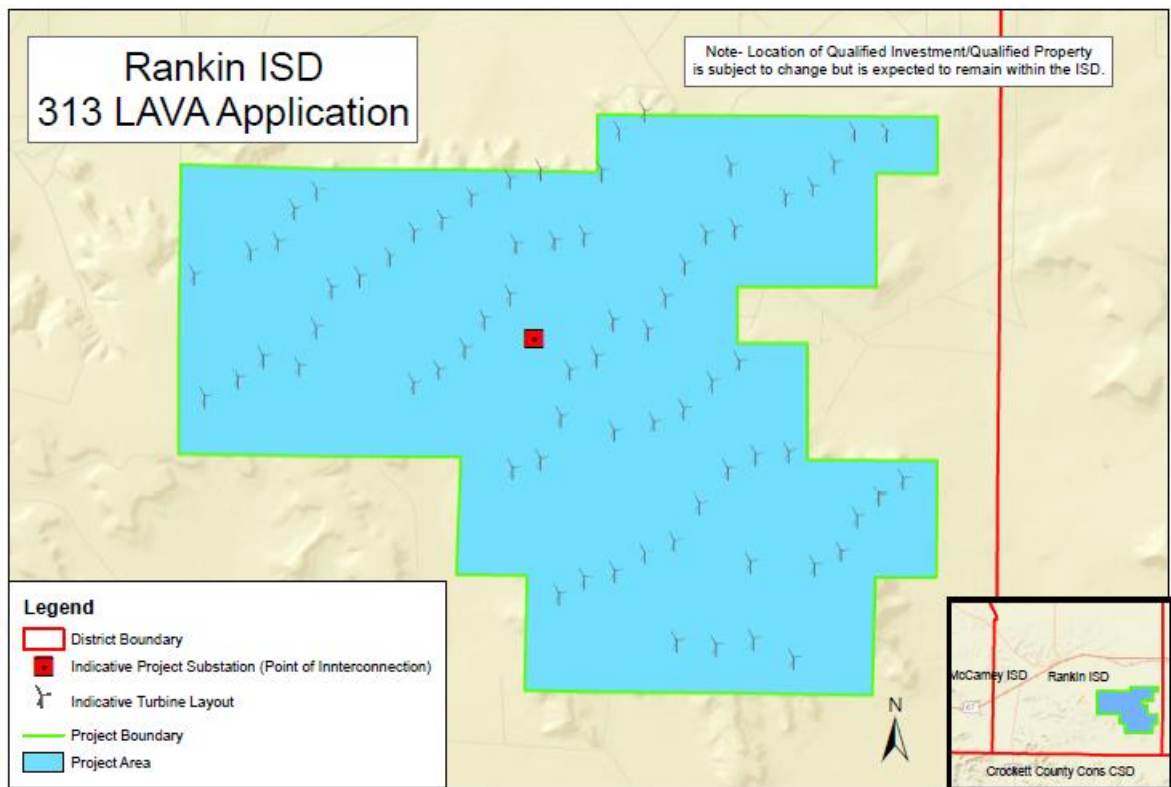


Appaloosa Run Renewable Energy Project, LLC
Project Vicinity

Attachment 11b

- b) Qualified Investment including 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

Please see attached map below.

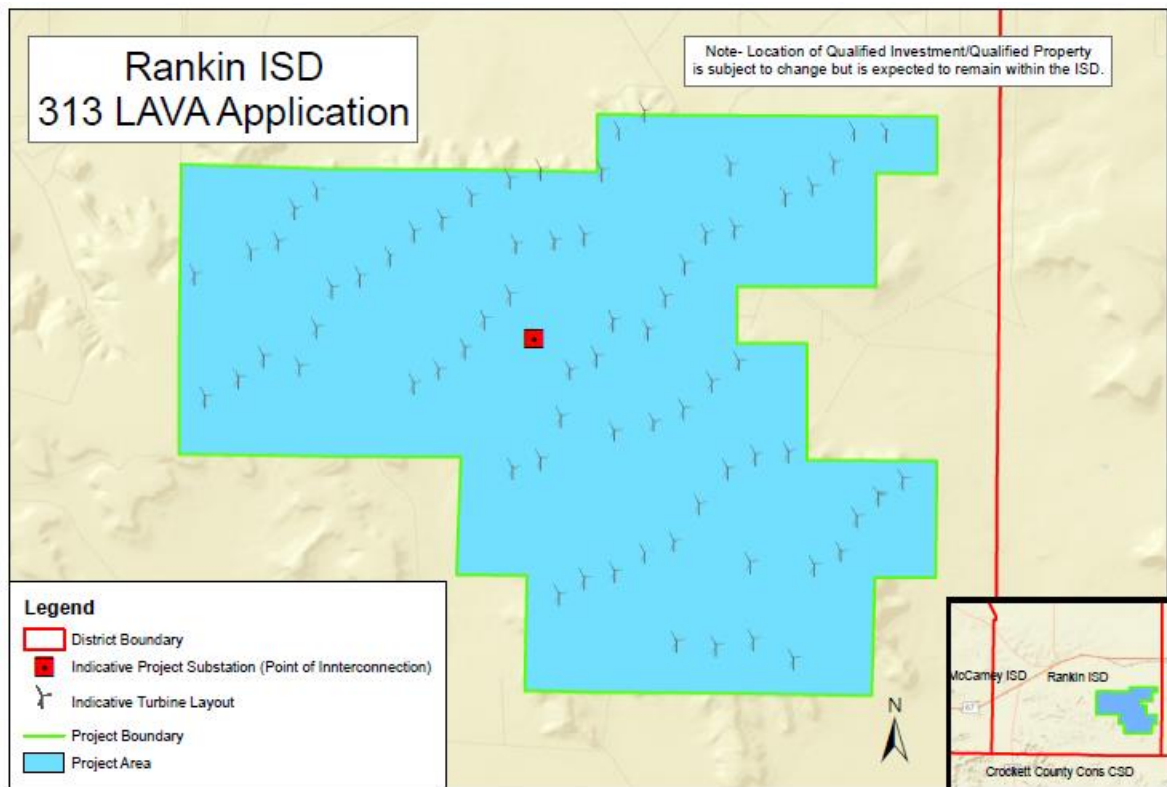


Appaloosa Run Renewable Energy Project, LLC Qualified Investment

Attachment 11c

c) Qualified Property including location of new buildings or new improvements

Please see attached map below.

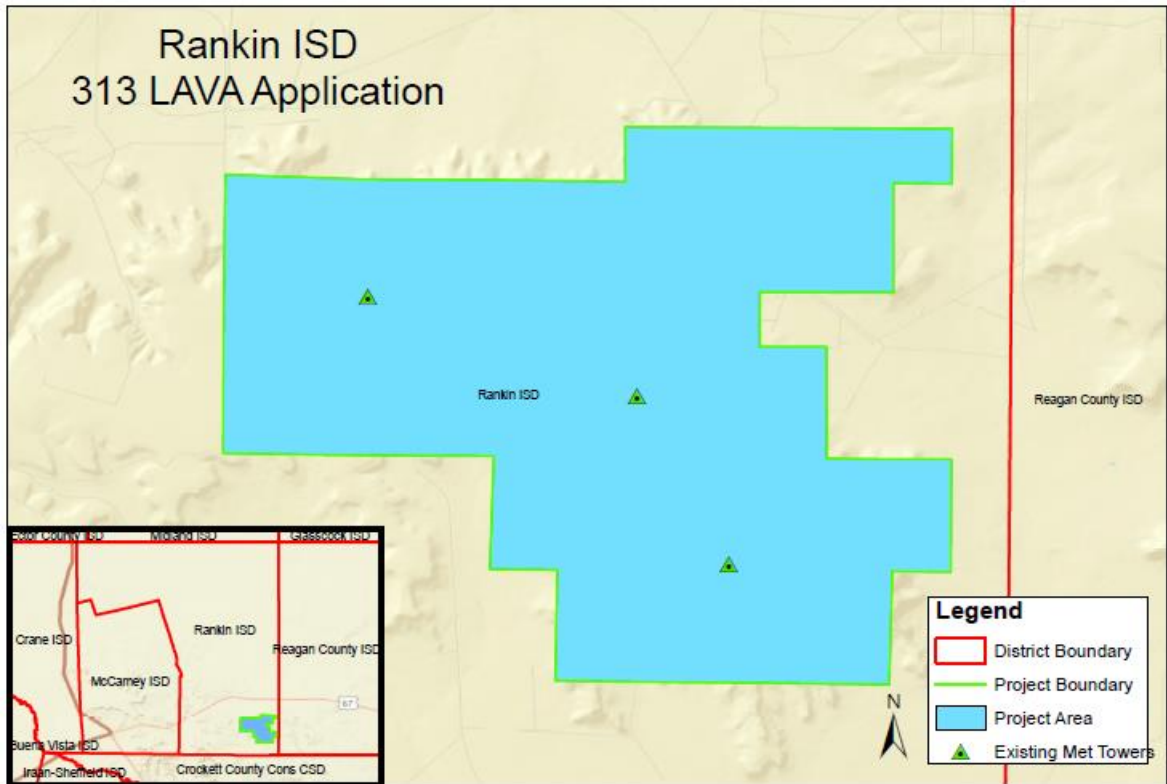


Appaloosa Run Renewable Energy Project, LLC
Qualified Property

Attachment 11d

d) Existing property

Please see attached map below.

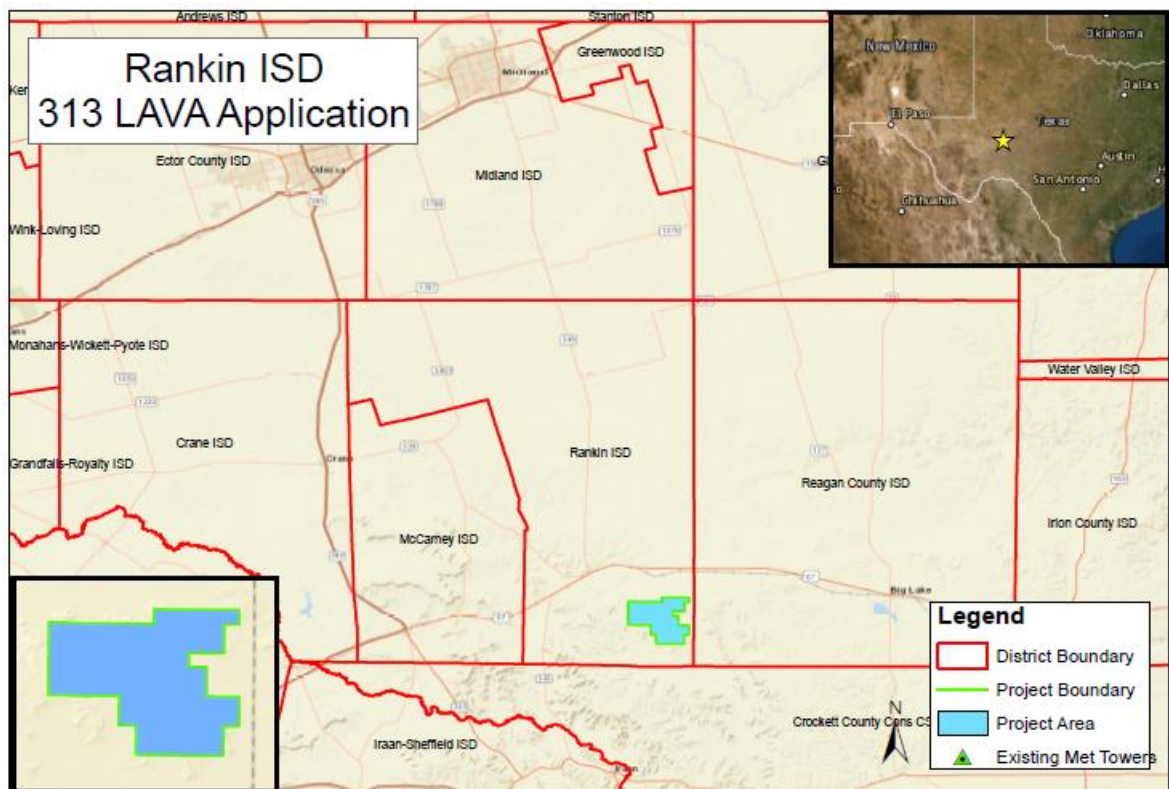


**Appaloosa Run Renewable Energy Project, LLC
Existing Non-Eligible Property**

Attachment 11e

e) Land location within vicinity map

Please see attached map below.

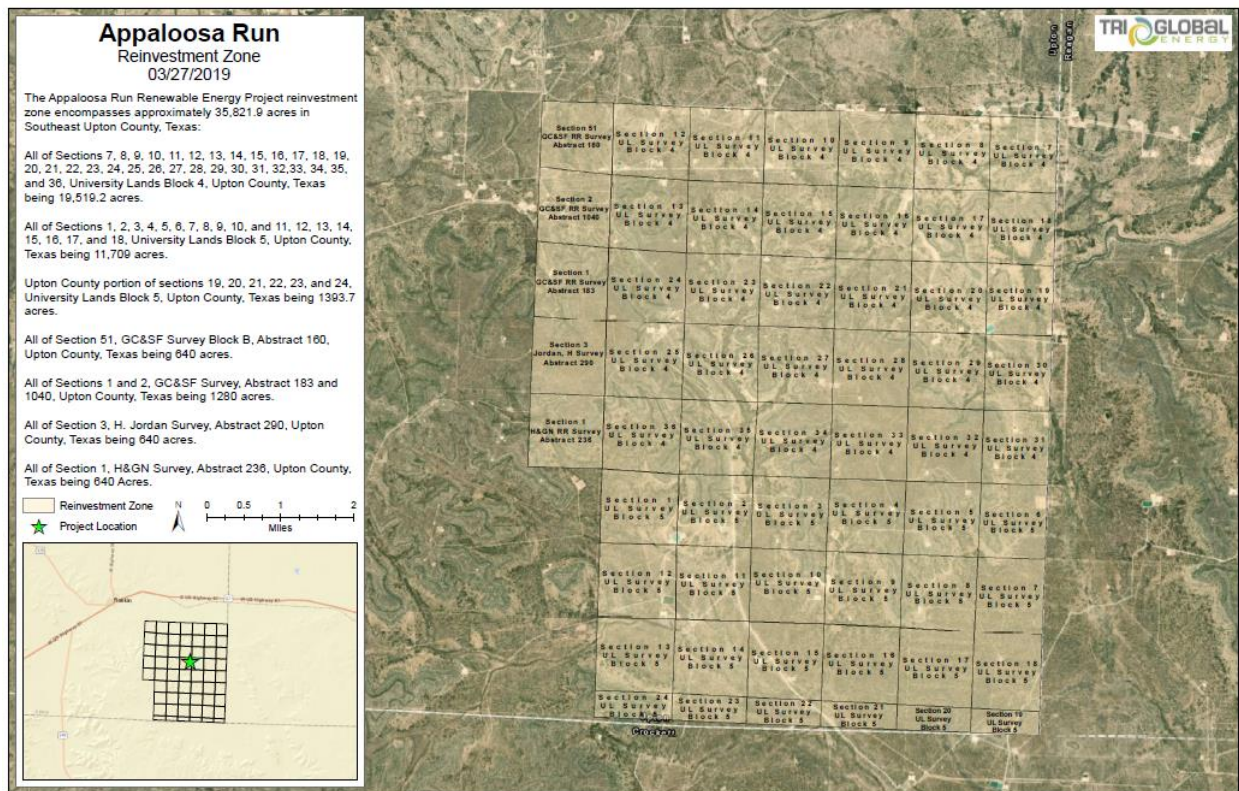


Appaloosa Run Renewable Energy Project, LLC
Project Vicinity

Attachment 11f

f) Reinvestment of Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size

Please see attached map below.



Attachment 12

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

See attached waiver request on following page.

Appaloosa Run Renewable Energy Project, LLC

October 10, 2019

Samuel Wyatt

Rankin ISD

511 W. 12th Street

P.O. Box 90,

Rankin, Texas, 79778

Re: Chapter 313 Job Waiver Request for Appaloosa Run Renewable Energy Project, LLC

Dear Mr. Wyatt, Appaloosa Run Renewable Energy Project, LLC requests that the Rankin Independent School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025 (f-1) of the tax code. This waiver would be based on the school district's board findings that the job creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

Appaloosa Run Renewable Energy Project, LLC requests that the Rankin Independent School District makes such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, Appaloosa Run Renewable Energy Project, LLC has committed to create 4 total jobs for the project, all of which will be in Rankin ISD.

Wind projects create many temporary jobs during the construction phase of the project, but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation begins. The standard for employment is typically four full-time employees for approximately every 150-200MW. Permanent employees of a wind project maintain, and service wind turbines, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition to onsite employees, there may be managers or technicians who support the project from offsite locations.

Sincerely,

Tom Carbone

Appaloosa Run Renewable Energy Project, LLC

Attachment to Application for Chapter 313 Appraised Value Limitation by Appaloosa Run Renewable Energy Project, LLC to Rankin ISD

Attachment 13a

a) Average Weekly Wage for all jobs (all industries) in the county

Year	Period	Area	Ownership	Level	Industry Code	Industry	Avg Weekly Wages
2018	2 nd Qtr	Upton County	Private	0	10	Total, All Industries	\$1,231
2018	3 rd Qtr	Upton County	Private	0	10	Total, All Industries	\$1,199
2018	4 th Qtr	Upton County	Private	0	10	Total, All Industries	\$1,381
2019	1 st Qtr	Upton County	Private	0	10	Total, All Industries	\$1,537
Average:							\$1,337

Quarterly Census of Employment and Wages (QCEW) Report

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

Reset

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

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	01	Upton	Total All	10	Total, All Industries	1,426
2018	02	Upton	Total All	10	Total, All Industries	1,231
2018	03	Upton	Total All	10	Total, All Industries	1,199
2018	04	Upton	Total All	10	Total, All Industries	1,381
2019	01	Upton	Total All	10	Total, All Industries	1,537

Data Source: Texas Workforce Commission

Attachment to Application for Chapter 313 Appraised Value Limitation by Appaloosa Run Renewable Energy Project, LLC to Rankin ISD

Attachment 13b

b) Average Weekly Wage for manufacturing jobs in the county

Year	Period	Area	Ownership	Division	Level	Industry Code	Industry	Avg Weekly Wages
2008	1 st Qtr	Upton County	Private	31-33	2	31-33	Manufacturing	\$685
2008	2 nd Qtr	Upton County	Private	31-33	2	31-33	Manufacturing	\$478
2008	3 rd Qtr	Upton County	Private	31-33	2	31-33	Manufacturing	\$591
2008	4 th Qtr	Upton County	Private	31-33	2	31-33	Manufacturing	\$449
							Average:	\$550.75

Data Source: Texas Workforce Commission

Drag a column header and drop it here to group by that column									
Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage	Level		
2008	01	Upton	Private	31-33	Manufacturing	685	2		
2008	02	Upton	Private	31-33	Manufacturing	478	2		
2008	03	Upton	Private	31-33	Manufacturing	591	2		
2008	04	Upton	Private	31-33	Manufacturing	449	2		

Attachment 13c

c) 110% of the average weekly wage for manufacturing jobs in the region (2018)

$$\$550.75 \times 1.1 = \$605.83 \text{ per week}$$

The annual salary for all industries in the Permian Basin Texas Regional Planning Commission as published by the Texas Occupational Employment and Wages (2018):

$$\$39,911 \times 1.1 = \$43,902.10$$

Source: Texas Labor Market Information, Occupational Employment Statistics (OES)
Data Year: 2018 (Latest available)

Area	SOC Code	Occupation Title	NAICS Code	Industry Title	Median Wage (Annual)	Median Wage (Hourly)
Alamo	00-0000	Total, All Occupations	10	Total, All Industries	\$ 35,136.00	\$ 16.89
Borderplex	00-0000	Total, All Occupations	10	Total, All Industries	\$ 28,243.00	\$ 13.58
Brazos Valley	00-0000	Total, All Occupations	10	Total, All Industries	\$ 34,663.00	\$ 16.66
Cameron County	00-0000	Total, All Occupations	10	Total, All Industries	\$ 24,544.00	\$ 11.80
Capital Area	00-0000	Total, All Occupations	10	Total, All Industries	\$ 41,881.00	\$ 20.14
Central Texas	00-0000	Total, All Occupations	10	Total, All Industries	\$ 33,430.00	\$ 16.07
Coastal Bend	00-0000	Total, All Occupations	10	Total, All Industries	\$ 33,960.00	\$ 16.33
Concho Valley	00-0000	Total, All Occupations	10	Total, All Industries	\$ 32,271.00	\$ 15.52
Dallas	00-0000	Total, All Occupations	10	Total, All Industries	\$ 41,404.00	\$ 19.91
Deep East Texas	00-0000	Total, All Occupations	10	Total, All Industries	\$ 30,368.00	\$ 14.60
East Texas	00-0000	Total, All Occupations	10	Total, All Industries	\$ 33,215.00	\$ 15.97
Golden Crescent	00-0000	Total, All Occupations	10	Total, All Industries	\$ 34,606.00	\$ 16.64
Gulf Coast	00-0000	Total, All Occupations	10	Total, All Industries	\$ 39,541.00	\$ 19.01
Heart of Texas	00-0000	Total, All Occupations	10	Total, All Industries	\$ 33,015.00	\$ 15.87
Lower Rio Grande	00-0000	Total, All Occupations	10	Total, All Industries	\$ 25,804.00	\$ 12.41
Middle Rio Grande	00-0000	Total, All Occupations	10	Total, All Industries	\$ 29,298.00	\$ 14.09
North Central	00-0000	Total, All Occupations	10	Total, All Industries	\$ 37,212.00	\$ 17.89
North East	00-0000	Total, All Occupations	10	Total, All Industries	\$ 31,155.00	\$ 14.98
North Texas	00-0000	Total, All Occupations	10	Total, All Industries	\$ 31,350.00	\$ 15.07
Panhandle	00-0000	Total, All Occupations	10	Total, All Industries	\$ 34,243.00	\$ 16.46
Permian Basin	00-0000	Total, All Occupations	10	Total, All Industries	\$ 39,911.00	\$ 19.19
Rural Capital	00-0000	Total, All Occupations	10	Total, All Industries	\$ 35,427.00	\$ 17.03
South East Texas	00-0000	Total, All Occupations	10	Total, All Industries	\$ 38,253.00	\$ 18.39
South Plains	00-0000	Total, All Occupations	10	Total, All Industries	\$ 33,072.00	\$ 15.90
South Texas	00-0000	Total, All Occupations	10	Total, All Industries	\$ 28,284.00	\$ 13.60
Tarrant County	00-0000	Total, All Occupations	10	Total, All Industries	\$ 37,602.00	\$ 18.08
Texas	00-0000	Total, All Occupations	10	Total, All Industries	\$ 37,099.00	\$ 17.84
Texoma	00-0000	Total, All Occupations	10	Total, All Industries	\$ 32,810.00	\$ 15.77
West Central	00-0000	Total, All Occupations	10	Total, All Industries	\$ 33,569.00	\$ 16.14
					\$ 33,840.21	\$ 16.27

Attachment 14

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

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)									
Date	10/7/2019								
Applicant Name	Appaloosa Run Renewable Energy Project, LLC								Form 50-296A
ISD Name	Rankin ISD								Revised May 2016
PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
					Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY		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 of buildings 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		Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2020	Not eligible to become Qualified Property				[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application	--								
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	2021	\$ 202,074,000.00	\$ -	\$ -			
	QTP2	2022 - 2023	2022	\$ -	\$ -	\$ -			
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$ 202,074,000.00				\$ 202,074,000.00	
				Enter amounts from TOTAL row above in Schedule A2					
Total Qualified Investment (sum of green cells)				\$ 202,074,000.00					

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)									
Date	10/7/2019								
Applicant Name	Appaloosa Run Renewable Energy Project								
ISD Name	Rankin ISD								
Form 50-296A <small>Revised Nov. 2011</small>									
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) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will not 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*	--	TOTALS FROM SCHEDULE A1		Enter amounts from TOTAL row in Schedule A1 in the row below					
				\$ 202,074,000.00				\$ 202,074,000.00	
Each year prior to start of value limitation period** <small>Investor may cease or increasing</small>	0	2020-2021	2020	\$					
Each year prior to start of value limitation period** <small>Investor may cease or increasing</small>	0	2021-2022	2021	\$ 202,074,000.00				\$ 202,074,000.00	
Value limitation period***	1	2022-2023	2022						
	2	2023-2024	2023						
	3	2024-2025	2024						
	4	2025-2026	2025						
	5	2026-2027	2026						
	6	2027-2028	2027						
	7	2028-2029	2028						
	8	2029-2030	2029						
	9	2030-2031	2030						
	10	2031-2032	2031						
Total Investment made through limitation				\$ 202,074,000.00				\$ 202,074,000.00	
Continue to maintain viable presence	11	2032-2033	2032						
	12	2033-2034	2033						
	13	2034-2035	2034						
	14	2035-2036	2035						
	15	2036-2037	2036						
Additional years for 25 year economic impact as required by 313.026(c)(1)	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						

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)									
Date	10/7/2019								
Applicant Name	Appaloosa Run Renewable Energy Project, LLC								Form 50-296A
ISD Name	Rankin ISD								Revised May 2014
				Qualified Property			Estimated Taxable Value		
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	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
Each year prior to start of Value Limitation Period	0	2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	0	2020-2021	2020	\$ -					\$ -
	QTP 1	2021-2022	2021	\$ -	\$ 1,200,000.00	\$ 199,049,000.00	\$ 200,249,000.00	\$ 200,249,000.00	\$ -
Value Limitation Period	1	2022-2023	2022	\$ -	\$ 1,140,000.00	\$ 189,096,550.00	\$ 190,236,550.00	\$ 190,236,550.00	\$ 30,000,000.00
	2	2023-2024	2023	\$ -	\$ 1,080,000.00	\$ 179,144,100.00	\$ 180,224,100.00	\$ 180,224,100.00	\$ 30,000,000.00
	3	2024-2025	2024	\$ -	\$ 1,020,000.00	\$ 169,191,650.00	\$ 170,211,650.00	\$ 170,211,650.00	\$ 30,000,000.00
	4	2025-2026	2025	\$ -	\$ 960,000.00	\$ 159,239,200.00	\$ 160,199,200.00	\$ 160,199,200.00	\$ 30,000,000.00
	5	2026-2027	2026	\$ -	\$ 900,000.00	\$ 149,286,750.00	\$ 150,186,750.00	\$ 150,186,750.00	\$ 30,000,000.00
	6	2027-2028	2027	\$ -	\$ 840,000.00	\$ 139,334,300.00	\$ 140,174,300.00	\$ 140,174,300.00	\$ 30,000,000.00
	7	2028-2029	2028	\$ -	\$ 780,000.00	\$ 129,381,850.00	\$ 130,161,850.00	\$ 130,161,850.00	\$ 30,000,000.00
	8	2029-2030	2029	\$ -	\$ 720,000.00	\$ 119,429,400.00	\$ 120,149,400.00	\$ 120,149,400.00	\$ 30,000,000.00
	9	2030-2031	2030	\$ -	\$ 660,000.00	\$ 109,476,950.00	\$ 110,136,950.00	\$ 110,136,950.00	\$ 30,000,000.00
	10	2031-2032	2031	\$ -	\$ 600,000.00	\$ 99,524,500.00	\$ 100,124,500.00	\$ 100,124,500.00	\$ 30,000,000.00
Continue to maintain viable presence	11	2032-2033	2032	\$ -	\$ 540,000.00	\$ 89,572,050.00	\$ 90,112,050.00	\$ 90,112,050.00	\$ 90,112,050.00
	12	2033-2034	2033	\$ -	\$ 480,000.00	\$ 79,619,600.00	\$ 80,099,600.00	\$ 80,099,600.00	\$ 80,099,600.00
	13	2034-2035	2034	\$ -	\$ 420,000.00	\$ 69,667,150.00	\$ 70,087,150.00	\$ 70,087,150.00	\$ 70,087,150.00
	14	2035-2036	2035	\$ -	\$ 360,000.00	\$ 59,714,700.00	\$ 60,074,700.00	\$ 60,074,700.00	\$ 60,074,700.00
	15	2036-2037	2036	\$ -	\$ 300,000.00	\$ 49,762,250.00	\$ 50,062,250.00	\$ 50,062,250.00	\$ 50,062,250.00
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037	\$ -	\$ 240,000.00	\$ 39,809,800.00	\$ 40,049,800.00	\$ 40,049,800.00	\$ 40,049,800.00
	17	2038-2039	2038	\$ -	\$ 240,000.00	\$ 39,809,800.00	\$ 40,049,800.00	\$ 40,049,800.00	\$ 40,049,800.00
	18	2039-2040	2039	\$ -	\$ 240,000.00	\$ 39,809,800.00	\$ 40,049,800.00	\$ 40,049,800.00	\$ 40,049,800.00
	19	2040-2041	2040	\$ -	\$ 240,000.00	\$ 39,809,800.00	\$ 40,049,800.00	\$ 40,049,800.00	\$ 40,049,800.00
	20	2041-2042	2041	\$ -	\$ 240,000.00	\$ 39,809,800.00	\$ 40,049,800.00	\$ 40,049,800.00	\$ 40,049,800.00
	21	2042-2043	2042	\$ -	\$ 240,000.00	\$ 39,809,800.00	\$ 40,049,800.00	\$ 40,049,800.00	\$ 40,049,800.00
	22	2043-2044	2043	\$ -	\$ 240,000.00	\$ 39,809,800.00	\$ 40,049,800.00	\$ 40,049,800.00	\$ 40,049,800.00
	23	2044-2045	2044	\$ -	\$ 240,000.00	\$ 39,809,800.00	\$ 40,049,800.00	\$ 40,049,800.00	\$ 40,049,800.00
	24	2045-2046	2045	\$ -	\$ 240,000.00	\$ 39,809,800.00	\$ 40,049,800.00	\$ 40,049,800.00	\$ 40,049,800.00
	25	2046-2047	2046	\$ -	\$ 240,000.00	\$ 39,809,800.00	\$ 40,049,800.00	\$ 40,049,800.00	\$ 40,049,800.00

Schedule C: Employment Information								
Date								
Applicant Name							Form 50-296A	
ISD Name							Revised May 2016	
				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	0	\$ -	N/A	\$ -	N/A
	0	2021-2022	2021	125FTE	\$31,503	N/A	3	\$31,503
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2022-2023	2022			0	3	\$31,503
	2	2023-2024	2023			0	3	\$31,503
	3	2024-2025	2024			0	3	\$31,503
	4	2025-2026	2025			0	3	\$31,503
	5	2026-2027	2026			0	3	\$31,503
	6	2027-2028	2027			0	3	\$31,503
	7	2028-2029	2028			0	3	\$31,503
	8	2029-2030	2029			0	3	\$31,503
	9	2030-2031	2030			0	3	\$31,503
	10	2031-2032	2031			0	3	\$31,503
Years Following Value Limitation Period	11 through 25	2032-2046	2032-2046			0	3	\$31,503
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 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)						<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, answer the following two questions:								
C1a.	Will the applicant request a job waiver, as provided under 313.025(f-1)?						<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
C1b.	Will the applicant avail itself of the provision in 313.021(3)(F)?						<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Schedule D: Other Incentives (Estimated)						
Date						Form 50-296A
Applicant Name						Revised May 2014
ISD Name						
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	Upton County	2019	2029	\$ 710,444.00	To be added	To be determined
	Hospital District	2019	2029	\$ 417,776.00	To be added	To be determined
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport 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				\$ 1,128,220.00		

Attachment 15

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

Pending; not attached.

Attachment 16

Description of Reinvestment or Enterprise Zone, including:

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

“*” To be submitted before the date of final application approval by school board.

Attachment 16a

- a) Evidence that the area qualifies as an enterprise zone as defined by the Governor's office**

Not applicable.

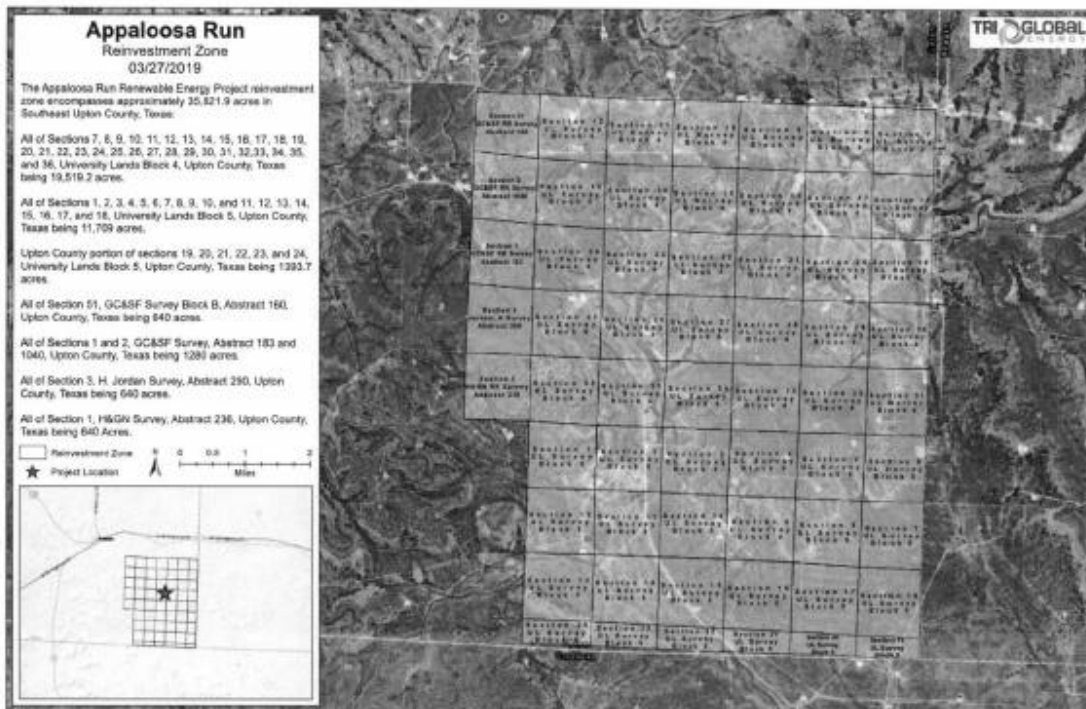
Attachment 16b

b) Legal description of reinvestment zone

See next page.

ATTACHMENT A

Application for Tax Abatement and Designation of Reinvestment Zone Upton County, Texas



Attachment 16c

c) Order, resolution or ordinance establishing the reinvestment zone

See next page.

AN ORDER OF THE COMMISSIONERS COURT OF UPTON COUNTY, TEXAS, DESIGNATING
CERTAIN REAL PROPERTY WITHIN UPTON COUNTY AS A REINVESTMENT ZONE UNDER CHAPTER
312 OF THE TEXAS TAX CODE

WHEREAS in conformity with Chapter 312 of the Texas Tax Code and Upton County, Texas' Tax Abatement Guidelines and Criteria which were adopted on August 13, 2018 (hereinafter "the Guidelines"), the Commissioners Court of Upton County conducted a public hearing at 9:00 a.m. on May 20, 2019, regarding the designation of the real property within Upton County identified in Exhibit 1 attached more particularly described as the "Appaloosa Run Renewable Energy Project, LLC" (hereinafter "the Property") as a reinvestment zone under the said chapter at the request of "Appaloosa Run Renewable Energy Project, LLC" (hereinafter "Applicant"); and

WHEREAS Applicant has filed an application with the Commissioners Court of Upton County, Texas proposing certain improvements (hereinafter the "Improvements") to be located on the Property and requesting abatement of property taxes with respect to such Improvements; and

WHEREAS Chapter 312 and the Guidelines require that certain findings of fact be entered in order to designate a reinvestment zone.

NOW, THEREFORE, the Commissioners Court of Upton County, Texas finds as follows with regard to the Property:

- a) That the Applicant has met his burden and demonstrated to this body that the designation of the Property as a reinvestment zone is reasonable likely to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the Property and that would contribute to the economic development of Upton County; and
- b) That the Improvements sought are feasible and practical; and
- c) That the Improvements sought will be a benefit to the Property and to Upton County after the expiration of an agreement entered into under V.T.C.A, Tax Code, Section 312.204; and
- d) That, not later than the seventh day before the date of said hearing, notice of the hearing was (1) published in the McCamey News, a newspaper having a general circulation in Upton County, Texas, and (2) delivered in writing to the presiding officers of the Rankin Independent School District, Rankin Hospital District, Upton County ESD #1, and Upton County Water District, said taxing entities being the only other taxing units that includes the Property in its boundaries; and
- e) That notice of said public hearing and the meeting at which this order was adopted was open to the public and was preceded by proper notice as required by Chapter 551 of the Texas Government Code (the Open Meetings Act); and

f) That the Property is not in the taxing jurisdiction of any municipality.

WHEREAS the Commissioners Court of Upton County has made the findings of fact Necessary to designate the Property as a reinvestment zone; and

WHEREAS the Commissioners Court of Upton County believes such designation to be advantageous to the inhabitants of Upton County;

It is therefore ORDERED by the Commissioners Court of Upton County that the Property identified above within Upton County is hereby designated as a reinvestment zone under Chapter 312 of the Texas Tax Code and, in accordance with TEXAS TAX CODE 312.213 such designation shall be effective for a period of Ten (10) years from the date of this order and may be renewed as provided by applicable law.

PASSED AND APPROVED on this the 20 day of May, 2019

Voted NO

Dusty W. Kilgore, County Judge

[Signature]

Pete Jackson, Pct. #1

Voted NO

Tommy Owens, Pct. #2

[Signature]

Mike Smart, Pct. #3

[Signature]

Gary Wolfe, Pct. #4

I, the undersigned, LaWanda McMurray, County Clerk of Upton County, Texas, do hereby certify that the above is a true and correct copy of a resolution duly adopted by the County of Upton, at a regular meeting duly convened on May ²⁰~~28~~, 2019.

Attest:

[Signature]

LaWanda McMurray, Upton County Clerk

Date:

5.20.2019



Attachment 16d

d) Guidelines and criteria for creating the zone

See next page.

Guidelines & Criteria for Granting Tax Abatements in Reinvestment Zones
Upton County, Texas

Preamble

Pursuant to Chapter 312 of the Texas Tax Code, Upton County may consider an application for tax abatement, designate a reinvestment zone and enter into a tax abatement agreement as provided for in these Guidelines and Criteria.

I. Abatement Application Procedure

(a) Who may apply Any present or potential owner or lessee of taxable property in Upton County may submit an application for tax abatement conforming to the requirements outlined herein.

Abatement may only be granted for the following property constructed or otherwise put in place after the effective date of the tax abatement agreement: new, expanded or modernized buildings and structures, fixed machinery and equipment; site improvements; related fixed improvements; other tangible items necessary to the operation and administration of the project or facility; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code.

(c) Application provisions. The application shall consist of a completed Upton County Tax Abatement Application Form, which shall contain the following:

- (1) information showing how the project meets the requirements of the criteria outlined in Section II below;
- (2) a map and description of the property;
- (3) a time schedule for completing the planned improvements;
- (4) the estimated taxable value or range of values of the project or facility; and
- (5) basic financial information about the principles sufficient to enable evaluation of the applicant's financial capacity;
- (6) and a \$1000.00 application fee.

(d) Procedure for Application Consideration. The procedure for consideration by the County of a Tax Abatement Application is as follows.

- (1) An applicant may request the Guidelines and Criteria for a Tax Abatement from the County Judge's Secretary.
- (2) After an applicant builds an Application based on the Tax Abatement Guidelines and Criteria, applicant provides a copy to each member to the Upton County Commissioners Court and the County Judge's Secretary.
- (3) After receipt of an application, the Commissioners Court determines within forty-five (45) days how to proceed with the application. The Commissioners Court shall choose either to deny the application, consider the application, or consider the application on an expedited basis.

(A) Denial of application. If the Commissioners Court chooses to deny the application, it shall make a finding by majority vote at a regularly scheduled meeting that the application does not meet the requirements of the criteria provided below in Section II.

(B) Consideration of application. If the County determines that the application should be further considered, the County Judge shall schedule a hearing to obtain public input on the application. At least seven (7) days prior to the hearing, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place and subject in the local newspaper. At the hearing, the Commissioners Court evaluates the application against the criteria in Section II and decides whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the application fails, although it may be amended and resubmitted. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then arrange to consider for approval the tax abatement agreement between the applicant and the county at its next regularly scheduled meeting. At least seven days prior to entering into a tax abatement agreement, the County must give written notice of its intent to do so to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the county.

(C) Expedited consideration of application. If the County determines that the application should receive expedited consideration, the County Judge shall schedule an opportunity to obtain public input on the application at the Commissioners Court next meeting. At least seven (7) days prior to the meeting, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place and subject in the local newspaper. Also at this time, the County must give written notice of its intent to enter into a tax abatement agreement to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought, along with a copy of the proposed tax abatement agreement. During the regularly scheduled meeting, the Commissioners Court evaluates the application against the criteria in Section II and decides whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the application fails, although it may be amended and resubmitted. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then immediately consider for approval the tax abatement agreement between the applicant and the county. After consideration, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the county.

(e) Confidentiality. As required by Section 312.003 of the Texas Tax Code, information that is provided to Upton County in connection with an application or request for tax abatement under this chapter and that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which tax abatement is sought is confidential and not subject to public disclosure until the tax abatement agreement is executed.

II. Criteria for Designating a Reinvestment Zone

(a) Minimum requirement. To be designated a reinvestment zone, County Commissioners must find by majority vote that:

(1) the property for which the abatement is sought will be reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the county, or meet one or more of the other requirements provided in Section 312.202 of the Texas Tax Code; and

(2) that the improvements sought are feasible and practical and would be a benefit to the land to be included in the zone and to the county after expiration of the tax abatement agreement.

(b) Criteria. In determining whether to designate a reinvestment zone and whether to enter into a tax abatement agreement, the Commissioners Court shall consider the following factors, among others determined appropriate by the Court:

- (1) value of land and existing improvements, if any;
- (2) type and value of proposed improvements;
- (3) productive life of proposed improvements;
- (4) number of existing jobs to be retained by proposed improvements;
- (5) number and type of new jobs, if any, to be created by proposed improvements;
- (6) costs to be incurred by Upton County, if any, to provide facilities or services directly resulting from the new improvements;
- (7) types and values of public improvements, if any, to be made by applicant seeking abatement;
- (8) the amount of ad valorem property taxes to be paid to Upton County after expiration of the abatement agreement;
- (9) the impact on the business opportunities of existing businesses and the attraction of new businesses to the area, if any; and
- (10) the overall compatibility with the zoning ordinances and comprehensive plan, if any, for the area.

III. Format for Tax Abatement Agreement

(a) Required provisions. If the Upton County Commissioners Court designates a reinvestment zone, it may consider and execute a tax abatement agreement with the owner of the designated property and lessee, as appropriate, as outlined above. Any tax abatement agreement shall include at least the following:

- (1) the kind, number and location of all proposed improvements of the property;
- (2) provisions allowing for reasonable access to the property for initial and intermittent inspection purposes by County employees or designated representatives to ensure improvements are made in compliance with the agreement;
- (3) provisions limiting the use of the property consistent with the general purpose of encouraging development or redevelopment of the area during the period of abatement;
- (4) provisions for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided in the agreement;
- (5) each term agreed to by the recipient of the abatement;
- (6) a requirement that the abatement recipient certify its compliance with the agreement annually to the County; and
- (7) provisions allowing the County to cancel or modify the agreement if the recipient is out of compliance with the agreement.

(b) Optional provisions. The tax abatement agreement may also contain any or all of the following items, in addition to any others deemed appropriate by the contracting parties;

- (1) the estimated taxable value or range of values for which taxes are to be abated;
- (2) percent of value to be abated or payment in-lieu-of tax amount each year;
- (3) the commencement and termination dates of the abatement;
- (4) proposed use of the property;
- (5) nature of construction, time schedule, map, and property description;
- (6) contractual obligations in the event of default or violation of terms or conditions;
- (7) size of investment and number of temporary and permanent jobs involved, if any;
- (8) provisions for dispute resolution.

(c) Duration and portion of abatement. A tax abatement granted by Upton County may be up to, but shall not exceed, ten (10) years in duration and up to but not exceeding 100% in portion of ad valorem property taxes abated.

(d) Time limit. Such agreement shall be executed within 30 days after passage of the resolution approving the agreement, unless the County and the applicant mutually agree otherwise.

IV. Administration of Tax Abatement Agreement

(a) Inspections. County employees or their designated representatives shall have reasonable access to the property for initial and intermittent inspection purposes in order to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement.

(b) Cure provisions. Should Upton County determine that the company or individual

receiving the abatement is in default of the tax abatement agreement, it shall notify the company or individual of such default in writing at the address specified in the agreement, and if such is not cured within sixty (60) days of notice, the agreement may be terminated by the County.

(c) Modification and termination. At any time before the expiration of a tax abatement agreement, an agreement may be modified by the parties to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. The modification must be made by the same procedure by which the original agreement was made. An agreement may also be terminated by the mutual consent of the parties in the same way the agreement was made, or by other means as agreed by the parties according to the provisions of the agreement.

V. Assignment

An abatement granted by Upton County may be transferred and assigned by the holder to a new owner or lessee of the same property upon the approval by resolution of Upton County subject to the financial capacity of the assignee and provided that all conditions and obligations in the tax abatement agreement are guaranteed by the execution of a new contractual agreement with Upton County. Approval shall not be unreasonably withheld by Upton County.

VI. Sunset and Amendment of Guidelines and Criteria

VII. Variance

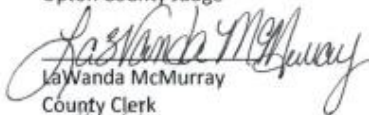
The Commissioner's Court shall have the authority to grant a variance from the terms and conditions of these Guidelines and Criteria.

These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two years, unless amended by three-fourths vote of the Upton County Commissioners Court.

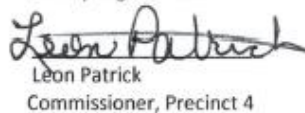
Passed and approved at a regular meeting of the Upton County Commissioners' Court, at which a quorum was present on the 8th day of August, 2016.



Bill Eyler

Upton County Judge

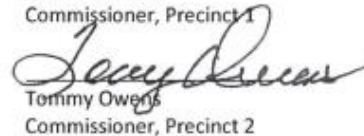

LaWanda McMurray
County Clerk

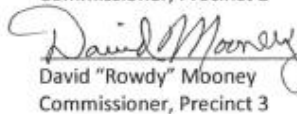

Melanie Spratt
County Legal Counsel


Leon Patrick
Commissioner, Precinct 4


Dean Tittsworth

Commissioner, Precinct 1


Tommy Owens
Commissioner, Precinct 2


David "Rowdy" Mooney
Commissioner, Precinct 3

Attachment 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

Print Name (Authorized School District Representative)

sign
here

Signature (Authorized School District Representative)

Title

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

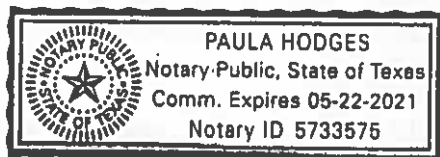
Print Name (Authorized Company Representative (Applicant))

sign
here

Signature (Authorized Company Representative (Applicant))

Title

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

28th day of October, 2019

Paula Hodges
Notary Public in and for the State of Texas

My Commission expires: 5/22/21

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