

FINDINGS
OF THE
CHARLOTTE INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE APPLICATION FOR APPRAISED VALUE LIMITATION
SUBMITTED BY
GRANDSLAM SOLAR, LLC
(TEXAS TAXPAYER ID: # 32069009796)
(APPLICATION #1447)

SEPTEMBER 16, 2020

FINDINGS
OF THE
CHARLOTTE INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT

STATE OF TEXAS §

COUNTY OF ATASCOSA §

PREAMBLE

On the 16th day of September 2020, a public meeting of the Board of Trustees (“Board”) of the Charlotte 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 took up and considered the Application (as amended, the “Application”) of Grandslam Solar, LLC (“Applicant”) for a limitation on appraised value on qualified property, pursuant to Chapter 313 of the Texas Tax Code. The Board heard presentations from the District’s administrative staff to advise the Board in this matter.

The Board considered the presentations made at the meeting, the Comptroller’s recommendation and the economic impact evaluation and makes the following findings with respect to the Application in accordance with the Texas Economic Development Act, Texas Tax Code Chapter 313, and the Administrative regulations promulgated by the Texas Comptroller of Public Accounts published at 34 Texas Administrative Code Part 1, Chapter 9, Subchapter F:

1. On November 13, 2019 the District received an application for appraised value limitation on qualified property (“Application”) on the form prescribed by the Comptroller from Applicant pursuant to Chapter 313 of the Texas Tax Code. A copy of the Application is attached hereto as Exhibit A.
2. The Board acknowledged receipt of the Application, along with the requisite application fee, as established pursuant to Texas Tax Code Section 313.025(a)(1).
3. The Board elected to consider the Application.
4. The Application was delivered to the Texas Comptroller of Public Accounts (“Comptroller”) for review pursuant to Texas Tax Code Section 313.025(b).

5. Pursuant to a request received from the Comptroller, an Application amendment was submitted to the Comptroller on January 6, 2020 and a Supplement was submitted to the Comptroller on March 4, 2020.

6. The Application (as amended) was reviewed by the Comptroller pursuant to Texas Tax Code Sections 313.025 and 313.026. After review, the Comptroller's Office, by letter dated March 4, 2020, recommended that the Board approve the Application. A copy of the Comptroller's letter along with the Comptroller's economic impact analysis completed pursuant to Texas Tax Code Section 313.025(b) is attached to these findings as Exhibit B. The Board has considered such evaluation.

7. The District's School Finance Consultant performed an independent economic impact analysis pursuant to Texas Tax Code Section 313.025(b). The Board has considered such evaluation. A copy of the economic impact evaluation is attached to these findings as Exhibit C.

8. After receipt of the Application, the District entered into negotiations with Applicant over the specific language to be included in an Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes ("Agreement"), pursuant to Chapter 313 of the Texas Tax Code, including appropriate revenue protection provisions for the District. The proposed Agreement is attached to these findings as Exhibit D.

9. The Agreement was reviewed by the Comptroller. After review, the Comptroller's office, in a letter dated September 8, 2020, approved the Agreement.

FINDINGS

Findings as to each of the criterion listed in Texas Tax Code Section 313.025 and Texas Administrative Code Title 34, §9.1054. Based in the representation of Applicant set out in the Application attached as Exhibit A, the Comptroller's approval and Economic Impact Analysis attached as Exhibit B, the District Consultant's independent economic impact analysis attached as Exhibit C and the Franchise Tax Account Status attached as Exhibit E, the Board of Trustees finds:

1. That the Comptroller recommends approval of the Application.
2. That there is a strong and positive relationship between the Applicant's industry and the types of qualifying jobs to be created by the Applicant and the long-term economic growth plans of the State.
3. That, based on the representations in the Application, the Applicant could locate or relocate the Project to another state or another region of this state.
4. That the Project will result in revenue gains by the school district and that the economic effects on the local and regional tax base are that the tax base will increase as a result of the Project and additional employment.
5. That there exists a small but undetermined possibility that the Project could have an impact on enrollment from families that might temporarily relocate during the construction phase, but that any impact during the operation phase can be absorbed by current facilities.

6. That the projected market value of the qualified property of the Applicant as determined by the Comptroller is \$150,500,000.
7. That the proposed limitation on appraised value for the qualified property of the Applicant is \$20,000,000.00.
8. That the projected dollar amount of District maintenance and operation taxes that would be imposed on the qualified property, for each year of the Agreement, if the property does not receive a limitation on appraised value is \$10,297,829 as shown on Exhibit B, Attachment A, Table 3.
9. That the projected dollar amount of the taxes that would be imposed on the qualified property, for each tax year of the Agreement, if the property receives a limitation on appraised value is \$3,767,002 as shown on Exhibit B, Attachment A, Table 4.
10. That the total amount of taxes projected to be lost or gained by the District over the life of the Agreement computed by subtracting the projected taxes if the property receives a tax limitation from the projected taxes if the property does not receive a tax limitation is \$6,530,827, as shown on Exhibit B, Attachment A, Table 4.
11. The Applicant is eligible for the limitation on the appraised value of the Applicant's qualified property. Applicant's qualified property is eligible for a limitation on appraised value under Texas Tax Code § 313.024 as a renewable energy electric generation project.
12. The Project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period.
13. The limitation of appraised value is a determining factor in the Applicant's decision to invest capital and construct the Project in this state.
14. The job creation requirement of ten (10) new jobs exceeds the industry standard for the number of employees reasonably necessary for the operation of the Project described in the Application. Pursuant to Texas tax Code Section 313.025(f-1), the Board waives the new job creation requirement in Tax Code Section 313.051(b).
15. Applicant will create one (1) new qualifying jobs, and Applicant has confirmed that such jobs will meet all of the requirements of Texas tax Code § 313.021(3).
16. That the Project will be located within an area designated as a reinvestment zone pursuant to Texas Tax Code Chapter 312.
17. The information in the Application submitted by Applicant is true and correct.
18. The proposed Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes ("Agreement"), attached hereto as Exhibit D, meets

all of the requirements set out in Texas Tax Code § 313.027, including adequate and appropriate revenue protection provisions for the District.

19. The proposed Agreement is in the form of the template Texas Economic Development Act Agreement adopted by the Comptroller as of January 2020, and the Comptroller has verified that the Agreement complies with the provisions of Chapter 313 of the Texas Tax Code and 34 Texas Administrative Code Chapter 9, Subchapter F.

20. Considering the purpose and effect of the law and the terms of the Agreement, granting the Application and entering the Agreement are in the best interest of the District and the State.

21. The Applicant, Grandslam Solar, LLC (Tex. Taxpayer ID #32069009796) is an entity subject to Chapter 171, Texas Tax Code and is certified to be in good standing with the Texas Comptroller of Public Accounts. A copy of the Comptroller's Franchise Tax Account Status is attached as Exhibit E.

22. There are no conflicts of interest on the Board at the time of its consideration of the Agreement.

23. It is hereby found, determined and declared that sufficient written notice of the date, time, place and subject of the meeting of the Board of Trustees at which these Findings were made was posted at a place convenient and readily accessible at all times to the general public for the time required by law preceding this meeting, as required by chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which these Findings were made and the subject matter thereof has been discussed, considered and formally acted upon. The Board of Trustees further ratifies, approves and confirms such written notice and posting thereof.

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[Orders and signatures follow]

It is therefore **ORDERED** that:

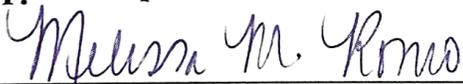
1. The Findings above, including the recitals set out in the Preamble, are adopted and approved by the Board of Trustees.
2. The Application of Grandslam Solar, LLC for a limitation on the appraised value for school district maintenance and operations ad valorem tax purposes of qualified property is approved.
3. The Agreement attached hereto as Exhibit D is approved and the Board President is designated and directed to sign the Agreement on behalf of the District.
4. These findings and the Exhibits 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 16th day of September 2020.

CHARLOTTE INDEPENDENT SCHOOL DISTRICT

By: 

Becky Ramos, President

ATTEST:
By: 

Melissa M Romo, Secretary

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between CHARLOTTE INDEPENDENT SCHOOL
DISTRICT and GRANDSLAM SOLAR, LLC

EXHIBIT A

Application for Appraised Value Limitation on Qualified Property



WALSH GALLEGOS
TREVINO RUSSO & KYLE P.C.

RECEIVED
NOV 15 2019
Data Analytics
Transparency Division

November 15, 2019

Mr. John Villarreal
Chapter 313 Manager
Local Government Assistance and
Economic Development Division
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

**VIA FEDERAL EXPRESS
AND VIA E-MAIL DELIVERY:
John.Villarreal@cpa.texas.gov**

Re: Charlotte Independent School District ("District") / Tax Limitation Agreement:
Grandslam Solar, LLC ("Applicant")

Dear Mr. Villarreal:

Pursuant to Tax Code §313.025(b) and 34 TAC Rules §9.1053(a)(2) and 9.1054(c), attached are the following:

1. One (1) copy of the Application for Appraised Value Limitation on Qualified Property ("Application") containing non-confidential information submitted to the Charlotte Independent District by Gandslam Solar, LLC for public posting.
2. One (1) electronically digitized copy of the Application, including schedules in Excel Format.

The Application was received on November 13, 2019. The Board of Trustees of the District elected to consider the application on November 13, 2019. The District determined the Application was complete on November 14, 2019.

The District requests that the Comptroller provide an economic impact evaluation.

By copy of this letter we are notifying the Applicant that the District has submitted the Application to the Comptroller and to the Atascosa County Appraisal District.

Please call if you have any questions.

Sincerely,

EDDY HERNANDEZ PEREZ

EHP/paw
Enclosures

cc: Mario Sotelo, Superintendent of Schools, Charlotte Independent School District

Mr. John Villarreal
November 15, 2019
Page 2

(Via Certified Mail No. 7017 2680 0000 8118 4203; Return Receipt Requested)

Dan Casey, Moak Casey

(Via Certified Mail No. 7017 2680 0000 8818 4210; Return Receipt Requested)

Evan Horn, Ernst & Young, LLP

(Via Certified Mail No. 7017 2680 0000 8118 4227; Return Receipt Requested)

Raina Hornaday, Caprock Renewables

(Via Certified Mail No. 7017 2620 0000 8118 4234; Return Receipt Requested)

Atascosa County Appraisal District
PO Box 600
Pleasanton, Texas 78064

(Via U.S. Postal Delivery)



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #1

Application

See attached.

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

11/13/19

Date Application Received by District

Mario

First Name

Sotelo

Last Name

Superintendent

Title

Charlotte Independent School District

School District Name

102 E. Hindes Ave

Street Address

P.O. Box 489

Mailing Address

Charlotte

City

Texas

State

78011

ZIP

830-277-1431

Phone Number

Fax Number

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)

Eddy Perez
First Name Last Name
Attorney
Title
Walsh Gallegos Trevino Russo & Kyle, P.C.
Firm Name
210-979-6633 210-979-7024
Phone Number Fax Number
eperez@wabsa.com
Email Address

4. On what date did the district determine this application complete? November 13, 2019
5. Has the district determined that the electronic copy and hard copy are identical? [X] Yes [] No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Raina Hornaday
First Name Last Name
General Manager Caprock Renewables
Title Organization
Street Address
1005 W 41st St
Mailing Address
Austin Texas 78756
City State ZIP
512-971-8825
Phone Number
Business Email Address
raina@caprockrenewables.com

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

First Name Last Name
Title Organization
Street Address
Mailing Address
City State ZIP
Phone Number Fax Number
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)

Evan _____ Horn _____
 First Name Last Name
 Manager _____
 Title _____
 Ernst & Young LLP _____
 Firm Name _____
 512-426-8958 _____
 Phone Number Fax Number
 Evan.Horn@EY.com _____
 Business Email Address

SECTION 3: Fees and Payments

- 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.
- 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
- 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

- What is the legal name of the applicant under which this application is made? Grandslam Solar, LLC
- List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32069009796
- List the NAICS code 221114
- 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

- Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Company
- 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.
- Is the applicant current on all tax payments due to the State of Texas? Yes No
- Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A
- 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 April 1, 2020
2. Commencement of construction Q3 2020
3. Beginning of qualifying time period April 1, 2020
4. First year of limitation Jan 1, 2022
5. Begin hiring new employees Q4 2021
6. Commencement of commercial operations Q4 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.
 Q4 2021
8. When do you anticipate the new buildings or improvements will be placed in service? Q4 2021

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Atascosa County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Atascosa 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: Atascosa County, 100%, .420237 City: _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: _____ Water District: Evergreen, 100%, .005380
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): FTMR, 100%, .077557 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? 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? 1/15/20

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? 1
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 1,027.00
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1,046.00
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,003.00
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? 52,171.00
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 52,171.00
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**.

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>



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #2

Proof of Payment of Application Fee

Proof of payment attached.

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)*



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #3

Documentation from Texas Comptroller's Franchise Tax Division to demonstrate Combined Group membership

N/A



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #4

Detailed Description of Project

Grandslam Solar, LLC (Grandslam Solar) is developing a utility scale single axis tracker photovoltaic facility designed to use solar power to generate electricity. The Project will be capable of generating approximately 228 MWac and will cover a surface lease of approximately 2,250 acres. The exact capacity and specific technology will be determined during the design process, and so the exact location of the improvements cannot be specified at this time. Presently, plans are to install the entire project on the property within the “Grandslam Solar Reinvestment Zone No. One” in Atascosa County, Texas. In addition, the entire project is planned to be installed in Charlotte ISD.

If granted an Appraised Value Limitation pursuant to Texas Tax Code 313, Grandslam Solar expects to issue a full notice to proceed for construction in Q4 of 2020 and expects to complete construction in Q4 2021.

The investment may include the following: solar modules/panels, metal mounting system with tracking capabilities, underground conduit, communications cables and electric system wiring, combiner boxes, a project substation including breakers, a transformer and meters, overhead transmission lines, inverter boxes, an operations and maintenance facility, fencing for safety and security, telephone and internet communication system, meteorological equipment to measure solar irradiation and weather conditions, and any other equipment necessary to safely operate, maintain, and transmit power to the ERCOT electrical grid.



CHECKLIST ITEM #5

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

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

The Applicant for this Project has entered into a number of contracts related to the Project, including long-term lease option agreements with area landowners, contracts with environmental consultants to assess the suitability of the site, and a request for studies leading to an interconnection agreement with the transmission provider. The Project was selected as a candidate for development based on the favorable solar data, nearby access to the electric grid, and favorable tax incentives under Texas Tax Code chapters 312 and 313. Obtaining a value limitation agreement is critical to the economic and competitive viability of this Project.

None of the current Project agreements firmly commit the Applicant to the development of the Project. A number of variables remain undetermined at this stage, including the approval of this application. The Applicant could still elect to devote resources to other projects that it has in development. Without the available tax incentives, the economics of the Project become far less attractive and the likelihood of selling the electricity at a competitive price will decrease.

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

The Applicant is an international solar developer with the ability to locate projects of this type and other types of projects in other states within the United States and locations around the world. The Applicant is actively assessing and developing other projects that are competing for limited investment funds. The appraised value limitation is critical to the ability of the Project to move forward as currently sited. Examples of the Applicant's other project locations that are competing with the Project for funding include:

- Cotton County, OK
- Luna County, NM
- Burke County, GA
- Da Nang, Vietnam



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #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).

N/A



CHECKLIST ITEM #7

Description of Qualified Investment

The Applicant anticipates constructing a solar photovoltaic electric generating facility with an operating capacity of approximately 228 MW. The exact capacity and specific technology components will be determined during the development and design process. The facility may include the following improvements:

- Solar modules/panels
- Metal mounting system with tracking capabilities
- Underground conduit, communications cables, and electric collection system wiring
- Combiner boxes
- A project substation including breakers, a transformer and meters
- Overhead transmission lines
- Inverter boxes on concrete pads
- Operations and maintenance facility
- Fencing for safety and security
- Telephone and internet communications system
- Meteorological equipment to measure solar irradiation and weather conditions

The Project site facilities are proposed for location in Atascosa County and Charlotte ISD, and the Applicant estimates that 100% will be located in Atascosa County and Charlotte ISD and will be considered qualified investment for this application.



CHECKLIST ITEM #8

Description of Qualified Property

The Applicant anticipates constructing a solar photovoltaic electric generating facility with an operating capacity of approximately 228 MW. The exact capacity and specific technology components will be determined during the development and design process. The facility may include the following improvements:

- Solar modules/panels
- Metal mounting system with tracking capabilities
- Underground conduit, communications cables, and electric collection system wiring
- Combiner boxes
- A project substation including breakers, a transformer and meters
- Overhead transmission lines
- Inverter boxes on concrete pads
- Operations and maintenance facility
- Fencing for safety and security
- Telephone and internet communications system
- Meteorological equipment to measure solar irradiation and weather conditions

The Project site facilities are proposed for location in Atascosa County and Charlotte ISD, and the Applicant estimates that 100% will be located in Atascosa County and Charlotte ISD and will be considered qualified property for this application.



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #9

Description of Land

Grandslam Solar, LLC will lease approximately 2,250+ acres of land with land owners in Atascosa County, Texas.



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #10

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

N/A

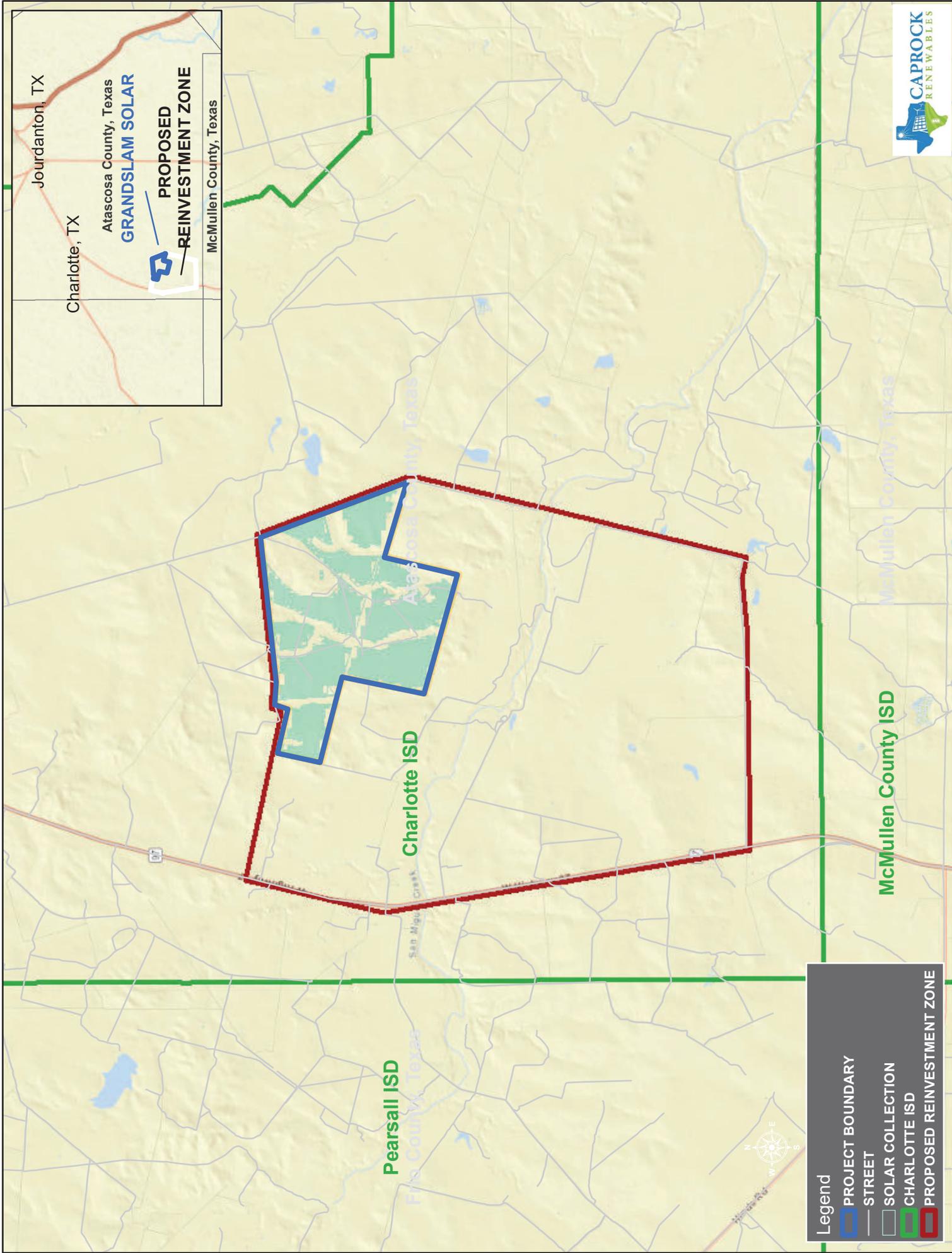


Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #11

Maps

1. Project vicinity – Attached
2. 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 - Attached
3. Qualified property including location of new buildings or new improvements - Attached
4. Existing property – Attached
5. Land location within vicinity map - Attached
6. Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size – Attached



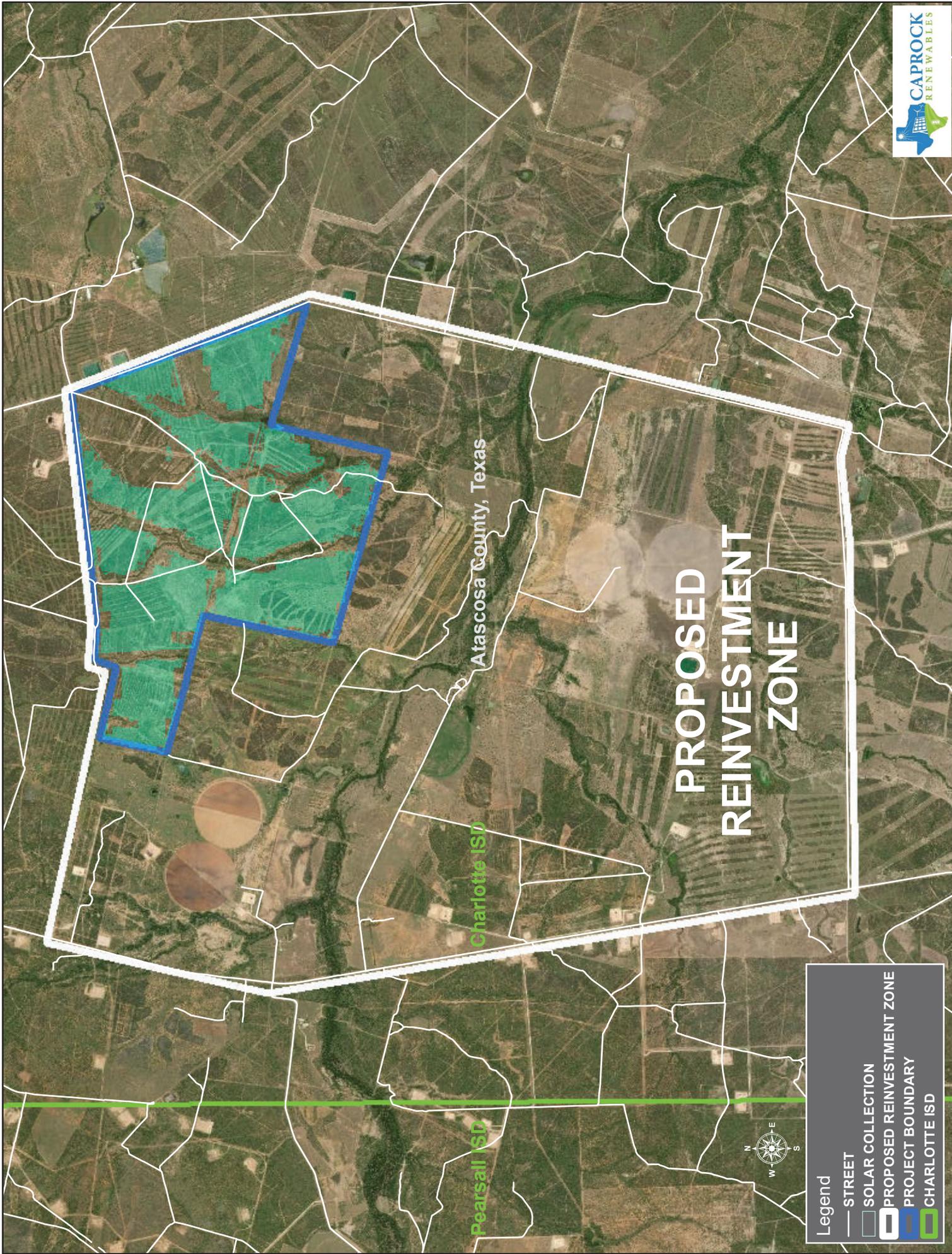
Legend

- ▭ PROJECT BOUNDARY
- ▭ STREET
- ▭ SOLAR COLLECTION
- ▭ CHARLOTTE ISD
- ▭ PROPOSED REINVESTMENT ZONE



Confidentiality Notice: The information in and/or represented in this map is considered by Caprock Renewables to be confidential information, and proprietary to Caprock Renewables.
 Caprock Renewables
 1005 W 41st St, Suite 201, Austin, TX 78756
 512-643-1786

GRAND SLAM SOLAR RANCH LLC



Pearsall ISD

Charlotte ISD

Atascosa County, Texas

PROPOSED REINVESTMENT ZONE

Legend

- STREET
- SOLAR COLLECTION
- PROPOSED REINVESTMENT ZONE
- PROJECT BOUNDARY
- CHARLOTTE ISD



1 0.5 0 1 Miles



Confidentiality Notice: The information in and/or represented in this map is considered by Caprock Renewables to be confidential information, and proprietary to Caprock Renewables.
 Caprock Renewables
 1005 W 41st St, Suite 201, Austin, TX 78756
 512-643-1786

GRAND SLAM SOLAR RANCH LLC



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #12

Request for Waiver of Job Creation Requirement and supporting information.

See attached.



November 14, 2019

Mario Sotelo
Charlotte Independent School District
102 E. Hindes Ave
P.O. Box 489
Charlotte, TX 78011

Re: Chapter 313 Job Waiver Request

Dear Mr. Sotelo:

Please consider this letter to be Grandslam Solar, LLC's formal request to waive the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-1).

The governing body of a school district may waive the new jobs creation requirement in Section 313.021(2)(A)(iv)(b) or 313.051(b) and approve an application if the governing body makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property that is described in this application. Solar energy projects create a large number of full-time jobs during the construction phase, but these jobs are temporary by nature. Once the project is in operation, a small crew of full-time employees will maintain and operate the facility. Based upon our experience in the solar industry, we expect that one (1) employee would be needed to operate a 228 MW facility, and we can commit to creating one (1) full-time position to fill those needs. The newly created position will be a qualifying job as described in Section 313.021(3) of the Texas Tax Code.

The applicant requests that the Charlotte ISD's Board of Trustees make such a finding and waive the job creation requirement. This waiver request is in line with the industry standards for the job requirements for a solar facility of this size, as evidenced by limitation agreement applications that have been filed by other solar developers, and by documentation related to the development and operation of solar generation facilities.

The project stands to provide significant benefits to the community with respect to increased tax base and the ongoing royalty payments it will make to local landowners.

Yours sincerely,

Raina Tillman Hornaday
General Manager
Starr Solar, LLC

raina@caprockrenewables.com
(512) 971-8825

Caprock Renewables
1005 W 41st Austin, TX 78756 www.caprockrenewables.com
T 512 643 1786



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #13

Calculation of three possible wage requirements with TWC documentation.

See attached.

TAB 13

Wage Requirement Calculation

1. Average Weekly Wages for All Jobs (All Industries) in ATASCOSA County, Q2 - Q4 2018, & Q1 2019

Category	Area	Period	Avg. Weekly Wage
All Industries	ATASCOSA County	Q2 2018	\$987
All Industries	ATASCOSA County	Q3 2018	\$997
All Industries	ATASCOSA County	Q4 2018	\$1,045
All Industries	ATASCOSA County	Q1 2019	\$1,078
		AVERAGE	\$1,027

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 Code	Industry	Average Weekly Wage
2018	01	Atascosa	Total All	10	Total, All Industries	946
2018	02	Atascosa	Total All	10	Total, All Industries	987
2018	03	Atascosa	Total All	10	Total, All Industries	997
2018	04	Atascosa	Total All	10	Total, All Industries	1,045
2019	01	Atascosa	Total All	10	Total, All Industries	1,078

TAB 13

Wage Requirement Calculation

2. 110% of Average Weekly Wages for Manufacturing Jobs in ATASCOSA County, Q2 - Q4 2018, & Q1 2019

Category	Area	Period	Avg. Weekly Wage
Manufacturing	ATASCOSA County	Q2 2018	\$894
Manufacturing	ATASCOSA County	Q3 2018	\$881
Manufacturing	ATASCOSA County	Q4 2018	\$930
Manufacturing	ATASCOSA County	Q1 2019	\$1,097
		AVERAGE	\$951
		110% OF AVERAGE	\$1,046

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 Code	Industry	Average Weekly Wage
2018	01	Atascosa	Private	31-33	Manufacturing	898
2018	02	Atascosa	Private	31-33	Manufacturing	894
2018	03	Atascosa	Private	31-33	Manufacturing	881
2018	04	Atascosa	Private	31-33	Manufacturing	930
2019	01	Atascosa	Private	31-33	Manufacturing	1,097

TAB 13

Wage Requirement Calculation

3. COG Region Wage Calculation

Year	Region	Annual Wage	Avg. Weekly Wage
2018	Alamo Area Council of Governments	\$ 47,428	\$912
		110% OF AVERAGE	\$1,003

**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.



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #14

Schedules A1, A2, B, C and D completed and signed Economic Impact.

See attached.

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

PROPERTY INVESTMENT AMOUNTS								
(Estimated investment in each year. Do not put in cumulative totals.)								
	Year	Schedule Year (YYYY-YYYY)	The Year (fill in actual tax year) 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 improvements to buildings that will become Qualified Property	Column C Other new investment made during this year that will become Qualified Property (SEE NOTE)	Column D Other new investment made during this year that may become Qualified Property (SEE NOTE)	Column E Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district				Not eligible to become Qualified Property		\$0		\$0
	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	\$50,000	\$0	\$0	\$0	\$50,000
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period			\$10,450,000	\$0	\$0	\$0	\$10,450,000
Complete tax years of qualifying time period	QTP1	2021-2022	2021	\$140,000,000.00	\$0	\$0	\$0	\$140,000,000
	QTP2	2022-2023	2022	\$0	\$0	\$0	\$0	\$0
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$150,500,000	\$0	\$0	\$0	\$150,500,000
				Enter amounts from TOTAL row above in Schedule A2				

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

Date: 11/13/2019
 Applicant Name: Grandslam Solar, LLC
 ISD Name: Charlotte ISD
 Form 50-296A
 Revised May 2014

	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 IRS after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	\$0	\$0	\$0	\$0	\$0	\$0
	Stub	2020-2021	2020	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of value Limitation Period <i>Insert as many rows as necessary</i>	QTP1	2021-2022	2021						
	QTP2/LP1	2022-2023	2022	\$0	\$0	\$2,100,000	\$2,100,000	\$2,100,000	\$2,100,000
Value Limitation Period	2	2023-2024	2023	\$0	\$0	\$140,115,500	\$140,115,500	\$140,115,500	\$20,000,000
	3	2024-2025	2024	\$0	\$0	\$128,888,200	\$128,888,200	\$128,888,200	\$20,000,000
	4	2025-2026	2025	\$0	\$0	\$116,772,950	\$116,772,950	\$116,772,950	\$20,000,000
	5	2026-2027	2026	\$0	\$0	\$103,679,450	\$103,679,450	\$103,679,450	\$20,000,000
	6	2027-2028	2027	\$0	\$0	\$89,547,500	\$89,547,500	\$89,547,500	\$20,000,000
	7	2028-2029	2028	\$0	\$0	\$74,286,800	\$74,286,800	\$74,286,800	\$20,000,000
	8	2029-2030	2029	\$0	\$0	\$57,807,050	\$57,807,050	\$57,807,050	\$20,000,000
	9	2030-2031	2030	\$0	\$0	\$40,002,900	\$40,002,900	\$40,002,900	\$20,000,000
	10	2031-2032	2031	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$20,000,000
	11	2032-2033	2032	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$20,000,000
Continue to maintain viable presence	12	2033-2034	2033	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	13	2034-2035	2034	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	14	2035-2036	2035	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	15	2036-2037	2036	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	16	2037-2038	2037	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	17	2038-2039	2038	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	18	2039-2040	2039	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	19	2040-2041	2040	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	20	2041-2042	2041	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	21	2042-2043	2042	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	22	2043-2044	2043	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	23	2044-2045	2044	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	24	2045-2046	2045	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	25	2046-2047	2046	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000

Schedule C: Employment Information

Date **11/13/2019**

Applicant Name **Grandslam Solar, LLC**

Form 50-296A

ISD Name **Charlotte ISD**

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in 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 insert as many rows as necessary	0	2019-2020	2019	0	\$0	0	0	n/a		
Each year prior to start of value Limitation Period insert as many rows as necessary	Stub	2020-2021	2020	200 FTE avg; 300 FTE peak	\$50,000	0	0	n/a		
Each year prior to start of value Limitation Period insert as many rows as necessary	QTP1	2021-2022	2021	200 FTE avg; 300 FTE peak	\$50,000	0	1	n/a		
Value Limitation Period The qualifying time period could overlap the value limitation period.	QTP2/LP1	2022-2023	2022	0	n/a	0	1	\$23,367		
	2	2023-2024	2023	0	n/a	0	1	\$23,367		
	3	2024-2025	2024	0	n/a	0	1	\$23,367		
	4	2025-2026	2025	0	n/a	0	1	\$23,367		
	5	2026-2027	2026	0	n/a	0	1	\$23,367		
	6	2027-2028	2027	0	n/a	0	1	\$23,367		
	7	2028-2029	2028	0	n/a	0	1	\$23,367		
	8	2029-2030	2029	0	n/a	0	1	\$23,367		
	9	2030-2031	2030	0	n/a	0	1	\$23,367		
	10	2031-2032	2031	0	n/a	0	1	\$23,367		
Years Following Value Limitation Period	11 through 25	2031-2047	2031-2047	0	n/a	0	1	\$23,367		

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)

C1a. Will the applicant request a job waiver as provided under 313.025(f-1)?

C1b. Will the applicant avail itself of the provision in 313.021(3)(f)?

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Date 11/13/2019

Applicant Name Grandslam Solar, LLC
 ISD Name Charlotte ISD

Schedule D: Other Incentives (Estimated)

Form 50-296A
 Revised May 2014

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
	County:					
	City:					
	Other:					
	County: Abilene County	2022	Ten years	TBD	TBD	TBD
	City: n/a					
	Other:	2022	Ten years	TBD	TBD	TBD
	County:					
	City:					
	Other:					
Local Government Code Chapters 380/381						
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:						
				TBD	TBD	TBD

Additional information on incentives for this project:



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #15

Economic Impact Analysis, other payments made in the state or other economic information.

N/A



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #16

Description of Reinvestment or Enterprise Zone.

1. Evidence that the area qualifies as an enterprise zone as defined by the Governor's Office
2. Legal description of reinvestment zone
3. Order, resolution or ordinance establishing the reinvestment zone
4. Guidelines and criteria for creating the zone



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM # 17

Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative.

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 -> MARIO Sotelo Rebecca Ramos Mario Sotelo Superintendent
Print Name (Authorized School District Representative) Title

sign here -> [Signature] 11/13/19
Signature (Authorized School District Representative) Date

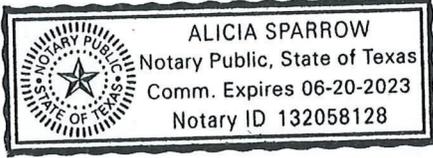
2. Authorized Company Representative (Applicant) Signature and Notarization

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 -> Raina Hornaday General Manager
Print Name (Authorized Company Representative (Applicant)) Title

sign here -> [Signature] 11-9-19
Signature (Authorized Company Representative (Applicant)) Date



(Notary Seal)

GIVEN under my hand and seal of office this, the 8 day of November, 2019
Alicia Sparrow
Notary Public in and for the State of Texas
My Commission expires: 6-20-23

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.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between CHARLOTTE INDEPENDENT SCHOOL
DISTRICT and GRANDSLAM SOLAR, LLC

EXHIBIT A-1

Amendment 001 to Application for Appraised Value
Limitation on Qualified Property



WALSH GALLEGOS
TREVINO RUSSO & KYLE P.C.

January 15, 2020

Ms. Tabita Collazo
Regional Fiscal Analysis
Local Government Assistance and
Economic Development Division
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78774

***VIA EMAIL DELIVERY: tabita.collazo@cpa.state.tx.us
and VIA U.S. POSTAL SERVICE DELIVERY***

Re: Application #1447—Charlotte Independent School District (“District”) / Tax
Limitation Agreement: Grandslam Solar, LLC (“Applicant”)

Dear Ms. Collazo:

Pursuant to your e-mail correspondence dated December 17, 2019, please see below and attached for the requested additional information and clarification related to the above-mentioned Application materials submitted to your office on January 7, 2019. In particular, please note the following amendments to Application #1447:

1. Section 1, Question 1 amended to include correct date on which the District determined the Application to be complete;
2. Section 1, Question 4 amended to include the Superintendent’s e-mail address;
3. Updated wage information in Section 14, Tab 13;
4. Updated Schedule C;
5. Tab 16 updated to include appropriate guidelines and criteria;
6. Updated Vicinity Map; and
7. Fully Executed Signature page.

Thank you for your consideration. Please feel free to contact me directly if you have any additional questions.

Sincerely,

EDDY HERNANDEZ PEREZ

EHP/paw
Enclosure

Ms. Tabita Collazo

January 15, 2020

Page 2

cc: Mario Sotelo, Superintendent of Schools, Charlotte Independent School District
(Via E-Mail Delivery; without enclosures)

Dan Casey, Moak Casey *(Via E-Mail Delivery; without enclosures)*

Evan Horn, Ernst & Young, LLP *(Via E-Mail Delivery; without enclosures)*

Raina Hornaday, Caprock Renewables *(Via E-Mail Delivery; without enclosures)*

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

11/13/19

Date Application Received by District

Mario

First Name

Sotelo

Last Name

Superintendent

Title

Charlotte Independent School District

School District Name

102 E. Hindes Ave

Street Address

P.O. Box 489

Mailing Address

Charlotte

City

Texas

State

78011

ZIP

830-277-1431

Phone Number

Fax Number

MSotelo@charlotteisd.org

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)

Eddy Perez
First Name Last Name
Attorney
Title
Walsh Gallegos Trevino Russo & Kyle, P.C.
Firm Name
210-979-6633
Phone Number
Fax Number
EPerez@wabsa.com
Email Address

4. On what date did the district determine this application complete? November 14, 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)

Raina Hornaday
First Name Last Name
General Manager
Title
Caprock Renewables
Organization
Street Address
1005 W 41st St
Mailing Address
Austin Texas 78756
City State ZIP
512-971-8825
Phone Number
Fax Number
raina@caprockrenewables.com
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
Title Organization
Street Address
Mailing Address
City State ZIP
Phone Number Fax Number
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)

Evan _____ Horn _____
First Name Last Name
 Manager _____
Title
 Ernst & Young LLP _____
Firm Name
 512-426-8958 _____
Phone Number Fax Number
 Evan.Horn@EY.com _____
Business Email Address

SECTION 3: Fees and Payments

- 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.
- 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
- 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

- What is the legal name of the applicant under which this application is made? Grandslam Solar, LLC
- List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32069009796
- List the NAICS code 221114
- 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

- Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Company
- 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.
- Is the applicant current on all tax payments due to the State of Texas? Yes No
- Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A
- 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:
 - Land has no existing improvements Land has existing improvements (*complete Section 13*)
 - Expansion of existing operation on the land (*complete Section 13*) 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 April 1, 2020
- 2. Commencement of construction Q3 2020
- 3. Beginning of qualifying time period April 1, 2020
- 4. First year of limitation Jan 1, 2022
- 5. Begin hiring new employees Q4 2021
- 6. Commencement of commercial operations Q4 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? Q4 2021

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Atascosa County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Atascosa 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: Atascosa County, 100%, .420237 City: _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: _____ Water District: Evergreen, 100%, .005380
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): FTMR, 100%, .077557 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? 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)?
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?
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? 1/15/20

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? 1

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 1,039.50
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1,100.55
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,003.28

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? 52,171.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 52,171.00

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** ▶

Raina Hornaday

Print Name (Authorized Company Representative (Applicant))

General Manager

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

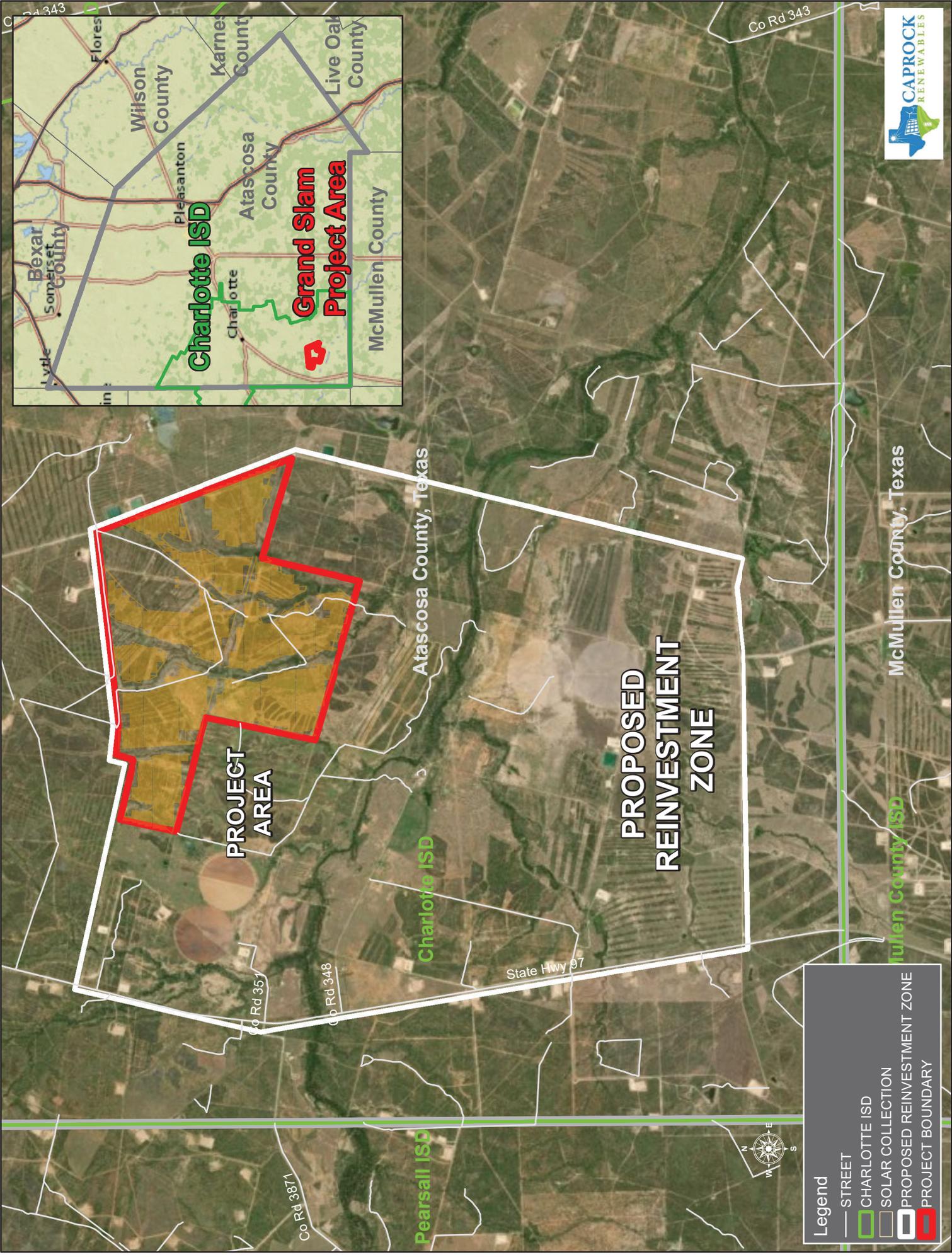
(Notary Seal)

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>



Legend

- STREET
- CHARLOTTE ISD
- SOLAR COLLECTION
- PROPOSED REINVESTMENT ZONE
- PROJECT BOUNDARY



Confidentiality Notice: The information in and/or referenced in this map is considered by Caprock Renewables to be confidential information, and proprietary to Caprock Renewables.

TAB 13

Wage Requirement Calculation

1. Average Weekly Wages for All Jobs (All Industries) in ATASCOSA County, Q3 - Q4 2018, & Q1 - Q2 2019

Category	Area	Period	Avg. Weekly Wage
All Industries	ATASCOSA County	Q3 2018	\$997
All Industries	ATASCOSA County	Q4 2018	\$1,045
All Industries	ATASCOSA County	Q1 2019	\$1,077
All Industries	ATASCOSA County	Q2 2019	\$1,039
		AVERAGE	\$1,039.50

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 Code	Industry	Average Weekly Wage
2018	01	Atascosa	Total All	10	Total, All Industries	946
2018	02	Atascosa	Total All	10	Total, All Industries	987
2018	03	Atascosa	Total All	10	Total, All Industries	997
2018	04	Atascosa	Total All	10	Total, All Industries	1,045
2019	01	Atascosa	Total All	10	Total, All Industries	1,077
2019	02	Atascosa	Total All	10	Total, All Industries	1,039

2. 110% of Average Weekly Wages for Manufacturing Jobs in ATASCOSA County, Q3 - Q4 2018, & Q1 - Q2 2019

Category	Area	Period	Avg. Weekly Wage
Manufacturing	ATASCOSA County	Q3 2018	\$881
Manufacturing	ATASCOSA County	Q4 2018	\$930
Manufacturing	ATASCOSA County	Q1 2019	\$1,097
Manufacturing	ATASCOSA County	Q2 2019	\$1,094
		AVERAGE	\$1,001
		110% OF AVERAGE	\$1,100.55

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 Code	Industry	Average Weekly Wage
2018	01	Atascosa	Private	1013	Manufacturing	898
2018	02	Atascosa	Private	1013	Manufacturing	894
2018	03	Atascosa	Private	1013	Manufacturing	881
2018	04	Atascosa	Private	1013	Manufacturing	930
2019	01	Atascosa	Private	1013	Manufacturing	1,097
2019	02	Atascosa	Private	1013	Manufacturing	1,094

TAB 13

Wage Requirement Calculation

3. COG Region Wage Calculation

Year	Region	Annual Wage	Avg. Weekly Wage
2018	Alamo Area Council of Governments	\$ 47,428	\$912
		110% OF AVERAGE	\$1,003.28

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.

Schedule C: Employment Information

Date: 1/6/2020
 Applicant Name: Grandslam Solar, LLC
 ISD Name: Charlotte ISD

Form 50-296A
 Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction			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 insert as many rows as necessary	0	2019-2020	2019	0	\$0	0	0	n/a	
Each year prior to start of value Limitation Period insert as many rows as necessary	Stub	2020-2021	2020	200 FTE	\$50,000	0	0	n/a	
Each year prior to start of value Limitation Period insert as many rows as necessary	QTP1	2021-2022	2021	200 FTE	\$50,000	0	1	n/a	
Value Limitation Period The qualifying time period could overlap the value limitation period.	QTP2/LP1	2022-2023	2022	0	n/a	0	1	\$52,171	
	2	2023-2024	2023	0	n/a	0	1	\$52,171	
	3	2024-2025	2024	0	n/a	0	1	\$52,171	
	4	2025-2026	2025	0	n/a	0	1	\$52,171	
	5	2026-2027	2026	0	n/a	0	1	\$52,171	
	6	2027-2028	2027	0	n/a	0	1	\$52,171	
	7	2028-2029	2028	0	n/a	0	1	\$52,171	
	8	2029-2030	2029	0	n/a	0	1	\$52,171	
	9	2030-2031	2030	0	n/a	0	1	\$52,171	
	10	2031-2032	2031	0	n/a	0	1	\$52,171	
Years Following Value Limitation Period	11 through 25	2031-2047	2031-2047	0	n/a	0	1	\$52,171	

Notes: See TAC 9.1051 for definition of non-qualifying jobs.
 Only include jobs on the project site in this school district
 Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute?
C1. (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
C1a. Will the applicant request a job waiver as provided under 313.025(f-1)?
C1b. Will the applicant avail itself of the provision in 313.021(3)(f)?

Yes No
 Yes No
 Yes No

RESOLUTION NO. _____

A RESOLUTION THAT THE COMMISSIONERS COURT OF ATASCOSA COUNTY, TEXAS ELECTS TO ADOPT AN ECONOMIC DEVELOPMENT POLICY, WHICH INCLUDES SETTING OUT GUIDELINES AND CRITERIA FOR TAX ABATEMENT IN ACCORDANCE WITH TEXAS TAX CODE 312.001 ET. SEQ., OTHERWISE KNOWN AS THE PROPERTY REDEVELOPMENT AND TAX ABATEMENT ACT ("ACT"), GOVERNING THE CREATION OF TAX ABATEMENT REINVESTMENT ZONES AND THE EXECUTION OF 312 TAX ABATEMENT AGREEMENTS BY THE COUNTY.

WHEREAS, the enhancement of the local economy is in the best interests of the citizens of Atascosa County; and,

WHEREAS, the creation of specified tax abatement reinvestment zones and the execution of tax abatement agreements will be reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment that would be a benefit to property and would contribute to the economic development of the County of Atascosa; and,

WHEREAS, the Act requires counties to establish local guidelines and criteria for the creation of tax abatement reinvestment zones and the execution of 312 Tax Abatement Agreements; and,

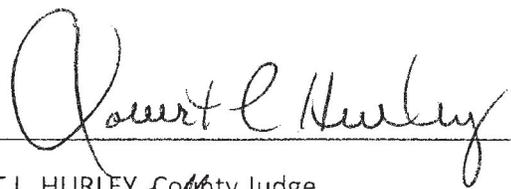
WHEREAS, the Act states that guidelines and criteria are effective for two years unless amended or replaced by a three-fourths (3/4) vote of the governing body.

NOW THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS COURT OF ATASCOSA COUNTY, TEXAS, THAT:

PART 1. The guidelines and criteria outlined in Exhibit "A" of this resolution which govern 312 Tax Abatement Agreements, are hereby adopted by the Atascosa County Commissioners Court and shall remain in effect for two years from the date herein unless amended or repealed by a vote of the Commissioners Court.

PART 2. That this resolution shall take effect immediately from and after its passage.

ADOPTED this the ^{25th} day of March, 2019.



ROBERT L. HURLEY, County Judge


MARK GILLESPIE, Commissioner, Precinct 1


STUART KNOWLTON, Commissioner, Precinct 2

Eliseo Perez
ELISEO PEREZ, Commissioner, Precinct 3

Kennard Riley
KENNARD RILEY, Commissioner, Precinct 4

Attest: Diane Gonzales
Diane Gonzales, County Clerk
Atascosa County, Texas



ATASCOSA ECONOMIC DEVELOPMENT PROGRAM POLICY

1. AUTHORIZATION

A. General Authority. The Atascosa County Commissioners Court (“Commissioners Court”) is authorized to develop and administer a program to stimulate business and commercial activity in Atascosa County (“County”) pursuant to Texas Local Government Code, Chapter 381 and other applicable statutes.

B. Tax Abatement Resolution. The County has adopted a Resolution stating that the County elects to become eligible to participate in tax abatement under both the Texas Local Government Code, Section 381.004(g) and applicable provisions of the Texas Tax Code, and also under Chapter 312 of the Texas Tax Code. Tax Abatement Agreements which are entered into under Texas Local Government Code, Section 381.004(g) (“381 Tax Abatement Agreement”) shall be subject to the requirements of that statute and governed, to the extent practicable, by the provisions of Sections 312.204 , 312.205 , and 312.211 of the Texas Tax Code, as if the Commissioners Court were a governing body of a municipality. Tax Abatement Agreements which are entered into under Texas Tax Code, Chapter 312 (“312 Tax Abatement Agreement”) shall be subject to all requirements of that statute.

2. PURPOSE AND METHOD

A. General Purpose. Atascosa County is committed to the promotion and retention of high quality development in all parts of the County and to an ongoing improvement in the quality of life for its citizens. Insofar as the enhancement and expansion of the local economy generally serves these objectives, the County will, on a case-by-case basis, give consideration to providing certain incentives to private sector businesses that will make a measurable difference in achieving economic growth and development. This Policy is intended to establish guidelines and criteria under which the County may develop and administer a program to stimulate business and commercial activity. The adoption of this Policy does not in any way limit the discretion of the Commissioners Court to decide whether to enter into a specific agreement.

B. Term. The Atascosa County Commissioners Court has directed that this Policy be reviewed every two (2) years to include a report with the resulting effects. Based on that review, this Policy will be modified, renewed, or eliminated.

C. Limitations. The adoption of these guidelines and criteria does not limit the discretion of the Commissioners Court to decide whether to enter into a specific agreement nor does it create any contract or other legal right in any Applicant to have the Commissioners Court consider a specific Application or request.

3. DEFINITIONS

A. “Abatement” means the full or partial release from payment of Ad Valorem Taxes on certain real and tangible personal property under this Policy.

- B. **“ACAD”** means the Atascosa Central Appraisal District.
- C. **“Ad Valorem Taxes/Taxation”** means those property taxes assessed by County on real and tangible personal property located within Atascosa County, Texas.
- D. **“Agreement”** means a contractual agreement between a property owner and/or lessee (and lessor) and Atascosa County, granting or pertaining to an Incentive under this Policy, including any contract entered into under this Policy.
- E. **“Agreement Funds”** means all money paid to or abated for a Company pursuant to the terms of an Agreement entered into under this Policy.
- F. **“Applicant”** means the authorized representative of a firm, party, entity, or organization who requests in writing the consideration of an Incentive under this Policy.
- G. **“Application”** means the Atascosa County Economic Development Incentive Application Package attached hereto.
- H. **“Company”** means the authorized individual or business entering into an Agreement with County under this Policy.
- I. **“Effective Year Value”** means the value assessed by County for the purposes of Atascosa County Ad Valorem Taxes on Eligible Property for the tax year including the effective date of the Agreement. The effective date of an Agreement shall be the date on which all parties have executed the Agreement.
- J. **“Eligible Property”** means certain real property and tangible personal property including buildings, structures, fixed machinery and equipment, fixed personal property, site improvements, plus office space and related fixed improvements necessary to the operation and administration of a facility.
- K. **“Employee”** means a person: whose employment is permanent, full-time, and non-seasonal; and who is employed by the Company for a minimum of 1,750 hours per year; and whose employment is reflected in a company generated and certified payroll report or other documentation of employment acceptable to the County.
- L. **“Incentive”** means the benefit granted under an Agreement entered into pursuant to this Policy and applicable statutes.
- M. **“Payment Year Value”** means the value assessed by the ACAD for the purpose of the payment of Atascosa County Ad Valorem Taxes on Eligible Property for any tax year included in an Agreement, not including the tax year in which an Agreement was made effective.
- N. **“Project”** means the proposed development as specifically described by Company in the Application/request for incentives and the Agreement.
- O. **“Property”** means the land (real property) on which the Project will be developed.

P. "Rebate" means the rebate of Ad Valorem Taxes paid by a Company on Eligible Property pursuant to the terms of a Rebate Agreement.

4. INCENTIVES

By decision of the Atascosa County Commissioners Court, Incentives are limited to tax Abatement and Rebate at this time.

A. **Abatement.** The Commissioners Court may grant exemption from Ad Valorem Taxes on Eligible Property on the condition that a Company make specific improvements or repairs and meet other requirements as set forth under this Policy and the terms of an Agreement.

(i) Reinvestment Zone.

(a) When entering into an Abatement Agreement pursuant to Chapter 381 of the Texas Local Government Code -a 381 Tax Abatement Agreement- the Commissioners Court will designate a Reinvestment Zone pursuant to Section 312.201 of the Texas Tax Code, or will utilize a Reinvestment Zone created by another taxing entity. Where designation of a Reinvestment Zone is not practicable, the Commissioners Court will review and evaluate the Property utilizing the criteria for establishing a Reinvestment Zone and make a determination that the Property substantially meets the guidelines for establishing a Reinvestment Zone.

(b) When entering into an Abatement Agreement pursuant to Chapter 312 of the Texas Tax Code -a 312 Tax Abatement Agreement- the Commissioners Court must designate a Reinvestment Zone. If an area does not include an area in the taxing jurisdiction of a municipality, the Commissioners Court may proceed to designate a Reinvestment Zone pursuant to 312.401 of the Texas Tax Code, and other applicable provisions, if (1) the Commissioners Court provides notice of a public hearing which is published in a newspaper having general circulation in the County and such notice is delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries real property that is to be included in the proposed Reinvestment Zone; (2) the Commissioners Court holds a public hearing where interested persons are allowed to speak and present evidence for or against the designation; and (3) the Commissioners Court finds that the designation would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the Property and would contribute to the economic development of the County.

(c) The designation of a Reinvestment Zone expires five (5) years after the date of the designation and may be renewed for periods not to exceed five (5) years. Expiration of a Reinvestment Zone will not affect existing Agreements.

(ii) Notice. The Commissioners Court shall deliver to the presiding officer of the governing body (or other designated officer or employee) of each taxing unit in which the property being considered for an Abatement Agreement is located, a written notice that the County intends to enter into an Agreement not later than the seventh (7th) day before the date on which the County will enter into the Agreement. Such notice shall include a copy of the proposed Agreement.

B. Rebate. The Commissioners Court may grant Company a payment of a percentage of the difference between the Ad Valorem Taxes paid by the Company on the Effective Year Value and the Ad Valorem Taxes assessed and/or paid on the Payment Year Value reflecting the improvements made by the Company pursuant to an Agreement and this Policy. The percentage amount will be determined by the Commissioners Court to be derived from the Project as presented by the Company in its Application and other criteria as set forth under this Policy.

C. Amount. A Company may be granted a Rebate on or Abatement of Ad Valorem Taxes as follows:

<u>Investment Amount</u>	<u>Abatement/Rebate Amount</u>
Less than \$25,000,000	-0-
Between \$25,000,000 to \$49,999,999	not to exceed 25%
Between \$50,000,000 to \$74,999,000	not to exceed 35%
Between \$75,000,000 to \$99,999,000	not to exceed 50%
More than \$100,000,000	such percentage deemed appropriate by the Atascosa County Commissioners Court, but not to exceed 80%

An Abatement Agreement approved by an affirmative vote of the majority of the Commissioners Court in a regularly scheduled meeting may authorize a percentage other than as set forth above.

In no event shall the County consider or grant a request for tax Abatement or Rebate in an amount over eighty percent (80%).

D. Rebate/Abatement- Base. The Rebate/Abatement of real property shall be based upon the extent that the value for the year of Rebate/Abatement included in an Agreement exceeds the value of the year in which the Agreement is executed. The Rebate/Abatement of tangible personal property located on the real property in each year is limited to tangible property other than that tangible personal property that was located on the real property at any time before the Agreement term, and other than inventory or supplies.

5. REQUIREMENTS AND CRITERIA FOR EVALUATION

A. General Requirements

(i) An Agreement entered into under this Policy shall require a finding by the Commissioners Court that the terms of the Agreement and any property subject to the Agreement meet applicable guidelines and criteria set forth in this Policy and that the development of a Project will result in substantial financial benefit to Atascosa County. Accordingly, a Company requesting an Incentive must be able to show in it's Application a clear demonstration of public purpose and economic benefit through advancement of the County's economic goals which include expanding the tax base, creating quality jobs, and increasing private capital investment in the community.

(ii) In order to be eligible to receive Incentives, Company must be current on all County taxes and any other obligations of the County. Requests for Incentives will not be considered for an Applicant with which the County is currently involved in litigation or has, within the last four (4) years, been involved in litigation. Requests for Incentives will not be considered for an Applicant involved in a pending claim with the County or with which there has been past unsatisfactory contractual performance.

(iii) To be eligible to receive Incentives, Eligible Property must either be owned by the Company seeking the Incentive, or, in the event that the Company has leased such property, such lease must be presented along with the Application and must be for a term greater than or equal to the requested term of an Agreement, and must also contain a provision indicating the obligation of the Company to pay all Ad Valorem Taxes, either directly or indirectly.

(iv) Incentives will be considered for both new facilities and structures as well as the expansion of existing facilities and structures. However, in order for expansion to qualify for an Incentive, Company must be able to demonstrate that such expansion will add substantial value to the Ad Valorem Tax base.

(v) Requests for Incentives will not be considered if, prior to the submission of an Application, the Project is already substantially underway or has been completed. For purposes of this Policy, "substantially underway" shall mean that any of the following have occurred:

- (a) Demolition, site preparation, or installation of infrastructure has begun;
- (b) A building permit, not related to mitigating an environmental hazard, has been issued;
- (c) Construction has begun; or
- (d) Any type of relocation, including inventory and equipment, to the Project site has commenced.

(vi) Property that is owned or leased by a person who is a member of the Commissioners Court (or staff of such a member) is not eligible for an Incentive under this Policy. Accordingly, a Company must warrant that none of the Property is owned or leased by a member of the Commissioners Court or their staff.

(vii) Company must be able to show financial stability and a capacity to complete the Project. Documentation showing factors such as Company's liquidity, solvency, operating efficiency, and profitability must be included for Commissioners Court review.

B. Requirements With Discretionary Elements. While the following elements will be considered necessary to any Agreements entered into under this Policy, the Commissioners Court may, at its sole discretion, limit or waive the extent to which each is applied.

(i) **Minimum Capital Investment.** To be eligible to receive an Incentive under this Policy, a Company's new capital investment shall be no less than twenty-five million dollars (\$25,000,000.00). The purchase price of Property will not be included in this total capital investment amount.

(ii) **New Job Creation.** Project will provide new, permanent full-time, non-seasonal jobs. While there is no absolute minimum as to the number of new jobs created, increased incentive levels will be considered for Projects hiring at least fifty (50) new, permanent, full-time Employees.

C. Additional Criteria for Consideration. When considering approval and determining maximum incentive amounts for a Project, the Commissioners Court may also consider the following criteria.

- (i) Environmental attractiveness
- (ii) Commitment to clean air initiatives
- (iii) Size of Property involved in the Project

- (iv) Use of innovative design practices, including esthetic considerations
- (v) Diversification of economy
- (vi) Additional community improvement, including the following:
 - (a) Employee benefits including offer of group coverage or contribution to health benefits in a dollar amount that provides meaningful opportunity for workers to purchase coverage for themselves and all family members.
 - (b) Employee wage or salary equal to or greater than the current Atascosa Average County Wage as computed by the Bureau of Labor statistics.
 - (c) Willingness to recruit and hire locally and to promote the local community workforce from within.
 - (d) Company contribution to education, training and/or career development activities for current and potential Employees in the community.
 - (e) Company commitment to community participation in the form of volunteer work, school mentoring, and contributions to local schools, particularly to fund programs related to job training.
 - (f) Contributions to the community such as infrastructure for transportation, utilities, and health and emergency services.

6. APPLICATION PROCESS

A. Application Package. In order to be eligible for Incentives, the Atascosa County Economic Development Incentive Application Package must be completed in its entirety with three (3) copies submitted to the appropriate County Representative, being the county commissioner in whose precinct the Property that is the subject of the Application is located. A Complete Application Package shall include the following:

- i. A complete Application (attached hereto); and
- ii. A non-refundable check in the amount of \$500.00 payable to Atascosa County to reimburse the County the reasonable cost of proposal evaluation.

Atascosa County may request additional information as a part of the application process as deemed necessary in order to fully evaluate the Application/request.

Information that is provided in the Application for an Abatement Agreement entered into under 312 of the Texas Tax Code is confidential and not subject to public disclosure until the Abatement Agreement is fully executed, at which time that information in the custody of the County is no longer confidential.

B. Review. The appropriate County Representative, upon notification to the Atascosa County Attorney's Office, shall submit a request for closed session to follow a regularly scheduled session of the Atascosa County Commissioners Court, in order to review and discuss an Application/request. Upon review and discussion, the Commissioners Court shall, by majority vote, either: (i) deny the Application/request; or (ii) grant the request pending negotiation of an Agreement and direct the County Attorney's Office to enter into negotiations for such Agreement; or (iii) request additional information from Company in order to make a decision. A closed session shall comply with all provisions of Chapter 551, Subchapter E, of the Texas Government Code. Any final action, decision, or vote on a matter deliberated in a closed session may only be made in an open meeting that is held in compliance with the notice provisions of Chapter 551. The attendance of a representative of the Company may be required.

C. Negotiation. After the approval of a general concept by the Commissioners Court and permission to enter negotiations, the County Attorney's Office will negotiate and prepare an Agreement with the Company in conformity with this Policy and applicable statute. The County will make all reasonable efforts to negotiate an Agreement in a timely manner and submit same for final approval by the Commissioners Court.

D. Public Hearing on Reinvestment Zone. As previously noted in this Policy, the Commissioners Court may not adopt a resolution creating a Reinvestment Zone until it has held a public hearing at which interested parties are entitled to speak and present evidence for or against the designation. Notice of the hearing shall be provided in accordance with all applicable provisions of the Texas Tax Code.

E. Final Agreement. Any Agreement proposed under this Policy shall only be approved by an affirmative vote of the majority of the members at a regularly scheduled meeting of the Commissioners Court.

7. AGREEMENT

Requirements for any Agreement entered into pursuant to this Policy include, but are in no way limited to, the following:

A. Waiver and/or Modification of Requirements. The Commissioners Court retains the right to waive or modify any of the requirements of this Policy, with the exception of the General Requirements set forth under Section 5(A) herein and those requirements set forth in statute which cannot be waived, by approving terms in an Agreement entered into under this Policy that differ from the Policy when the County determines that the waiver and/or modification is: i) necessary in order to serve the public interest; ii) will allow an Agreement which will continue to meet the intent of the Policy; and iii) will not violate any applicable statutory requirements.

B. Leased Property. Any Agreement covering leased Property is to be executed by both the lessor (owner) and the lessee (Company) of the land on which a Project is located, provided that the term of the lease is equal to or exceeds the term of the Agreement.

C. Refund/Recapture. In the event that a Company either i) allows its ad valorem taxes owed to any local taxing entity to become delinquent and fails to timely and properly follow the legal procedures for their protest/contest; or ii) is in default according to the terms and conditions of this Policy or an Agreement and fails to cure within the time period allowed; or iii) if the Rebate/Abatement portion of the Agreement is ruled invalid by a court of competent jurisdiction, the Agreement then may be terminated and all Agreement Funds previously paid to Company or abated from payment by Company shall be refunded to County no later than sixty (60) days after termination.

D. Access. An Agreement entered into under this Policy must provide for access and authority for County employees to enter the Property and inspect to ensure that the improvements or repairs are made according to the term of the Agreement and that Company is in compliance with all other provisions of the Agreement. Representatives of the Company may accompany the County during such inspections. Any inspection shall be preceded by twenty-four (24) hours notice to the Company and shall be conducted so as to not interfere with the business operations of the Company. County shall be able to continue making inspections throughout the term of the Agreement and all Agreements must provide for inspection at least once annually.

E. Term. Agreement terms shall be as set forth in the specific Agreement entered into under this Policy. The payment term under an Agreement for Rebate shall not exceed a period of twenty (20) years. The abatement term under an Agreement for Abatement shall not exceed a period of ten (10) years.

F. Compliance with Law. The development of any Project under an Agreement pursuant to this Policy shall be done in a manner which meets all applicable Federal, State, County and City laws, codes, ordinances, rules and regulations and permit requirements.

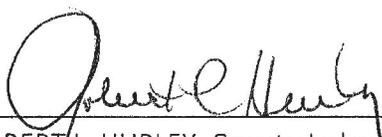
G. Reports. Company shall provide such report(s) as determined necessary by County in an Agreement to document and ensure compliance with terms of the Agreement. Such reports shall be submitted to the Atascosa County Judge on April 30th of each year during the term of the Agreement. The County will have the right to monitor and audit findings in all reports as necessary to confirm compliance with the terms of this Policy and the Agreement. Company will certify the authenticity and accuracy of each report submitted under the Agreement and shall also certify that the Company is in compliance with all applicable terms of the Agreement.

H. **Assignment.** An Agreement may be assigned to a new Company only with the prior written approval of County. Company may assign to a subsidiary corporation or other affiliate organization without approval of County, so long as Company shall remain responsible and obligated to County for its performance of its obligations under the Agreement. Written notice of an assignment shall be provided to the County prior to the assignment. No assignment shall be approved if the assignor or assignee is indebted to County for Ad Valorem Taxes or other obligations.

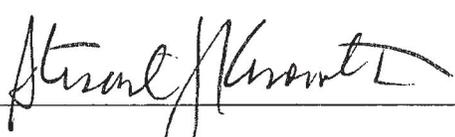
I. **Amendment.** Amendment of any Agreement under this Policy can only be made by written instrument signed by all parties. The term of a Tax Abatement Agreement cannot be amended to extend beyond ten (10) years from the date of the original Agreement.

Application of this Policy will be implemented as of the date of adoption set forth below.

Adopted by the Commissioners Court of Atascosa County on the 25th day of March 2019.


ROBERT L. HURLEY, County Judge


MARK GILLESPIE, Commissioner, Precinct 1


STUART KNOWLTON, Commissioner, Precinct 2

Eliseo Perez

ELISEO PEREZ, Commissioner, Precinct 3

Kennard Riley

KENNARD RILEY, Commissioner, Precinct 4

Attest: *Diane Gonzales*

Diane Gonzales, County Clerk

Atascosa County, Texas



Approved: *Siobhan Karger Mullen*

Siobhan Karger Mullen, Assistant County Attorney



Atascosa County Economic Development Incentive Application

The Economic Development Incentive Application is intended for internal Atascosa County economic development analysis and efforts will be made to restrict circulation of information included on the form to appropriate employees of the County. Please note that the Texas Public Information Act provides that information collected, assembled, or maintained by the County under a law or ordinance or in connection with the transaction of official business is generally considered to be public information. However, the Texas Public Information Act does provide that information relating to economic development negotiations with a business prospect is withheld from disclosure unless and until an agreement is reached.

Contact Information

Legal Name of Company: _____

Company's Authorized Representative:

Name: _____

Title: _____

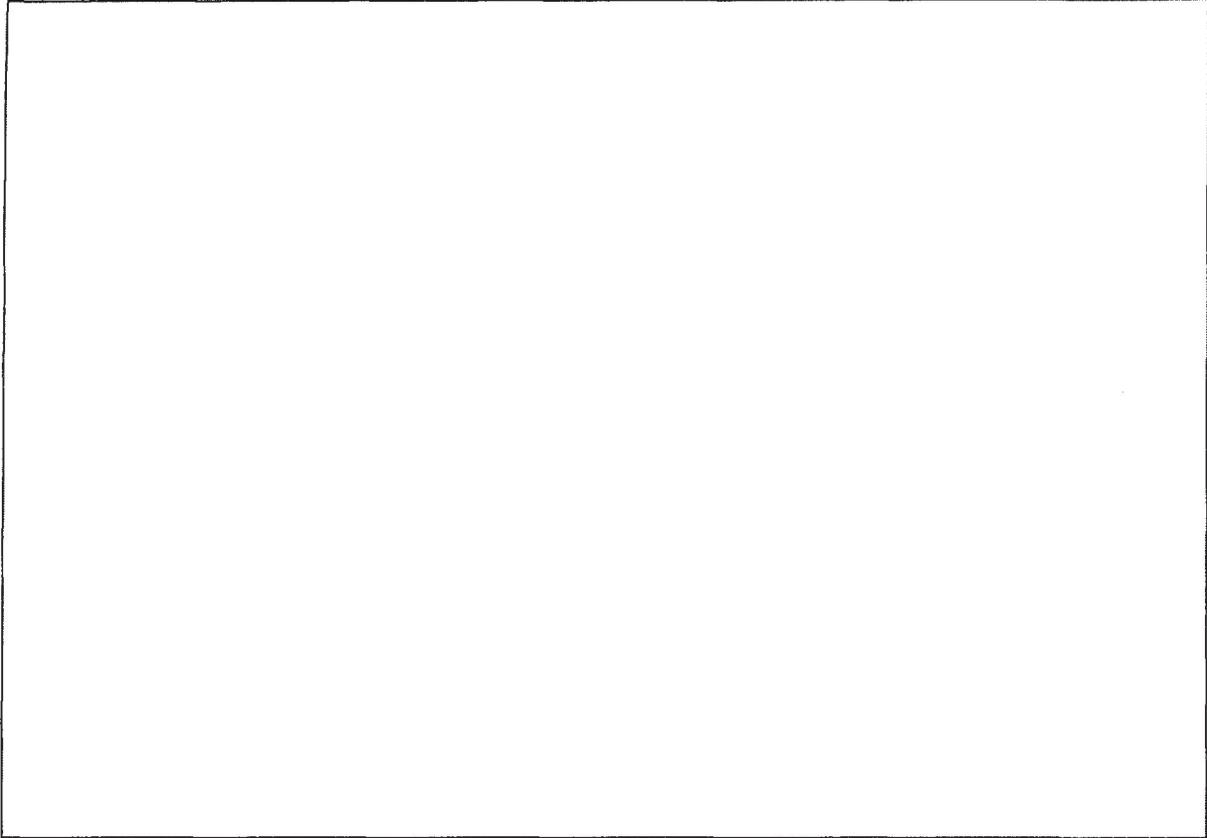
Phone: _____

Fax: _____

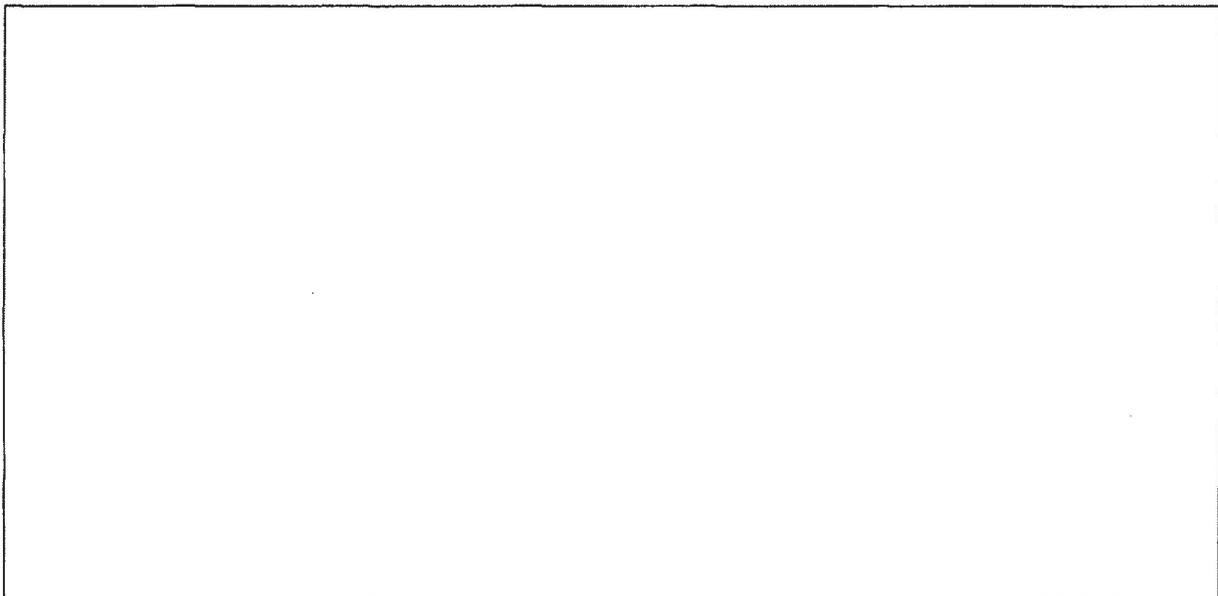
Email: _____

Mailing Address: _____

Business Description (please describe below or attach to application)

A large, empty rectangular box with a black border, intended for the applicant to provide a detailed business description or attach supporting documents.

List other business locations

A large, empty rectangular box with a black border, intended for the applicant to list any other business locations.

Project Information

Project Description (please describe below or attach to application) Please include a list of the improvements and property for which Incentives are requested.

Project Location

(Please attach a plat depicting the Property along with a metes and bounds description and total acreage)

Approximate Construction Start Date: _____

Approximate Completion Date: _____

Is Project to be completed in phases? Y/ N

If Project will be completed in phases, please give a timeline as to each phase, including approximate construction start date and completion date.

Approximate Capital Investment: _____

Current Ad Valorem Tax Value of Property: _____

Estimated Increase in Ad Valorem Tax Value
After Completion of Project: _____

Is the Project located on leased Property? Y/ N

If leased, who is the owner of the leased Property?

Please list all current parcel identification numbers from the ACAD.

Employment

Anticipated Number of New Employee Jobs Created: _____

Approximate Number of Jobs to be filled by Atascosa Residents:

Job Creation Schedule

Year	Existing Jobs	New Jobs	Total Jobs
Total			

Expected Average Salary for a New Employee: _____

Expected Median Salary for a New Employee: _____

Minimum Hourly Salary for a New Employee: _____

Job Category	Jobs employed by Company	Contract Jobs	Average Annual Wage	Percentage Locally Hired
Executive				
Supervisor				
Professional				
Administrative				
Entry Level				

Is the Company considering other locations? If yes, please list below.

Does the Company make a contribution towards health care benefits for employees? Y/N

Please describe (or attach) your employee benefit package. Please include any training, education and/or employee advancement programs.

Additional Benefits to Community

Please describe (or attach) any charitable, volunteer or community outreach programs in which the Company is involved, or plans to become involved, in Atascosa County.

Specific Request you would like considered and any additional comments you would like to communicate to the Atascosa County Commissioners Court for consideration of an Incentive

To the best of my knowledge, the information in this Atascosa County Economic Development Incentive Application is true and correct, as evidenced by my signature below.

Signature: _____

(Printed Name)

(Title)

Date: _____

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.

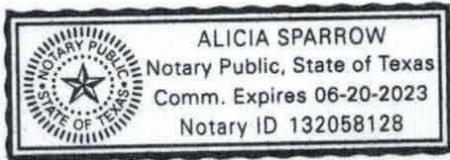
print here → Mario Sotelo Superintendent of Schools
 Print Name (Authorized School District Representative) Title
 sign here → Mario Sotelo 1/7/20
 Signature (Authorized School District Representative) Date

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 → Raina Hornaday General Manager
 Print Name (Authorized Company Representative (Applicant)) Title
 sign here → Raina Hornaday 1/6/2020
 Signature (Authorized Company Representative (Applicant)) Date



(Notary Seal)

GIVEN under my hand and seal of office this, the
6th day of January, 2020
Alicia Sparrow
 Notary Public in and for the State of Texas
 My Commission expires: 132058128

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.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between CHARLOTTE INDEPENDENT SCHOOL
DISTRICT and GRANDSLAM SOLAR, LLC

EXHIBIT A-2

Supplement 001 to Application for Appraised Value
Limitation on Qualified Property

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

Date: 3/4/2020
Applicant Name: Grandslam Solar, LLC
ISD Name: Charlotte ISD

PROPERTY INVESTMENT AMOUNTS							Column E
[Estimated Investment in each year. Do not put in cumulative totals.]							Column E
Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Column A	Column B	Column C	Column D	Column E
			New investment for (a) tangible personal property placed on or during the year that will become Qualified Property	New investment made during this year in building or permanent nonremovable components of building that will become Qualified Property	Other new investment made during this year that will 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)
			Not eligible to become Qualified Property		\$0	(The only other investment made before filing complete application with district that may become Qualified Property is land.)	\$0
		2020	\$50,000	\$0	\$0	\$0	\$50,000
			\$10,450,000	\$0	\$0	\$0	\$10,450,000
			\$140,000,000	\$0	\$0	\$0	\$140,000,000
			\$0	\$0	\$0	\$0	\$0
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]			\$150,500,000	\$0	\$0	\$0	\$150,500,000
Total Qualified Investment (sum of green cells)			\$150,500,000	Enter amounts from TOTAL row above in Schedule A2.			

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 component 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
 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)

1147-CISD-Grandslam Solar-Supplement 001

PROPERTY INVESTMENT AMOUNTS										
(Estimated Investment in each year. Do not put in cumulative totals.)										
Year	Tax Year (fill in actual year)	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 new investment made during this year that will become Qualified Property (SEE NOTE)	Column D Other new investment made during this year that may become Qualified Property (SEE NOTE)	Column E Total Investment (sum of Columns A, B, C, & D)	Year	Schedule Year (YYYY-YYYY)	Tax Year (YYYY)	
										Enter amounts from TOTAL row in Schedule A1 in the row below
	TOTALS FROM SCHEDULE A1	\$150,500,000	\$0	\$0	\$0	\$150,500,000				
	0	\$0	\$0	\$0	\$0	\$0	2019-2020	2019		
	Stub	\$10,500,000	\$0	\$0	\$0	\$10,500,000	2020-2021	2020		
	QTP1	\$140,000,000	\$0	\$0	\$0	\$140,000,000	2021-2022	2021		
	QTP2/LP1	\$0	\$0	\$0	\$0	\$0	2022-2023	2022		
	2	\$0	\$0	\$0	\$0	\$0	2023-2024	2023		
	3	\$0	\$0	\$0	\$0	\$0	2024-2025	2024		
	4	\$0	\$0	\$0	\$0	\$0	2025-2026	2025		
	5	\$0	\$0	\$0	\$0	\$0	2026-2027	2026		
	6	\$0	\$0	\$0	\$0	\$0	2027-2028	2027		
	7	\$0	\$0	\$0	\$0	\$0	2028-2029	2028		
	8	\$0	\$0	\$0	\$0	\$0	2029-2030	2029		
	9	\$0	\$0	\$0	\$0	\$0	2030-2031	2030		
	10	\$0	\$0	\$0	\$0	\$0	2031-2032	2031		
	Total Investment made through limitation									
	11	\$150,500,000	\$0	\$0	\$0	\$150,500,000	2032-2033	2032		
	12					\$0	2033-2034	2033		
	13					\$0	2034-2035	2034		
	14					\$0	2035-2036	2035		
	15					\$0	2036-2037	2036		
	16					\$0	2037-2038	2037		
	17					\$0	2038-2039	2038		
	18					\$0	2039-2040	2039		
	19					\$0	2040-2041	2040		
	20					\$0	2041-2042	2041		
	21					\$0	2042-2043	2042		
	22					\$0	2043-2044	2043		
	23					\$0	2044-2045	2044		
	24					\$0	2045-2046	2045		
	25					\$0	2046-2047	2046		
	Additional years for 25 year economic impact as required by 313.026(c)(1)									

* 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 the remaining rows of Schedule A2 that were not captured on Schedule A1.
 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 component 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, or is affixed to 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.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)
1147-CISD-Grandslam Solar-Supplement 001
Form 50-296A
Revised May 2014

Date **3/4/2020**
 Applicant Name **Grandslam Solar, LLC**
 ISD Name **Charlotte ISD**

	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
Each year prior to start of value Limitation Period <i>insert as many rows as necessary</i>	0	2019-2020	2019	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of value Limitation Period <i>insert as many rows as necessary</i>	Stub	2020-2021	2020	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of value Limitation Period <i>insert as many rows as necessary</i>	QTP1	2021-2022	2021	\$0	\$0	\$0	\$0	\$0	\$0
Value Limitation Period	QTP2/LP1	2022-2023	2022	\$0	\$0	\$2,100,000	\$2,100,000	\$2,100,000	\$2,100,000
	2	2023-2024	2023	\$0	\$0	\$140,115,500	\$140,115,500	\$140,115,500	\$20,000,000
	3	2024-2025	2024	\$0	\$0	\$128,888,200	\$128,888,200	\$128,888,200	\$20,000,000
	4	2025-2026	2025	\$0	\$0	\$116,772,950	\$116,772,950	\$116,772,950	\$20,000,000
	5	2026-2027	2026	\$0	\$0	\$103,679,450	\$103,679,450	\$103,679,450	\$20,000,000
	6	2027-2028	2027	\$0	\$0	\$89,547,500	\$89,547,500	\$89,547,500	\$20,000,000
	7	2028-2029	2028	\$0	\$0	\$74,286,800	\$74,286,800	\$74,286,800	\$20,000,000
	8	2029-2030	2029	\$0	\$0	\$57,807,050	\$57,807,050	\$57,807,050	\$20,000,000
	9	2030-2031	2030	\$0	\$0	\$40,002,900	\$40,002,900	\$40,002,900	\$20,000,000
	10	2031-2032	2031	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$20,000,000
	11	2032-2033	2032	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	12	2033-2034	2033	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
	Continue to maintain viable presence	13	2034-2035	2034	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000
14		2035-2036	2035	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
15		2036-2037	2036	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
16		2037-2038	2037	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
17		2038-2039	2038	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
18		2039-2040	2039	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
19		2040-2041	2040	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
20		2041-2042	2041	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
21		2042-2043	2042	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
22		2043-2044	2043	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
23		2044-2045	2044	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
24		2045-2046	2045	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000
25		2046-2047	2046	\$0	\$0	\$30,100,000	\$30,100,000	\$30,100,000	\$30,100,000

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.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between CHARLOTTE INDEPENDENT SCHOOL
DISTRICT and GRANDSLAM SOLAR, LLC

EXHIBIT B

Comptroller's Letter and Economic Impact Analysis



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

March 4, 2020

Mario Sotelo
Superintendent
Charlotte Independent School District
P.O. Box 489
Charlotte, Texas 78011

Re: Certificate for Limitation on Appraised Value of Property for School District
Maintenance and Operations taxes by and between Charlotte Independent School
District and Grandslam Solar, LLC, Application 1447

Dear Superintendent Sotelo:

On January 17, 2020, the Comptroller issued written notice that Grandslam Solar, LLC (applicant) submitted a completed application (Application 1447) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on November 13, 2019, to the Charlotte 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 1447.

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 approving and executing the agreement by December 31, 2020.

Note that any building or improvement existing as of the application review start date of January 17, 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". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Grandslam Solar, LLC (project) applying to Charlotte 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 Grandslam Solar, LLC.

Applicant	Grandslam Solar, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation
School District	Charlotte ISD
2018-2019 Average Daily Attendance	774
County	Atascosa
Proposed Total Investment in District	\$150,500,000
Proposed Qualified Investment	\$150,500,000
Limitation Amount	\$20,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	1*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,003
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,003
Minimum annual wage committed to by applicant for qualified jobs	\$52,171
Minimum weekly wage required for non-qualifying jobs	\$1,041
Minimum annual wage required for non-qualifying jobs	\$54,106
Investment per Qualifying Job	\$150,500,000
Estimated M&O levy without any limit (15 years)	\$10,297,829
Estimated M&O levy with Limitation (15 years)	\$3,767,002
Estimated gross M&O tax benefit (15 years)	\$6,530,827

* 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 Grandslam Solar, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2021	200	261	461	\$10,000,000	\$27,000,000	\$37,000,000
2022	1	32	33	\$52,171	\$6,947,829	\$7,000,000
2023	1	12	13	\$52,171	\$3,947,829	\$4,000,000
2024	1	(6)	-5	\$52,171	\$1,947,829	\$2,000,000
2025	1	(13)	-12	\$52,171	\$947,829	\$1,000,000
2026	1	(15)	-14	\$52,171	-\$52,171	\$0
2027	1	(13)	-12	\$52,171	-\$52,171	\$0
2028	1	(10)	-9	\$52,171	-\$52,171	\$0
2029	1	(6)	-5	\$52,171	-\$52,171	\$0
2030	1	(2)	-1	\$52,171	-\$52,171	\$0
2031	1	1	2	\$52,171	\$947,829	\$1,000,000
2032	1	3	4	\$52,171	\$947,829	\$1,000,000
2033	1	5	6	\$52,171	\$947,829	\$1,000,000
2034	1	6	7	\$52,171	\$947,829	\$1,000,000
2035	1	6	7	\$52,171	\$947,829	\$1,000,000
2036	1	6	7	\$52,171	\$947,829	\$1,000,000

Source: CPA REMI, Grandslam Solar, 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*	Charlotte ISD I&S Tax Levy	Charlotte ISD M&O Tax Levy	Charlotte ISD M&O and I&S Tax Levies	Atascosa County Tax Levy	FTMR Tax Levy	Evergreen Underground Water District Tax Levy	Estimated Total Property Taxes
			0.1978	0.1978	1.0684		0.4202	0.0776	0.0054	
2021	\$2,100,000	\$2,100,000		\$4,154	\$22,435	\$26,589	\$8,825	\$1,629	\$113	\$37,156
2022	\$140,115,500	\$140,115,500		\$277,148	\$1,496,924	\$1,774,072	\$588,817	\$108,669	\$7,538	\$2,479,097
2023	\$128,888,200	\$128,888,200		\$254,941	\$1,376,977	\$1,631,918	\$541,636	\$99,962	\$6,934	\$2,280,450
2024	\$116,772,950	\$116,772,950		\$230,977	\$1,247,544	\$1,478,521	\$490,723	\$90,566	\$6,282	\$2,066,092
2025	\$103,679,450	\$103,679,450		\$205,078	\$1,107,659	\$1,312,737	\$435,699	\$80,411	\$5,578	\$1,834,425
2026	\$89,547,500	\$89,547,500		\$177,125	\$956,681	\$1,133,806	\$376,312	\$69,450	\$4,818	\$1,584,385
2027	\$74,286,800	\$74,286,800		\$146,939	\$793,643	\$940,582	\$312,181	\$57,615	\$3,997	\$1,314,374
2028	\$57,807,050	\$57,807,050		\$114,342	\$617,582	\$731,924	\$242,927	\$44,833	\$3,110	\$1,022,794
2029	\$40,002,900	\$40,002,900		\$79,126	\$427,371	\$506,497	\$168,107	\$31,025	\$2,152	\$707,781
2030	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
2031	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
2032	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
2033	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
2034	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
2035	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
2036	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
			Total	\$1,906,595	\$10,297,829	\$12,204,424	\$4,050,666	\$747,572	\$51,858	\$17,054,520

Source: CPA, Grandslam Solar, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Atascosa 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.

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		Charlotte ISD I&S Tax Levy	Charlotte ISD M&O Tax Levy	Charlotte ISD M&O and I&S Tax Levies	Atascosa County Tax Levy	FTMR Tax Levy	Evergreen Underground Water District Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.1978	1.0684		0.4202	0.0776	0.0054	
2021	\$2,100,000	\$2,100,000		\$4,154	\$22,435	\$26,589	\$8,825	\$1,629	\$113	\$37,156
2022	\$140,115,500	\$20,000,000		\$277,148	\$213,670	\$490,818	\$588,817	\$108,669	\$7,538	\$1,195,843
2023	\$128,888,200	\$20,000,000		\$254,941	\$213,670	\$468,611	\$541,636	\$99,962	\$6,934	\$1,117,143
2024	\$116,772,950	\$20,000,000		\$230,977	\$213,670	\$444,647	\$490,723	\$90,566	\$6,282	\$1,032,218
2025	\$103,679,450	\$20,000,000		\$205,078	\$213,670	\$418,748	\$435,699	\$80,411	\$5,578	\$940,436
2026	\$89,547,500	\$20,000,000		\$177,125	\$213,670	\$390,795	\$376,312	\$69,450	\$4,818	\$841,375
2027	\$74,286,800	\$20,000,000		\$146,939	\$213,670	\$360,609	\$312,181	\$57,615	\$3,997	\$734,401
2028	\$57,807,050	\$20,000,000		\$114,342	\$213,670	\$328,012	\$242,927	\$44,833	\$3,110	\$618,882
2029	\$40,002,900	\$20,000,000		\$79,126	\$213,670	\$292,796	\$168,107	\$31,025	\$2,152	\$494,080
2030	\$30,100,000	\$20,000,000		\$59,538	\$213,670	\$273,208	\$126,491	\$23,345	\$1,619	\$424,663
2031	\$30,100,000	\$20,000,000		\$59,538	\$213,670	\$273,208	\$126,491	\$23,345	\$1,619	\$424,663
2032	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
2033	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
2034	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
2035	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
2036	\$30,100,000	\$30,100,000		\$59,538	\$321,573	\$381,111	\$126,491	\$23,345	\$1,619	\$532,567
			Total	\$1,906,595	\$3,767,002	\$5,673,597	\$4,050,666	\$747,572	\$51,858	\$10,523,693
			Diff	\$0	\$6,530,827	\$6,530,827	\$0	\$0	\$0	\$6,530,827

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Grandslam Solar, 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 Grandslam Solar, 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	\$22,435	\$22,435	\$0	\$0
Limitation Period (10 Years)	2022	\$213,670	\$236,105	\$1,283,254	\$1,283,254
	2023	\$213,670	\$449,775	\$1,163,307	\$2,446,561
	2024	\$213,670	\$663,445	\$1,033,874	\$3,480,435
	2025	\$213,670	\$877,115	\$893,989	\$4,374,424
	2026	\$213,670	\$1,090,785	\$743,011	\$5,117,435
	2027	\$213,670	\$1,304,455	\$579,973	\$5,697,408
	2028	\$213,670	\$1,518,125	\$403,912	\$6,101,320
	2029	\$213,670	\$1,731,795	\$213,701	\$6,315,021
	2030	\$213,670	\$1,945,465	\$107,903	\$6,422,924
	2031	\$213,670	\$2,159,135	\$107,903	\$6,530,827
Maintain Viable Presence (5 Years)	2032	\$321,573	\$2,480,709	\$0	\$6,530,827
	2033	\$321,573	\$2,802,282	\$0	\$6,530,827
	2034	\$321,573	\$3,123,855	\$0	\$6,530,827
	2035	\$321,573	\$3,445,429	\$0	\$6,530,827
	2036	\$321,573	\$3,767,002	\$0	\$6,530,827
Additional Years as Required by 313.026(c)(1) (10 Years)	2037	\$321,573	\$4,088,575	\$0	\$6,530,827
	2038	\$321,573	\$4,410,149	\$0	\$6,530,827
	2039	\$321,573	\$4,731,722	\$0	\$6,530,827
	2040	\$321,573	\$5,053,296	\$0	\$6,530,827
	2041	\$321,573	\$5,374,869	\$0	\$6,530,827
	2042	\$321,573	\$5,696,442	\$0	\$6,530,827
	2043	\$321,573	\$6,018,016	\$0	\$6,530,827
	2044	\$321,573	\$6,339,589	\$0	\$6,530,827
	2045	\$321,573	\$6,661,162	\$0	\$6,530,827
	2046	\$321,573	\$6,982,736	\$0	\$6,530,827

\$6,982,736

 is greater than

 \$6,530,827

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

Source: CPA, Grandslam Solar, 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 Grandslam Solar, 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 Grandslam Solar, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “The Applicant for this Project has entered into a number of contracts related to the Project, including long-term lease option agreements with area landowners, contracts with environmental consultants to assess the suitability of the site, and a request for studies leading to an interconnection agreement with the transmission provider. The Project was selected as a candidate for development based on the favorable solar data, nearby access to the electric grid, and favorable tax incentives under Texas Tax Code chapters 312 and 313. Obtaining a value limitation agreement is critical to the economic and competitive viability of this Project.”
 - B. “None of the current Project agreements firmly commit the Applicant to the development of the Project. A number of variables remain undetermined at this stage, including the approval of this application.”
- Comptroller Research
 - A. “We have developed more than 1000MW solar, wind and storage projects, throughout Texas, New Mexico and the Caribbean. Our team members have been part of some of the most exciting energy developments in Texas in the last 10 years.” (Information Found on the Caprock Renewables website)
 - B. On March 9th 2019 in an Atascosa County Courthouse a vote was taken on Grandslam Solar, LLC’s Tax abatement agreement and Reinvestment Zone #1. The Reinvestment Zone #1 is in the southwest corner of Atascosa County on the E.L. Ranch between County Road 347 and Highway 97.
- Provided by Applicant
 - A. The GINR number is 21INR0391 and it was assigned approximately 8/8/2019.

- B. Presently, plans are to install the entire project on the property within the "Grandslam Solar Reinvestment Zone No. One" in Atascosa County, Texas. In addition, the entire project is planned to be installed in Charlotte ISD. If granted an Appraised Value Limitation pursuant to Texas Tax Code 313, Grandslam Solar expects to issue a full notice to proceed for construction in Q4 of 2020 and expects to complete construction in Q4 2021.

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 313.026(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.

Supporting Information

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



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #5

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

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

The Applicant for this Project has entered into a number of contracts related to the Project, including long-term lease option agreements with area landowners, contracts with environmental consultants to assess the suitability of the site, and a request for studies leading to an interconnection agreement with the transmission provider. The Project was selected as a candidate for development based on the favorable solar data, nearby access to the electric grid, and favorable tax incentives under Texas Tax Code chapters 312 and 313. Obtaining a value limitation agreement is critical to the economic and competitive viability of this Project.

None of the current Project agreements firmly commit the Applicant to the development of the Project. A number of variables remain undetermined at this stage, including the approval of this application. The Applicant could still elect to devote resources to other projects that it has in development. Without the available tax incentives, the economics of the Project become far less attractive and the likelihood of selling the electricity at a competitive price will decrease.

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

The Applicant is an international solar developer with the ability to locate projects of this type and other types of projects in other states within the United States and locations around the world. The Applicant is actively assessing and developing other projects that are competing for limited investment funds. The appraised value limitation is critical to the ability of the Project to move forward as currently sited. Examples of the Applicant's other project locations that are competing with the Project for funding include:

- Cotton County, OK
- Luna County, NM
- Burke County, GA
- Da Nang, Vietnam

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
– Charlotte ISD– Grandslam Solar, LLC App. #1447

Comptroller Questions (via email on February 7, 2020):

1. Is Grandslam Solar, LLC currently known by any other project names?
2. Please also list any other names by which this project may have been known in the past--in media reports, investor presentations, or any listings with any federal or state agency.
3. Has this project applied to ERCOT at this time? If so, please provide the project's IGNR number and when was it assigned.

Applicant Response (via email on February 19, 2020):

1. No
2. This project has not been known by any other name.
3. Yes, the GINR number is 21INR0391 and it was assigned approximately 8/8/2019.



Grandslam Solar, LLC
Chapter 313 Application to Charlotte ISD

CHECKLIST ITEM #4

Detailed Description of Project

Grandslam Solar, LLC (Grandslam Solar) is developing a utility scale single axis tracker photovoltaic facility designed to use solar power to generate electricity. The Project will be capable of generating approximately 228 MWac and will cover a surface lease of approximately 2,250 acres. The exact capacity and specific technology will be determined during the design process, and so the exact location of the improvements cannot be specified at this time. Presently, plans are to install the entire project on the property within the “Grandslam Solar Reinvestment Zone No. One” in Atascosa County, Texas. In addition, the entire project is planned to be installed in Charlotte ISD.

If granted an Appraised Value Limitation pursuant to Texas Tax Code 313, Grandslam Solar expects to issue a full notice to proceed for construction in Q4 of 2020 and expects to complete construction in Q4 2021.

The investment may include the following: solar modules/panels, metal mounting system with tracking capabilities, underground conduit, communications cables and electric system wiring, combiner boxes, a project substation including breakers, a transformer and meters, overhead transmission lines, inverter boxes, an operations and maintenance facility, fencing for safety and security, telephone and internet communication system, meteorological equipment to measure solar irradiation and weather conditions, and any other equipment necessary to safely operate, maintain, and transmit power to the ERCOT electrical grid.

**Atascosa County Commissioner's Court
Notice of Meeting**

This web page version is derived from a manual conversion of the official document of record for the convenience of the user. Atascosa County has posted this notice and agenda in good faith, in compliance with Texas Government Code Section 551.0056. In the event of a technical problem beyond the county's control that prevents the county from posting here or that results in an erroneous posting, notice of this meeting and agenda posted at the County courthouse remains valid.

AGENDA

VOTING SESSION, MONDAY, MARCH 9TH

ATASCOSA COUNTY COURTHOUSE

#1 COURTHOUSE CIRCLE DRIVE

JOURDANTON, TEXAS 78026

9:00 A.M.

1. PROPERTY TAX ABATEMENT REINVESTMENT ZONE. CONSIDER AND TAKE APPROPRIATE ACTION ON AN ORDER CONCERNING ADOPTION AND DESIGNATION OF A REINVESTMENT ZONE OR ZONES PURSUANT TO THE COUNTY'S GUIDELINES AND CRITERIA UNDER THE PROPERTY REDEVELOPMENT AND TAX ABATEMENT ACT, CHAPTER 312 OF THE TEXAS TAX CODE.

2. TAX ABATEMENT AGREEMENT. CONSIDER AND TAKE APPROPRIATE ACTION ON AN ORDER CONCERNING A PROPOSED FORM OF PROPERTY TAX ABATEMENT AGREEMENT BETWEEN THE COUNTY AND GRANDSLAM SOLAR, LLC

3. RELATED INFORMATION

(1) The name of the property owner and applicant is Grandslam Solar, LLC;

(2) The project will be located in Grandslam Reinvestment Zone #1, which is in the southwest corner of Atascosa County on the E.L. Ranch in between County Road 347 and Highway 97. This project is expected to cover approximately 2,250 leased acres.



(3) The nature of the improvements: Grandslam Solar is developing a utility scale single axis tracker photovoltaic facility designed to use solar power to generate electricity to be sold on the ERCOT market. Although the Project is anticipated to generate approximately 228 MWac, the exact capacity and specific technology will be determined during the design process. The investment may include, but will not be limited to, the following: solar modules/panels, metal mounting system with tracking capabilities, underground conduit, communications cables and electric system wiring, combiner boxes, a project substation, including breakers, a transformer and meters, overhead transmission lines, inverter boxes, an operations and maintenance facility, fencing for safety and security, telephone and internet communications system, meteorological equipment to measure solar irradiation and weather conditions, and any other equipment necessary to safely operate, maintain, and transmit power to the ERCOT electrical grid.

(4) The best estimate of capital investment of all such improvements subject to the requested tax abatement is \$200,000,000.

ADJOURN

1005 West 41st Street, Austin, Texas 78756, United States
512-643-1786



RENEWABLE ENERGY DEVELOPMENT FOR A BETTER TOMORROW



About Us



A Clean Future

We are on a mission for a clean future through Renewable Energy Development. We value our partners and pride ourselves on respectable and transparent relationships.



Our History

We have developed more than 1000MW solar, wind and storage projects, throughout Texas, New Mexico and the Caribbean.

Our team members have been a part of some of the most exciting energy developments in Texas in the last 10 years. Some of the projects we have been part of, include the Weberville 30MW solar project for Austin Energy, the largest Utility-Scale project in Texas up to now, the Caprock 80MW Wind Project, the Wildorado 160MW Wind Ranch project, and many more. We have extensive experience in developing battery storage projects, having developed 30MW of projects in the Caribbean. To deliver

such results our team has created partnerships with some of the world's largest and most advanced energy companies such as NRG, EDF, LANCO, BELECTRIC, SAMSUNG, XTREMEPOWER, and more.



Pollinator-Friendly Solar Initiative

Working alongside local wildflower centers we want to create a Pollinator-Friendly atmosphere for our Renewable Energy Developments.

(Photo Credit: Rob Davis, Center for Pollinators in Energy)

Meet The Team

Thanasis Iatrou | CEO



AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between CHARLOTTE INDEPENDENT SCHOOL
DISTRICT and GRANDSLAM SOLAR, LLC

EXHIBIT C

Independent Economic Impact Evaluation

**CHAPTER 313 PROPERTY VALUE LIMITATION
FINANCIAL IMPACT OF THE PROPOSED
GRANDSLAM SOLAR, LLC PROJECT IN THE
CHARLOTTE INDEPENDENT SCHOOL DISTRICT
(PROJECT # 1447)**

PREPARED BY



MARCH 27, 2020

Executive Summary

Grandslam Solar, LLC (Company) has requested that the Charlotte Independent School District (CISD) 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 CISD on November 13, 2019, the Company plans to invest \$140.1 million to construct a renewable solar energy electric generation facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

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

Under the provisions of Chapter 313, CISD 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 CISD	\$1.4 million
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$5.1 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 January 17, 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. After the certificate is received, the district has until the 150th day from the receipt of the Completeness Letter to adopt an agreement, although extensions may be requested by the Company and granted by the District.

After the Comptroller's certificate is received, Walsh Gallegos will contact the school district to discuss the value limitation agreement and begin negotiations of the supplemental benefit payment with the Company. (The certificate for this project was issued on March 4, 2020.) A final version of the agreement must be submitted to the Comptroller for review 30 days prior to final adoption by the school district's board of trustees.

Prior to final board meeting, Walsh Gallegos 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 CISD, 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:	416
Local M&O Tax Base	\$306.9 million
2019-20 M&O Tax Rate:	\$1.0684 per \$100 of Taxable Value
2020-21 Projected M&O Tax Rate:	\$1.0548 per \$100 of Taxable Value
I&S Tax Rate:	\$0.1978 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 Grandslam Solar Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	Sec. 48.256(d) District Revenue Protection District Property Value with Project	Sec. 48.256(d) District Revenue Protection District Property Value with Limitation	DPV Value with Project per WADA	DPV Value with Limitation per WADA
QTP0	2020-21	416.23	774.06	\$1.0548	\$0.1978	\$393,503,379	\$393,503,379	\$508,366	\$508,366
QTP1	2021-22	416.23	774.06	\$1.0548	\$0.1978	\$393,503,379	\$393,503,379	\$508,366	\$508,366
QTP2/VL1	2022-23	416.23	774.06	\$1.0548	\$0.1978	\$393,503,379	\$393,503,379	\$508,366	\$508,366
VL2	2023-24	416.23	774.06	\$1.0548	\$0.1978	\$533,618,879	\$413,503,379	\$689,380	\$534,203
VL3	2024-25	416.23	774.06	\$1.0548	\$0.1978	\$522,391,579	\$413,503,379	\$674,876	\$534,203
VL4	2025-26	416.23	774.06	\$1.0548	\$0.1978	\$510,276,329	\$413,503,379	\$659,224	\$534,203
VL5	2026-27	416.23	774.06	\$1.0548	\$0.1978	\$497,182,829	\$413,503,379	\$642,309	\$534,203
VL6	2027-28	416.23	774.06	\$1.0548	\$0.1978	\$483,050,879	\$413,503,379	\$624,052	\$534,203
VL7	2028-29	416.23	774.06	\$1.0548	\$0.1978	\$467,790,179	\$413,503,379	\$604,336	\$534,203
VL8	2029-30	416.23	774.06	\$1.0548	\$0.1978	\$451,310,429	\$413,503,379	\$583,046	\$534,203
VL9	2030-31	416.23	774.06	\$1.0548	\$0.1978	\$433,506,279	\$413,503,379	\$560,045	\$534,203
VL10	2031-32	416.23	774.06	\$1.0548	\$0.1978	\$423,603,379	\$413,503,379	\$547,252	\$534,203
VP1	2032-33	416.23	774.06	\$1.0548	\$0.1978	\$423,603,379	\$413,503,379	\$547,252	\$534,203
VP2	2033-34	416.23	774.06	\$1.0548	\$0.1978	\$423,603,379	\$423,603,379	\$547,252	\$547,252
VP3	2034-35	416.23	774.06	\$1.0548	\$0.1978	\$423,603,379	\$423,603,379	\$547,252	\$547,252
VP4	2035-36	416.23	774.06	\$1.0548	\$0.1978	\$423,603,379	\$423,603,379	\$547,252	\$547,252
VP5	2036-37	416.23	774.06	\$1.0548	\$0.1978	\$423,603,379	\$423,603,379	\$547,252	\$547,252

*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 Grandslam Solar Project on CISD

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 \$1.4 million 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	\$3,597,604	\$1,277,973	\$0	\$543,077	\$294,786	-\$7,012	\$0	\$5,706,428
QTP1	2021-22	\$3,597,604	\$1,277,973	\$0	\$543,077	\$294,786	-\$7,012	\$358,958	\$6,065,385
QTP2/VL1	2022-23	\$4,878,094	\$1,277,973	\$0	\$736,374	\$399,697	-\$9,506	\$0	\$7,282,632
VL2	2023-24	\$4,775,196	\$103,053	\$0	\$720,841	\$179,076	-\$86,591	\$373,810	\$6,065,385
VL3	2024-25	\$4,664,160	\$187,304	\$0	\$704,080	\$187,364	-\$80,052	\$0	\$5,662,856
VL4	2025-26	\$4,544,158	\$207,751	\$0	\$685,965	\$196,296	-\$73,026	\$0	\$5,561,144
VL5	2026-27	\$4,414,639	\$327,752	\$0	\$666,413	\$205,938	-\$65,386	\$0	\$5,549,356
VL6	2027-28	\$4,274,775	\$457,271	\$0	\$645,300	\$216,051	-\$57,199	\$0	\$5,536,198
VL7	2028-29	\$4,123,739	\$597,135	\$0	\$622,500	\$226,946	-\$48,434	\$0	\$5,521,886
VL8	2029-30	\$3,960,564	\$748,172	\$0	\$597,868	\$238,685	-\$38,922	\$0	\$5,506,367
VL9	2030-31	\$3,869,804	\$911,347	\$0	\$584,167	\$256,606	-\$29,566	\$0	\$5,592,358
VL10	2031-32	\$3,869,804	\$1,002,107	\$0	\$584,167	\$270,427	-\$24,370	\$0	\$5,702,135
VP1	2032-33	\$3,867,953	\$1,002,107	\$0	\$583,888	\$270,427	-\$24,489	\$0	\$5,699,886
VP2	2033-34	\$3,867,953	\$1,002,107	\$0	\$583,888	\$270,427	-\$24,489	\$0	\$5,699,886
VP3	2034-35	\$3,867,953	\$1,002,107	\$0	\$583,888	\$270,427	-\$24,489	\$0	\$5,699,886
VP4	2035-36	\$3,867,953	\$1,002,107	\$0	\$583,888	\$270,427	-\$24,489	\$0	\$5,699,886
VP5	2036-37	\$3,867,953	\$1,002,107	\$0	\$583,888	\$270,427	-\$24,489	\$0	\$5,699,886

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 \$6.4 million over the life of the agreement. The CISD revenue losses are expected to reach approximately \$1.4 million. The potential net tax benefits (after hold-harmless payments are made) are estimated to be \$5.1 million, prior to any negotiations with Grandslam Solar 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 @ Compressed Rate		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	\$3,597,604	\$1,277,973	\$0	\$543,077	\$294,786	-\$7,012	\$0	\$5,706,428
QTP1	2021-22	\$3,597,604	\$1,277,973	\$0	\$543,077	\$294,786	-\$7,012	\$358,958	\$6,065,385
QTP2/VL1	2022-23	\$3,777,238	\$1,277,973	\$0	\$570,194	\$309,562	-\$7,362	\$0	\$5,927,605
VL2	2023-24	\$3,777,238	\$1,094,673	\$0	\$570,194	\$278,477	-\$18,477	\$363,281	\$6,065,385
VL3	2024-25	\$3,777,238	\$1,094,673	\$0	\$570,194	\$278,477	-\$18,477	\$0	\$5,702,105
VL4	2025-26	\$3,777,238	\$1,094,673	\$0	\$570,194	\$278,477	-\$18,477	\$0	\$5,702,105
VL5	2026-27	\$3,777,238	\$1,094,673	\$0	\$570,194	\$278,477	-\$18,477	\$0	\$5,702,105
VL6	2027-28	\$3,777,238	\$1,094,673	\$0	\$570,194	\$278,477	-\$18,477	\$0	\$5,702,105
VL7	2028-29	\$3,777,238	\$1,094,673	\$0	\$570,194	\$278,477	-\$18,477	\$0	\$5,702,105
VL8	2029-30	\$3,777,238	\$1,094,673	\$0	\$570,194	\$278,477	-\$18,477	\$0	\$5,702,105
VL9	2030-31	\$3,777,238	\$1,094,673	\$0	\$570,194	\$278,477	-\$18,477	\$0	\$5,702,105
VL10	2031-32	\$3,777,238	\$1,094,673	\$0	\$570,194	\$278,477	-\$18,477	\$0	\$5,702,105
VP1	2032-33	\$3,867,953	\$1,094,673	\$0	\$583,888	\$285,465	-\$18,912	\$0	\$5,813,067
VP2	2033-34	\$3,867,953	\$1,002,107	\$0	\$583,888	\$270,427	-\$24,489	\$0	\$5,699,886
VP3	2034-35	\$3,867,953	\$1,002,107	\$0	\$583,888	\$270,427	-\$24,489	\$0	\$5,699,886
VP4	2035-36	\$3,867,953	\$1,002,107	\$0	\$583,888	\$270,427	-\$24,489	\$0	\$5,699,886
VP5	2036-37	\$3,867,953	\$1,002,107	\$0	\$583,888	\$270,427	-\$24,489	\$0	\$5,699,886

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

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

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP1	2021-22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP2/VL1	2022-23	-\$1,100,856	\$0	\$0	-\$166,180	-\$90,135	\$2,144	\$0	-\$1,355,027
VL2	2023-24	-\$997,958	\$991,620	\$0	-\$150,647	\$99,401	\$68,113	-\$10,529	\$0
VL3	2024-25	-\$886,922	\$907,369	\$0	-\$133,886	\$91,113	\$61,574	\$0	\$39,248
VL4	2025-26	-\$766,920	\$886,922	\$0	-\$115,771	\$82,181	\$54,549	\$0	\$140,961
VL5	2026-27	-\$637,401	\$766,921	\$0	-\$96,219	\$72,539	\$46,909	\$0	\$152,749
VL6	2027-28	-\$497,537	\$637,402	\$0	-\$75,106	\$62,426	\$38,722	\$0	\$165,907
VL7	2028-29	-\$346,501	\$497,538	\$0	-\$52,306	\$51,531	\$29,957	\$0	\$180,219
VL8	2029-30	-\$183,326	\$346,501	\$0	-\$27,674	\$39,792	\$20,444	\$0	\$195,737
VL9	2030-31	-\$92,566	\$183,326	\$0	-\$13,973	\$21,871	\$11,088	\$0	\$109,746
VL10	2031-32	-\$92,566	\$92,566	\$0	-\$13,973	\$8,050	\$5,893	\$0	-\$30
VP1	2032-33	\$0	\$92,566	\$0	\$0	\$15,038	\$5,577	\$0	\$113,181
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 Grandslam Solar Project Property Value Limitation Request Submitted to CISD at \$1.05485 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	\$1.05485	\$0	\$0	\$0
QTP1	2021-22	\$2,100,000	\$2,100,000	\$1.05485	\$0	\$0	\$0
QTP2/VL1	2022-23	\$140,115,500	\$20,000,000	\$1.05485	\$1,267,037	-\$1,355,027	-\$87,990
VL2	2023-24	\$128,888,200	\$20,000,000	\$1.05485	\$1,148,606	\$0	\$1,148,606
VL3	2024-25	\$116,772,950	\$20,000,000	\$1.05485	\$1,020,808	\$0	\$1,020,808
VL4	2025-26	\$103,679,450	\$20,000,000	\$1.05485	\$882,691	\$0	\$882,691
VL5	2026-27	\$89,547,500	\$20,000,000	\$1.05485	\$733,621	\$0	\$733,621
VL6	2027-28	\$74,286,800	\$20,000,000	\$1.05485	\$572,643	\$0	\$572,643
VL7	2028-29	\$57,807,050	\$20,000,000	\$1.05485	\$398,807	\$0	\$398,807
VL8	2029-30	\$40,002,900	\$20,000,000	\$1.05485	\$211,000	\$0	\$211,000
VL9	2030-31	\$30,100,000	\$20,000,000	\$1.05485	\$106,540	\$0	\$106,540
VL10	2031-32	\$30,100,000	\$20,000,000	\$1.05485	\$106,540	-\$30	\$106,510
VP1	2032-33	\$30,100,000	\$30,100,000	\$1.05485	\$0	\$0	\$0
VP2	2033-34	\$30,100,000	\$30,100,000	\$1.05485	\$0	\$0	\$0
VP3	2034-35	\$30,100,000	\$30,100,000	\$1.05485	\$0	\$0	\$0
VP4	2035-36	\$30,100,000	\$30,100,000	\$1.05485	\$0	\$0	\$0
VP5	2036-37	\$30,100,000	\$30,100,000	\$1.05485	\$0	\$0	\$0
					\$6,448,293	-\$1,355,057	\$5,093,236

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 CISD currently levying a \$0.1978 I&S rate. As shown in the Table 6 below, local taxpayers should benefit from the addition of the Grandslam Solar project to the local I&S tax roll, given that the District’s I&S tax base generates revenue per penny of tax effort that far exceeds the funding levels available under the Instructional Facilities Allotment (IFA) or Existing Debt Allotment (EDA) programs.

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 Grandslam Solar Project Property Value Limitation Request on CISD 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	\$0.1978	\$397,712,201	\$786,675	\$0	\$0.197800	\$0.0000
QTP1	2021-22	\$0.1978	\$397,712,201	\$786,675	\$2,100,000	\$0.196761	-\$0.0010
QTP2/VL1	2022-23	\$0.1978	\$397,712,201	\$786,675	\$140,115,500	\$0.146269	-\$0.0515
VL2	2023-24	\$0.1978	\$397,712,201	\$786,675	\$128,888,200	\$0.149387	-\$0.0484
VL3	2024-25	\$0.1978	\$397,712,201	\$786,675	\$116,772,950	\$0.152905	-\$0.0449
VL4	2025-26	\$0.1978	\$397,712,201	\$786,675	\$103,679,450	\$0.156898	-\$0.0409
VL5	2026-27	\$0.1978	\$397,712,201	\$786,675	\$89,547,500	\$0.161449	-\$0.0364
VL6	2027-28	\$0.1978	\$397,712,201	\$786,675	\$74,286,800	\$0.166669	-\$0.0311
VL7	2028-29	\$0.1978	\$397,712,201	\$786,675	\$57,807,050	\$0.172698	-\$0.0251
VL8	2029-30	\$0.1978	\$397,712,201	\$786,675	\$40,002,900	\$0.179723	-\$0.0181
VL9	2030-31	\$0.1978	\$397,712,201	\$786,675	\$30,100,000	\$0.183883	-\$0.0139
VL10	2031-32	\$0.1978	\$397,712,201	\$786,675	\$30,100,000	\$0.183883	-\$0.0139
VP1	2032-33	\$0.1978	\$397,712,201	\$786,675	\$30,100,000	\$0.183883	-\$0.0139
VP2	2033-34	\$0.1978	\$397,712,201	\$786,675	\$30,100,000	\$0.183883	-\$0.0139
VP3	2034-35	\$0.1978	\$397,712,201	\$786,675	\$30,100,000	\$0.183883	-\$0.0139
VP4	2035-36	\$0.1978	\$397,712,201	\$786,675	\$30,100,000	\$0.183883	-\$0.0139
VP5	2036-37	\$0.1978	\$397,712,201	\$786,675	\$30,100,000	\$0.183883	-\$0.0139

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.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between CHARLOTTE INDEPENDENT SCHOOL
DISTRICT and GRANDSLAM SOLAR, LLC

EXHIBIT D

Tax Limitation Agreement

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

by and between

CHARLOTTE INDEPENDENT SCHOOL DISTRICT

and

GRANDSLAM SOLAR, LLC

(Texas Taxpayer ID # 32069009796)

Comptroller Application # 1447

Dated
September 16, 2020

*Texas Economic Development Act Agreement
Comptroller Form 50-826 (Jan 2020)*

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

STATE OF TEXAS §

COUNTY OF ATASCOSA §

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 **CHARLOTTE 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 **GRANDSLAM SOLAR, LLC**, Texas Taxpayer Identification Number **32069009796** 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 November 13, 2019, the Superintendent of Schools of the CHARLOTTE 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 November 13, 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 CCGB (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 January 17, 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 Atascosa County Appraisal District established in Atascosa County, Texas (the “Atascosa 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 March 4, 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 District's Board of Trustees, through its adoption of Board Policy CCGB(LOCAL), delegated to the Superintendent of Schools authority to extend the statutory deadline by which the District must consider the Application, and Superintendent of Schools duly extended such deadline to December 31, 2020, and the Comptroller was provided notice of such extension as set out under 34 TEXAS ADMIN CODE Section 9.1054(d);

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 September 16, 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 September 16, 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 September 16, 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 September 8, 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 September 16, 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 or 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 GRANDSLAM SOLAR, LLC, (*Texas Taxpayer ID # 32069009796*), 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 November 13, 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 Atascosa County Appraisal District.

“Board of Trustees” means the Board of Trustees of the CHARLOTTE INDEPENDENT School District.

“Commercial Operation”

means the date on which the Project becomes commercially operational and placed into service, such that all of the following events have occurred and remain simultaneously true and accurate:

- i. The Project has been constructed, tested, and is fully capable of operating for the purpose of generating electricity for sale on one or more commercial markets;
- ii. The Project has received written authorization from the grid operator for interconnection, integration, and synchronization of the plan with the grid; and
- iii. The Project has obtained all permits, required approvals, and has met all requirements necessary for safely and reliably generating electricity and delivering electricity onto the grid.

“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 Atascosa County, Texas.

“District” or “School District” means the Charlotte 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 acts of God, war, fires, explosions, hurricanes, floods, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome. Each Party must inform the other in writing with proof of receipt within 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 48 and 49 of the TEXAS EDUCATION CODE (previously Chapters 42 and 41, and other applicable provisions), 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, including specifically, the applicable rules, regulations, and interpretations 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 also includes any amendments or successor statutes that may be adopted in the future which impact or alter the calculation of the Applicant’s ad valorem tax obligation or the Revenue Protection Amount in Section 4.2 of this Agreement to the District, either with or without the limitation of property values made pursuant to this Agreement.

“Consultant” shall have the same meaning as assigned to such term in Section 4.4 of this Agreement.

“Revenue Protection Amount” means the revenue protection payment required as part of this Agreement as set out in TEXAS EDUCATION CODE Section 48.256(d) and shall have the meaning assigned to such term in Section 4.2 of this Agreement.

“Maintenance and Operations Revenue” or “M&O Revenue” means (i) those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Section 45.002 of the TEXAS EDUCATION CODE and Article VII § 3 of the TEXAS CONSTITUTION, plus (ii) all State revenues to which the District is or may be entitled under the applicable provisions of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, as applicable, less (iii) any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 49 of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, as applicable.

“New M&O Revenue” shall have the same meaning as assigned to such term in Section 4.2.A.ii of this Agreement.

“Option to Terminate” means both (1) Applicant’s written notice to the District that (a) Applicant has determined that it will not commence or complete construction of the Applicant’s Qualified Investment prior to the beginning of the Tax Limitation Period and (b) Applicant has elected to unilaterally terminate this Agreement; and (2) Applicant’s right to terminate this Agreement in accordance with Section 6.5. Upon Applicant’s election of an Option to Terminate, this Agreement shall terminate and become null and void and of no further force or effect in accordance with Section 7.1 herein.

“Original M&O Revenue” shall have the same meaning as assigned to such term in Section 4.2.A.i of this Agreement.

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 January 17, 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 September 16, 2020.

C. The Qualifying Time Period for this Agreement:

i. Starts on December 31, 2020; 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 that begins after the commencement of Commercial Operation; and

ii. Ends on December 31, 2031, which is the year the Tax Limitation Period starts as identified in Section 2.3.D.i plus 9 years.

E. The Final Termination Date for this Agreement is December 31, 2036 which is the last year of the Tax Limitation Period as defined in Section 2.3.D.ii. plus 5 years.

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
- B. TWENTY MILLION DOLLARS (\$20,000,000).

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* of the TEXAS TAX CODE.

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 TEN MILLION DOLLARS (\$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 ONE THOUSAND FORTY-ONE AND 00/100 DOLLARS (\$1,041.00) 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)(1) of the TEXAS TAX CODE as a renewable energy electric generation facility.

ARTICLE IV

PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 4.1. INTENT OF THE PARTIES. Subject to the limitations contained in this Agreement (including Section 7.1), it is the intent of the Parties that the District shall, in accordance with the provisions of TEXAS TAX CODE § 313.027(f)(1), be compensated by the Applicant for any loss that the District incurs in its Maintenance and Operations Revenue as a direct result of, or on account of, the Parties' entering into this Agreement. Such compensation shall be independent of, and in addition to, all such other payments as are set forth in Article V and Article VI. Subject only to the limitations

contained in this Agreement (including Section 7.1), it is the intent of the Parties that the risk of any negative financial consequence to the District as direct a result of Applicant's location of Applicant's Qualified Investment and Applicant's Qualified Property in the District and the Parties' entering into this Agreement will be borne by the Applicant and not by the District and be paid by the Applicant to the District in addition to any and all payments due under Article V and Article VI.

The Parties expressly understand and agree that, for all Tax Years to which this Agreement may apply, the calculation of negative financial consequences will be defined for each applicable Tax Year in accordance with Applicable School Finance Law, as defined in Section 1.2 above, and that such definition specifically contemplates that calculations made under this Agreement may periodically change in accordance with changes in Applicable School Finance Law. The Parties further agree that 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; (ii) based upon current Applicable School Finance Law which is subject to change by statute, by administrative regulation (or interpretation thereof), or by judicial decision at any time; and (iii) may change in future years to reflect changes in Applicable School Finance Law.

Section 4.2. CALCULATING THE AMOUNT OF LOSS OF MAINTENANCE AND OPERATIONS REVENUES BY THE DISTRICT. Subject to the provisions of Sections 7.1, 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:

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

Where:

(i) "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 Applicant's Qualified Property and/or the Applicant's Qualified Investment been subject to the District's adopted ad valorem Maintenance and Operations tax rate actually levied for the applicable year.

(ii) "New M&O Revenue" means the total State and local Maintenance and Operations Revenue that District would have received for such school year, calculated in accordance with TEXAS EDUCATION CODE Section 48.256(d), with the Limitation Amount specified in Section 2.4 applied to Applicant's Qualified Property, and the tax collection rate for all tax accounts in the District presumed to be one hundred percent (100%).

B. In making the calculations required by this Section 4.2:

(i) The Taxable Value of property for each school year will be determined under the Applicable School Finance Law.

(ii) For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property and/or the Applicant's Qualified Investment 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 results in a negative number, the negative number will be considered to be zero.

(iv) For all calculations made for any year during the tax Limitation Period under this Section 4.2, the New M&O Revenue will reflect the Tax Limitation Amount stated in Section 2.4 for such year.

(v) All calculations made under this Section 4.2 shall be made by a methodology which isolates the full M&O Revenue impact caused by this Agreement. The Applicant shall not be responsible to reimburse the District for other revenue losses created by other agreements, or any other factors not contained in this Agreement.

Section 4.3. COMPENSATION FOR LOSS OF OTHER REVENUES. In addition to the amounts determined pursuant to Section 4.2 above, the Applicant, on an annual basis, shall also indemnify and reimburse the District for the following:

A. All non-reimbursed costs incurred by the District for extraordinary education-related expenses, as set forth in Section 5.1 below;

B. Any other loss of District revenues which are directly and solely attributable to Applicant's location of Applicant's Qualified Investment and Applicant's Qualified Property in the District and the Parties' entering into this Agreement; and

C. Any other cost to the District, including costs under Section 8.6(C) below (but subject to the limitation set forth in Section 4.4 below), which are directly and solely attributable to compliance with State-imposed requirements relating to this Agreement.

Section 4.4. CALCULATIONS TO BE MADE BY THIRD PARTY. All calculations under this Article IV shall be made annually by an independent third party (the "Consultant") selected each year by the District subject to the approval by Applicant, which approval shall not be unreasonably withheld. Applicant shall be solely responsible for payment of the Consultant's fees up to TWELVE THOUSAND DOLLARS (\$12,000.00) for each year of this Agreement. For any Tax Year outside of the Tax Limitation Period and for which the Comptroller's Biennial Report is not required, Applicant shall not be responsible for the payment of an aggregate amount of third-party fees and expenses under this Article IV which exceeds Seven Thousand Five Hundred Dollars (\$7,500.00). For avoidance of doubt, the limitation on fees in this Section payable by Applicant shall apply annually and cumulatively to all third-party fees and expenses owed by Applicant under Article IV of this Agreement.

Section 4.5. 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 rolls submitted to the District 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 Consultant selected under Section 4.4. 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 Consultant to make the calculations contemplated by this Agreement shall be based

upon the best available current estimates. The data utilized by the Consultant shall be adjusted from time to time by the Consultant to reflect actual amounts, subsequent adjustments by the Appraisal District to the District's certified tax rolls or any other changes in student counts, tax collections, or other data.

Section 4.6. DELIVERY OF CALCULATIONS. On or before December 1 of each year for which this Agreement is effective, the Consultant appointed pursuant to Section 4.4 of this Agreement shall forward to the Parties a certification containing the calculations required under Section 4.2, Section 4.3 and Article V of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Consultant shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Consultant's offices, personnel, books, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Consultant 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 Consultant shall preserve all documents pertaining to the calculation and fee for a period of five (5) years after payment.

Section 4.7. PAYMENT BY APPLICANT. The Applicant shall pay any amount determined 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 Consultant for all calculations under this Agreement under Section 4.6, above, plus any reasonable and necessary legal expenses paid by the District to its attorneys, auditors, or financial consultants (subject to the limitation set forth in Section 4.4 above) for the preparation and filing of any financial reports, disclosures, or Tax Credit 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.

A. Based on the amount of Qualified Property and the construction schedule of Applicant's Project as set forth in the Application, the Parties anticipate that the Applicant will owe a significant Revenue Protection Amount in the first year of the Tax Limitation Period. Therefore, the Parties agree that the Revenue Protection Amount calculated per the terms in Section 4.2 of this Agreement for the first year of the Tax Limitation Period will be paid in equal halves during the first two years of the Tax Limitation Period.

Section 4.8. RESOLUTION OF DISPUTES. Should the Applicant disagree with the certification prepared pursuant to Sections 4.2, 4.3, or Article V, the Applicant may appeal the findings, in writing, to the Consultant within thirty (30) days of receipt of the certification. Within thirty (30) days of receipt of the Applicant's appeal, the Consultant will issue, in writing, a final determination of the certification containing the calculations. Thereafter, the Applicant may appeal the final determination of certification containing the calculations to the District's Board of Trustees, in writing, within thirty (30) days of the final determination of certification containing the calculations.

Section 4.9. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT. If at the time the Consultant selected under Section 4.4 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 such appeal remains unresolved, the Consultant shall base its calculations upon the values placed upon the Applicant’s Qualified Property by the Appraisal District. The calculations shall be readjusted, if necessary, based on the outcome of the appeal as set forth below.

If as a result of an appraisal 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 Consultant 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 Consultant.

Section 4.10. EFFECT OF STATUTORY CHANGES. Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 7.1, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by the Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, the District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State or another school district, because of its participation in this Agreement, the Applicant shall make payments to the District, up to the Revenue Protection Amount limit set forth in Section 7.1, that are necessary to offset any negative impact on the District as a result of its participation in this Agreement. Such calculation shall take into account any adjustments to the Revenue Protection Amount calculated for the current fiscal year that should be made in order to reflect the actual impact on the District.

ARTICLE V
PAYMENT OF EXTRAORDINARY EDUCATION-RELATED EXPENSES

Section 5.1. In addition to the amounts determined pursuant to Section 4.2 above, the Applicant, on an annual basis, shall also indemnify and reimburse the District for all non-reimbursable costs, certified by the District’s external auditor to have been incurred by the 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. Applicant shall have the right to contest the findings of the District’s external auditor pursuant to Section 4.8 herein.

ARTICLE VI
SUPPLEMENTAL PAYMENTS

Section 6.1. SUPPLEMENTAL PAYMENTS. 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 supplemental payments (the “Supplemental Payments”) set forth in this Article VI.

A. Amounts Exclusive of Indemnity Amounts. 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 and V are subject to the limitations contained in Section 7.1.

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 or required to be increased by the Legislature in a future year of this Agreement.

C. Explicit Identification of Payments to District. 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 made pursuant to Chapter 313, TEXAS TAX CODE, unless it is explicitly set forth in 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 (the “Annual Limit”) shall be greater of: (1) \$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 [ADA] for the preceding school year, rounded to the whole number; or (2) Fifty Thousand Dollars (\$50,000).

SECTION 6.3. SUPPLEMENTAL PAYMENT AMOUNTS EQUAL TO ANNUAL LIMIT. Applicant shall make Supplemental Payments on or before January 31, 2021 (the payment due date for Tax Year 2020), and continuing thereafter on or before January 31 of each year for the maximum period permitted under Section 313.027(i) of the TEXAS TAX CODE, except that Applicant’s final Supplemental Payment shall be due on or before December 31, 2034 for tax year 2034. Each Supplemental Payment owed by Applicant to District under this Agreement shall be in an amount equal to the Annual Limit.

If and only if the limitation in Section 313.027(i) of the TEXAS TAX CODE is increased or decreased for any future year of this Agreement, the Annual Limit in such case shall be equal to the Annual Limit calculated under the version Section 313.027(i) of the TEXAS TAX CODE that is in effect as of the date of this Agreement.

Section 6.4. 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 6.5. 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 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.

ARTICLE VII

ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

Section 7.1. EFFECT OF OPTIONAL TERMINATION. Upon the exercise of the option to terminate, 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 ninety-six (96) 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 ninety (90) 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 ninety (90) 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 Atascosa 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 Atascosa County, 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 ninety (90) 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 7.1 of this Agreement, the Applicant shall pay to the District liquidated damages for such failure within ninety (90) 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 ninety (90) 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 TEN MILLION DOLLARS (\$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.

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

Charlotte Independent School District
Attention: Superintendent of Schools
Address: 102 Hindes Ave.
Charlotte, Texas 78011
Phone: (830) 277-1431
E-Mail: msotelo@charlotteisd.org

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

GrandSlam Solar, LLC
Attention: Raina Hornaday, General Manager, Caprock Renewables
Address: 1005 W. 41st St.
Austin, TX 78756
Phone: (512) 971-8825
E-Mail: raina@caprockrenewables.com

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 an 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 Atascosa County.

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.

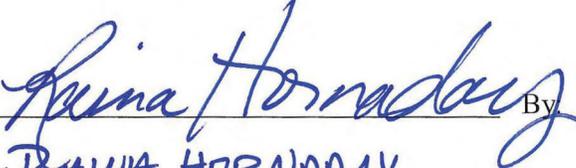
B. Delivery is deemed complete as follows:

- 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).

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 16th day of September 2020.

GRANDSLAM SOLAR, LLC

By:  By _____

Name: RAINA HORNADAY

Title: GM

CHARLOTTE INDEPENDENT
SCHOOL DISTRICT


Becky Ramos, President
Board of Trustees

ATTEST:

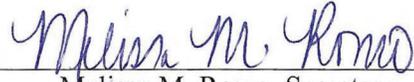

Melissa M. Romo, Secretary
Board of Trustees

EXHIBIT 1

DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE

The legal description of the Reinvestment Zone is located entirely within Atascosa County and more particularly described below as the Legal Description of Reinvestment Zone.



Agreement for Limitation on Appraised Value
Between Charlotte Independent School District and
GrandSlam Solar, LLC.
September 16, 2020

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

EXHIBIT 2

DESCRIPTION AND LOCATION OF LAND

All Qualified Property will be located within the Reinvestment Zone described in Exhibit 1, above. Applicant will lease approximately 2,250 acres of land with local landowners in Atascosa County, Texas, for the construction and operation of the Project. The approximate location of the land is shown in Exhibit 4.

EXHIBIT 3

APPLICANT'S QUALIFIED INVESTMENT

Applicant's Qualified Investment shall be all tangible personal property first placed in service during the Qualifying Time Period that is owned by the Applicant, is described in this EXHIBIT 3 below, and is located in the boundaries of the District and the Reinvestment Zone described in EXHIBIT 1 of this Agreement.

The Applicant anticipates constructing a solar photovoltaic electric generating facility with an operating capacity of approximately 228 MW. The exact capacity and specific technology components will be determined during the development and design process. The facility may include the following improvements:

- Solar modules/panels
- Metal mounting system with tracking capabilities
- Underground conduit, communications cables, and electric collection system wiring
- Combiner boxes
- A project substation including breakers, a transformer and meters
- Overhead transmission lines
- Inverter boxes on concrete pads
- Operations and maintenance facility
- Fencing for safety and security
- Telephone and internet communications system
- Meteorological equipment to measure solar irradiation and weather conditions

The Project site facilities are proposed for location in Atascosa County and Charlotte ISD, and the Applicant estimates that 100% will be located in Atascosa County and Charlotte ISD and will be considered qualified investment for this application.

EXHIBIT 4

DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

Applicant's Qualified Property shall be all tangible personal property first placed in service after the Application Review Start Date that is owned by the Applicant, is described in this EXHIBIT 4 below, and is located in the boundaries of the District and the Reinvestment Zone described in EXHIBIT 1 of this Agreement.

The Applicant anticipates constructing a solar photovoltaic electric generating facility with an operating capacity of approximately 228 MW. The exact capacity and specific technology components will be determined during the development and design process. The facility may include the following improvements:

- Solar modules/panels
- Metal mounting system with tracking capabilities
- Underground conduit, communications cables, and electric collection system wiring
- Combiner boxes
- A project substation including breakers, a transformer and meters
- Overhead transmission lines
- Inverter boxes on concrete pads
- Operations and maintenance facility
- Fencing for safety and security
- Telephone and internet communications system
- Meteorological equipment to measure solar irradiation and weather conditions

The Project site facilities are proposed for location in Atascosa County and Charlotte ISD, and the Applicant estimates that 100% will be located in Atascosa County and Charlotte ISD and will be considered qualified investment for this application.

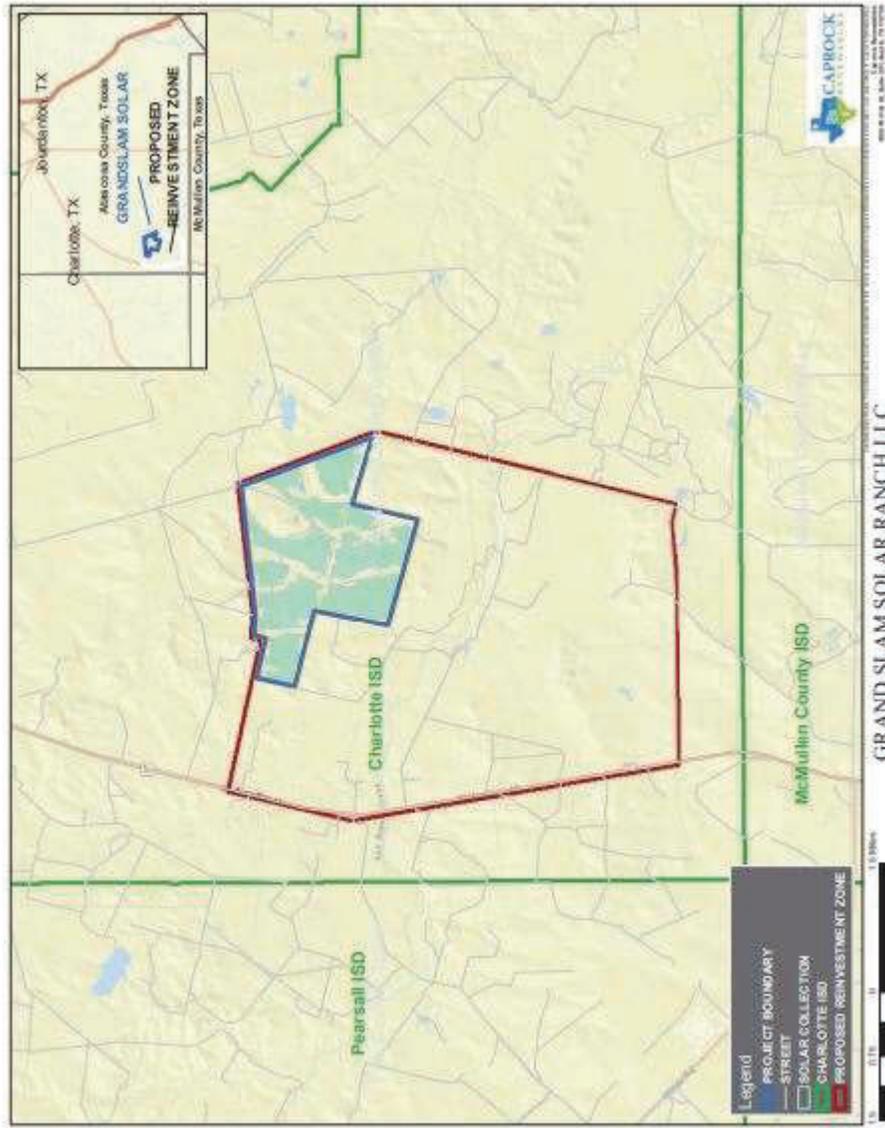


EXHIBIT 4

EXHIBIT 5

AGREEMENT SCHEDULE

	Year of Agreement	Date of Appraisal	School Year	Tax Year	Summary of Description
Limitation Pre-Year(s)	1	January 1, 2020	2020-21	2020	Limitation Pre-Year; QTP Begins
	2	January 1, 2021	2021-22	2021	Limitation Pre-Year (QTP 1)
Limitation Period (10 Years)	3	January 1, 2022	2022-23	2022	\$20 Million appraisal limitation; QTP Ends on December 31, 2022
	4	January 1, 2023	2023-24	2023	\$20 Million appraisal limitation
	5	January 1, 2024	2024-25	2024	\$20 Million appraisal limitation
	6	January 1, 2025	2025-26	2025	\$20 Million appraisal limitation
	7	January 1, 2026	2026-27	2026	\$20 Million appraisal limitation
	8	January 1, 2027	2027-28	2027	\$20 Million appraisal limitation
	9	January 1, 2028	2028-29	2028	\$20 Million appraisal limitation
	10	January 1, 2029	2029-30	2029	\$20 Million appraisal limitation
	11	January 1, 2030	2030-31	2030	\$20 Million appraisal limitation
	12	January 1, 2031	2031-32	2031	\$20 Million appraisal limitation; Limitation Period Ends December 31, 2031
Maintain Viable Presence	13	January 1, 2032	2032-33	2032	No appraisal limitation; must maintain viable presence
	14	January 1, 2033	2033-34	2033	No appraisal limitation; must maintain viable presence
	15	January 1, 2034	2034-35	2034	No appraisal limitation; must maintain viable presence; final Supplemental Payment owed December 31, 2034.
	16	January 1, 2035	2035-36	2035	No appraisal limitation; must Maintain viable presence.
	17	January 1, 2036	2036-37	2036	No appraisal limitation; must maintain viable presence; Final Termination Date: December 31, 2036.

Agreement for Limitation on Appraised Value
 Between Charlotte Independent School District GrandSlam
 Solar, LLC.
 September 16, 2020.

*Texas Economic Development Act Agreement
 Comptroller Form 50-826 (Jan 2020)*

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between CHARLOTTE INDEPENDENT SCHOOL
DISTRICT and GRANDSLAM SOLAR, LLC

EXHIBIT E

Comptroller's Franchise Tax Account Status



Franchise Tax Account Status

As of : 09/16/2020 11:04:44

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

GRANDSLAM SOLAR, L.L.C.	
Texas Taxpayer Number	32069009796
Mailing Address	1005 W 41ST ST STE 201 AUSTIN, TX 78756-3750
Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	11/25/2018
Texas SOS File Number	0803171153
Registered Agent Name	EMILY RAINA HORNADAY
Registered Office Street Address	1005 W. 41ST STREET, SUITE 201 AUSTIN, TX 78756