



AUSTIN  
HOUSTON  
DALLAS  
TYLER  
CORPUS CHRISTI

May 14, 2020

*Via Hand Delivery and Electronic Mail*

Local Government Assistance & Economic Analysis  
Texas Comptroller of Public Accounts  
Lyndon B. Johnson State Office Building  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

Re: Application for Appraised Value Limitation on Qualified Property from Hubbard Wind, LLC to Axtell Independent School District, Application #1454

*First Year of Qualifying Time Period:* 01 / 01 / 2021

*First Year of Limitation Period:* 01 / 01 / 2022

*Minimum Limitation Value:* \$20,000,000

Dear Local Government Assistance and Economic Analysis Division:

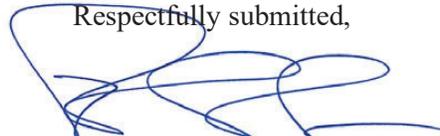
Pursuant to your request for additional information in your January 15, 2020 email correspondence, please find attached Amendment #001 to Application #1454. Additionally, the Applicant has also made further changes to the Application. Please be advised that the Parties have mutually agreed upon a minimum limitation value of \$20,000,000. The following changes were made to the amended application pages:

1. **Application Section 1. Authorized School District Representative.**
  - a. The Superintendent's name has been updated to reflect Dr. Larry "J.R." Proctor.
  - b. The Superintendent's email address has been added.
2. **Application Section 5.4. Are all applicant members of the combined group current on all tax payments due to the State of Texas?**
  - a. "Not Applicable" was selected because the Applicant is not a combined group nor comprised of members of a combined group, as defined by Tax Code §171.0001(7).
3. **Application Section 9.1. Application approval by school board.**
  - a. The date has been changed to October 1, 2020.
4. **Application Section 10.1. Identify county or counties in which the proposed project will be located.**
  - a. Hill County was added as 30% of the Project Boundary will lie within Hill County.
5. **Application Section 10.4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity.**
  - a. South Limestone Hospital District has been removed because properties within the jurisdiction of this taxing entity are not within the school district boundaries.
6. **Application Section 10.5. Is the project located entirely within the ISD listed in Section 1?**
  - a. Answer has been changed to "Yes." The Comptroller analyst has stated that each application is its own entity, even though it is part of a larger project, therefore the Project Boundary is entirely within the school district.

7. **Application Section 11.2.** *What is the amount of appraised value limitation for which you are applying?*
  - a. The District and Applicant have both agreed to a higher value limitation amount of \$20,000,000.
8. **Application Section 14.7.** *Wage and Employment Information.*
  - a. Wages have been updated to reflect the wage data of 4 most recent quarters released by the Texas Workforce Commission. Calculations of such have been updated in Tab 13.
9. **Tab 4.** *Description of Project.*
  - a. The electric generating capacity and number of wind turbines proposed for Axtell ISD has been updated.
10. **Tab 6.** *Location of Project within Taxing Entities.*
  - a. The percentage of the Project located within each taxing jurisdiction has been updated.
11. **Tab 7.** *Description of Qualified Investment.*
  - a. The electric generating capacity and number of wind turbines proposed for Axtell ISD has been updated.
  - b. Per the Comptroller, the following statement has been added: *“This application covers all qualified property in the reinvestment zone and project boundary within Axtell ISD.”*
12. **Tab 8.** *Description of Qualified Property.*
  - a. The electric generating capacity and number of wind turbines proposed for Axtell ISD has been updated.
  - b. Per the Comptroller, the following statement has been added: *“This application covers all qualified property in the reinvestment zone and project boundary within Axtell ISD.”*
13. **Tab 11.** *Maps.*
  - a. Maps have been updated with the new project boundary.
  - b. In accordance with 34 TAC § 9.1053, the Applicant requests that the “Qualified Property” map remain confidential and segregated from the other documents submitted herein to protect against unintended disclosure.
  - c. Pursuant to Texas Government Code § 552.110, the Applicant requests that the aforementioned “Qualified Property” map be considered confidential, removed, and submitted separately from the remaining value Application documents.
14. **Tab 13.** *Wage Requirement Calculations.*
  - a. Calculation of wages have been updated to reflect the wage data of 4 most recent quarters released by the Texas Workforce Commission.
15. **Tab 14.** *Schedules.*
  - a. Schedules have been updated to reflect new value of qualified investment.
16. **Tab 16.** *Reinvestment Zone.*
  - a. A letter of intent to designate the reinvestment zone by Axtell ISD has been included, along with Board Policy CCGB(LEGAL).
17. **Tab 17.** *Authorized Signatures.*
  - a. A new signature page is attached.

Thank you so much for your attention to the foregoing. Please do not hesitate to contact me should you have any questions regarding the amended application pages.

Respectfully submitted,



Rick L. Lambert

RLL;sl

cc: *Via Electronic Mail: [mfry@keatax.com](mailto:mfry@keatax.com)*  
Mr. Mike Fry, Director of Energy Services, K.E. Andrews



May 7, 2020

Axtell Independent School District  
ATT: Dr. JR Proctor  
308 Ottawa Street  
Axtell, Texas 76624

**RE: Application #1454-Axtell ISD-Hubbard Wind, LLC-Amendment One**

Dear Dr. JR Proctor:

Please find attached Amendment One for Application #1454 Hubbard Wind, LLC. We kindly request that you review and consider the following changes:

- Section 1: Superintendent's name & email updated
- Section 9 Q1: Date Updated to October 1, 2020
- Section 10 Q4: South Limestone Hospital District Removed
- Section 10 Q5: Answer Updated to "Yes."
- Section 14 7a. & 7b. : Wages Updated
- Tab 4: Project Description Updated
- Tab 6: Jurisdictions Updated
- Tab 7: Project Description Updated; Statement added regarding Qualified Property
- Tab 8: Project Description Updated; Statement added regarding Qualified Property
- Tab 11: Maps Updated
- Tab 13: Updated Wage Data Included
- Tab 14: Updated Schedules Provided
- Tab 16: Letter of Intent Provided
- Tab 17: Updated Signature Page

Upon your review of this application, please feel free to contact us with any further questions. We appreciate your consideration of this application and look forward to working with you.

Sincerely,

Mike Fry  
Director, Energy Services  
[mfry@keatax.com](mailto:mfry@keatax.com)



# Tab 1

## *Pages 1-9 of the application*

Please note: In Section 5 of this application, "N/A" was selected because the Applicant (Hubbard Wind, LLC) is not part of a combined group. It is a stand-alone entity.

## 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/](http://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

December 9, 2019

Date Application Received by District

Larry ("J.R.")

First Name

Proctor, Jr.

Last Name

Superintendent

Title

Axtell Independent School District

School District Name

308 Ottawa Street Axtell, Texas 76624

Street Address

308 Ottawa Street

Mailing Address

Axtell

City

Texas

State

76624

ZIP

254-863-5301

Phone Number

254-863-5651

Fax Number

jrproctor@axtellisd.net

Email Address

Mobile Number (optional)

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



Yes



No

SECTION 9: Projected Timeline

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

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Limestone County ; Hill County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Limestone CAD; Hill 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: Limestone Co., .7375 70%; Hill Co. .459041 30% City: N/A  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
 Hospital District: N/A Water District: N/A  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
 Other (describe): Hill Co. Lateral Road .080841 30% Other (describe): Hill Co. ESD .03 30%  
(Name, tax rate and percent of project) Limestone Co. Farm Road .0266 70% (Name, tax rate and percent of project)  
Limestone Co. R & B .0251 70%
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/](http://comptroller.texas.gov/economy/local/ch313/).

1. At the time of application, what is the estimated minimum qualified investment required for this school district? ..... 5,000,000.00
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 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? ..... 0
2. What is the last complete calendar quarter before application review start date:  
 First Quarter     Second Quarter     Third Quarter     Fourth Quarter of 2019  
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? ..... 0  
**Note:** For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? ..... 2
5. What is the number of new non-qualifying jobs you are estimating you will create? ..... 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? .....  Yes     No  
 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).  
 a. Average weekly wage for all jobs (all industries) in the county is ..... 874.75  
 b. 110% of the average weekly wage for manufacturing jobs in the county is ..... 826.38  
 c. 110% of the average weekly wage for manufacturing jobs in the region is ..... 999.41
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? ..... 51,969.50
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 51,969.50
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? .....  Yes     No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? .....  Yes     No  
 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? .....  Yes     No  
 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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



## Tab 4

### *Detailed Description of the Project*

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

Hubbard Wind, LLC is a 302.7 MW/AC electric generating wind facility. In its entirety, the project will consist of 108 wind turbines (GE model 2.82 and 2.3 safe harbor).

For the purpose of this application, we are requesting an appraised value limitation on the portion of the project located within Axtell ISD. Across Axtell ISD, there will be approximately 16 wind turbines or approximately 45 MW/AC production capacity.

In addition to turbines, other components of this project we request be included under the value limitation agreement include the following:

- Operation & Maintenance Building
- Substation
- Transmission Line
- Ancillary & Eligible Equipment
- Underground Electrical Collection Cables
- Meteorological Towers
- Access Roads to Turbines

The project, Hubbard Wind, LLC, is not entirely located within Axtell ISD. Please refer to Tab 6 of this application for a more detailed description of the project allocation across school districts and counties.

Wind generation facilities operate through capturing wind energy with two or three propeller-like blades mounted on a rotor to generate electricity. As wind blow, pockets of low-pressure air form on the downwind side of the blade. This low-pressure air then pulls the blade towards it, creating a lift and turning the rotor. The force of the lift is stronger than the drag and the wind's force against the front side of the blade. The combination of the lift and drag causes the rotor to spin thus turning a shaft that spins a generator to create electricity.



## Tab 6

### *Location of Entire 302.7 MW/AC Project within Taxing Entities*

<i>Jurisdiction</i>	<i>Tax Rate</i>	<i>Percent of Project Located within Jurisdiction</i>
<i>Hubbard ISD</i>	<i>1.45</i>	<i>17.49%</i>
<i>Axtell ISD</i>	<i>1.08</i>	<i>14.08%</i>
<i>Coolidge ISD</i>	<i>1.17</i>	<i>21.93%</i>
<i>Mount Calm ISD</i>	<i>1.1435</i>	<i>41.67%</i>
<i>Hill County</i>	<i>.459041</i>	<i>42.59%</i>
<i>Hill County Lateral Road</i>	<i>.080841</i>	<i>42.59%</i>
<i>Hill County ESD</i>	<i>.03</i>	<i>42.59%</i>
<i>Limestone County Road &amp; Bridge</i>	<i>.0266</i>	<i>57.41%</i>
<i>Limestone County</i>	<i>.737500</i>	<i>57.41%</i>
<i>Limestone County Farm Road</i>	<i>.0251</i>	<i>57.41%</i>



## Tab 7

### *Description of Qualified Investment*

Hubbard Wind, LLC requests that the limitation covers all qualified investment and qualified property located within Axtell ISD. It is currently anticipated that 14.81% of the total project will be located in Axtell ISD.

Included within this portion of the investment will be approximately 16 wind turbines for a total generating capacity of approximately 45 MW/AC. The turbine models to be used will be General Electric's (GE) 2.82 and 2.3 models. In addition to the turbines, it is requested that the limitation applies to the investment for the following equipment:

- Operation & Maintenance Building
- Substation
- Transmission Line
- Ancillary & Eligible Equipment
- Underground Electrical Collection Cables
- Meteorological Towers
- Access Roads to Turbines

Please Note: This application covers all qualified property in the reinvestment zone and project boundary within Axtell ISD.



## Tab 8

### *Description of Qualified Property*

Hubbard Wind, LLC requests that the limitation covers all qualified investment and qualified property located within Axtell ISD. It is currently anticipated that 14.81 % of the total project will be located in Axtell ISD.

Included within this portion of the investment will be approximately 16 wind turbines for a total generating capacity of approximately 45 MW/AC. The turbine models to be used will be General Electric's (GE) 2.82 and 2.3 models. In addition to the turbines, it is requested that the limitation applies to the investment for the following equipment:

- Operation & Maintenance Building
- Substation
- Transmission Line
- Ancillary & Eligible Equipment
- Underground Electrical Collection Cables
- Meteorological Towers
- Access Roads to Turbines

Please Note: This application covers all qualified property in the reinvestment zone and project boundary within Axtell ISD.



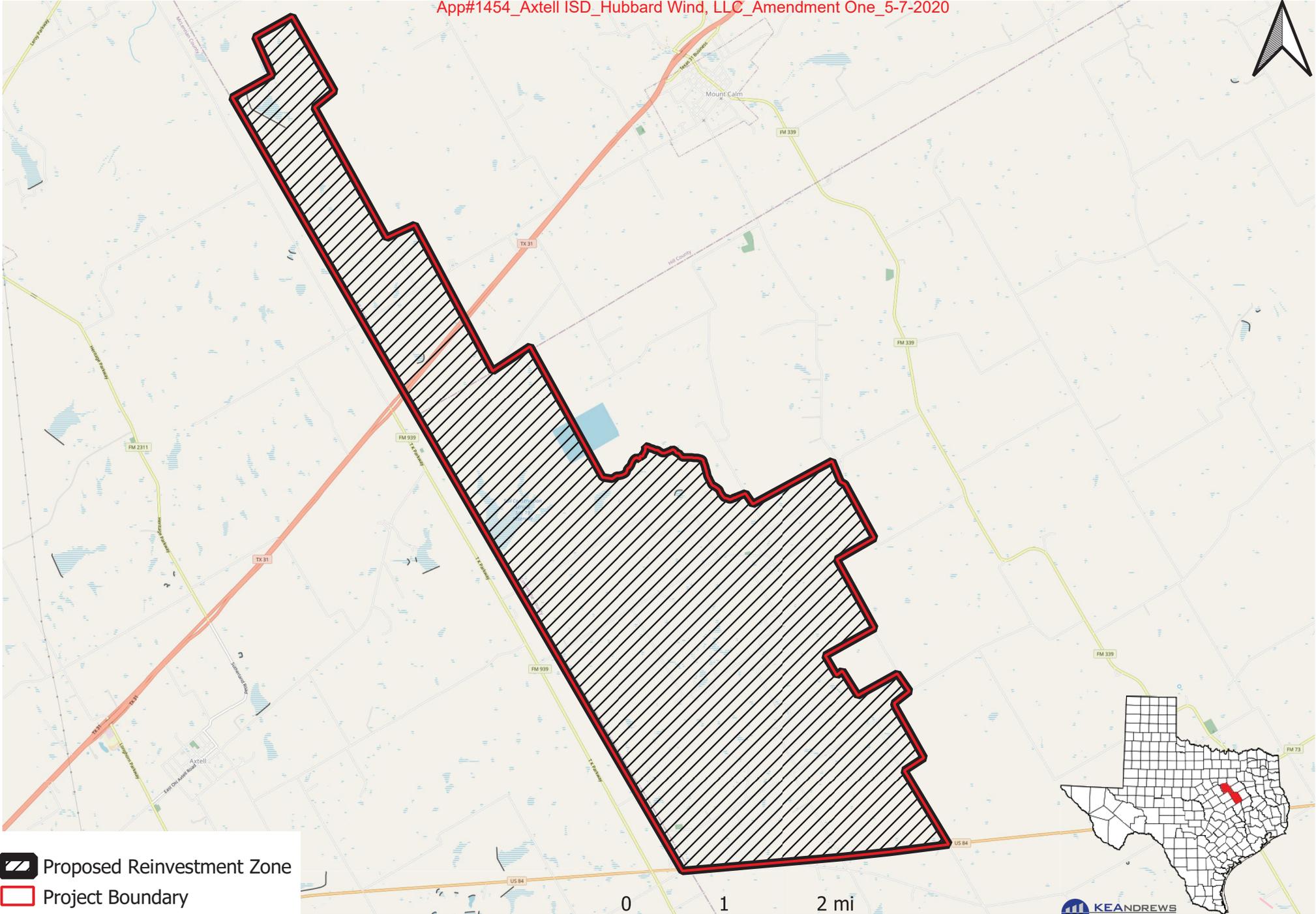
# Tab 11

*Maps*

Attached.

# Hubbard Wind, LLC

App#1454\_Axtell ISD\_Hubbard Wind, LLC\_Amendment One\_5-7-2020

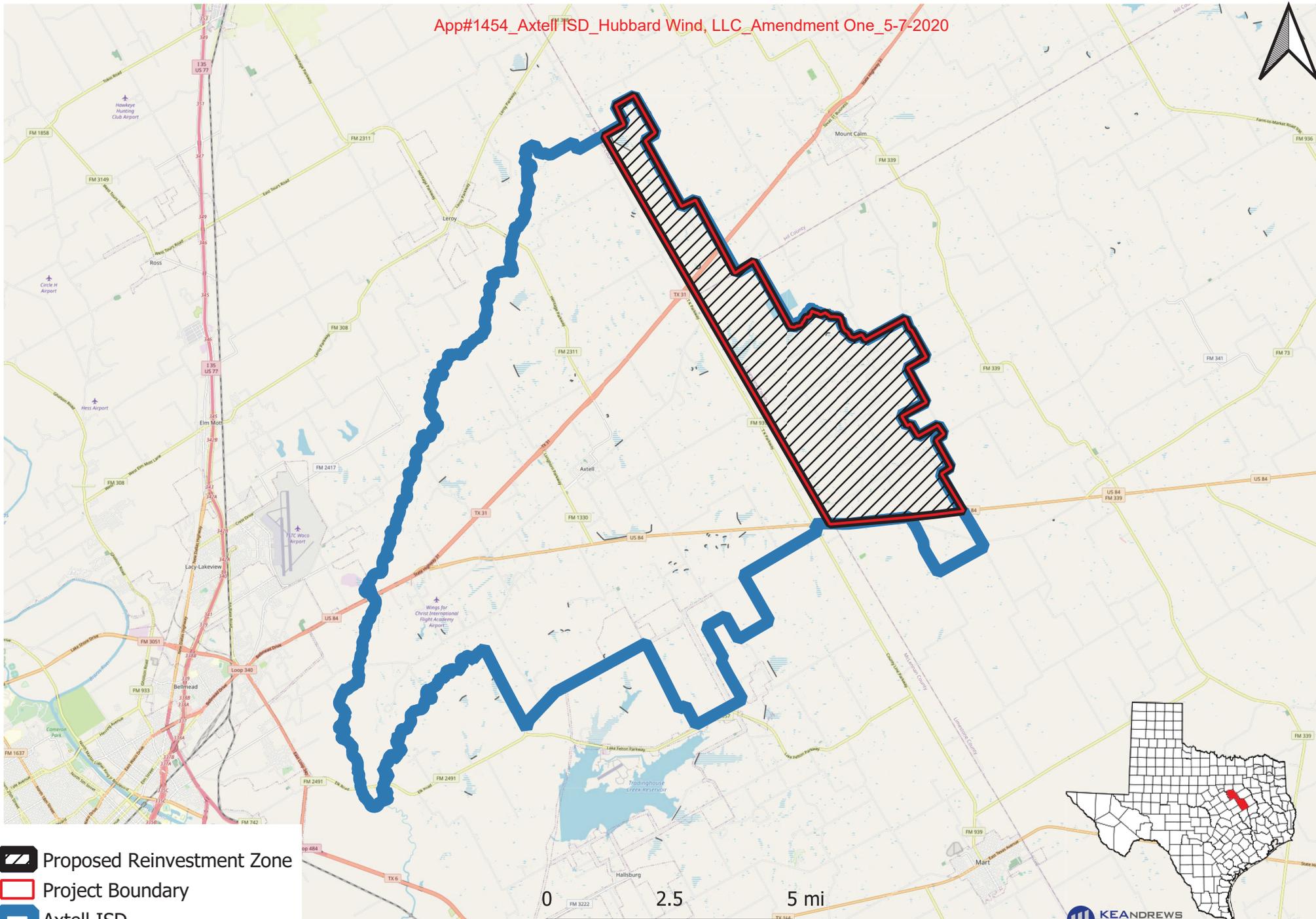


-  Proposed Reinvestment Zone
-  Project Boundary

0 1 2 mi

# Hubbard Wind, LLC

App#1454\_Axtell TSD\_Hubbard Wind, LLC\_Amendment One\_5-7-2020



-  Proposed Reinvestment Zone
-  Project Boundary
-  Axtell ISD







# Tab 13

## Calculation of Wage Requirements

### Limestone County Average Weekly Wage: \$874.75

Calculations were computed using the following data for the last four fiscal quarters:

#### Quarterly Census of Employment and Wages (QCEW) Report

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

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

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2019	01	Limestone	Total All	Total, All Industries	907
2019	02	Limestone	Total All	Total, All Industries	877
2019	03	Limestone	Total All	Total, All Industries	856
2019	04	Limestone	Total All	Total, All Industries	859



## Limestone County 110% Average Manufacturing Weekly Wage: \$826.38

Calculations were computed using the data available for the last 4 fiscal quarters:

### Quarterly Census of Employment and Wages (QCEW) Report

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

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

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2019	01	Limestone	Private	Manufacturing	745
2019	02	Limestone	Private	Manufacturing	779
2019	03	Limestone	Private	Manufacturing	755
2019	04	Limestone	Private	Manufacturing	726



# Tab 14

*Schedules A1-D*

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

Date: 5/7/2020  
Applicant Name: Hubbard Wind, LLC  
ISD Name: Axtell ISD

App#1454\_Axtell ISD\_Hubbard Wind, LLC\_Amendment One\_5-7-2020

PROPERTY INVESTMENT AMOUNTS									
(Estimated investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will not 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	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2020-2021	2020	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]		
Investment made after filing complete application with district, but before final board approval of application									
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	QTP1	2021-2022	2021	\$ 48,928,093.20				\$ 48,928,093.20	
Complete tax years of qualifying time period	QTP2	2022-2023	2022						
<b>Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]</b>				\$ 48,928,093.20				\$ 48,928,093.20	
<b>Total Qualified Investment (sum of green cells)</b>				\$ 48,928,093.20				\$ 48,928,093.20	

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 313.02(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.  
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.  
 Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.  
 Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

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

Date: 5/7/2020  
Applicant Name: Hubbard Wind, LLC  
ISD Name: Axtell ISD

App#1454\_Axtell ISD\_Hubbard Wind, LLC\_Amendment One\_5-7-2020

PROPERTY INVESTMENT AMOUNTS									
(Estimated investment in each year. Do not put cumulative totals.)									
Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) (YYYY-YYYY)	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will not become Qualified Property (SEE NOTE)	Column D Other investment made during this year that will become Qualified Property (SEE NOTE)	Column E Total Investment (A+B+C+D)		
Total investment from Schedule A1*			\$ 48,928,093.20				\$ 48,928,093.20		
0	2019-2020	2019							
0	2020-2021	2020							
0	2021-2022	2021	\$ 48,928,093.20				\$ 48,928,093.20		
1	2022-2023	2022							
2	2023-2024	2023							
3	2024-2025	2024							
4	2025-2026	2025							
5	2026-2027	2026							
6	2027-2028	2027							
7	2028-2029	2028							
8	2029-2030	2029							
9	2030-2031	2030							
10	2031-2032	2031							
Total investment made through limitation			\$ 48,928,093.20	\$ -			\$ 48,928,093.20		
11	2032-2033	2032							
12	2033-2034	2033							
13	2034-2035	2034							
14	2035-2036	2035							
15	2036-2037	2036							
16	2037-2038	2037							
17	2038-2039	2038							
18	2039-2040	2039							
19	2040-2041	2040							
20	2041-2042	2041							
21	2042-2043	2042							
22	2043-2044	2043							
23	2044-2045	2044							
24	2045-2046	2045							
25	2046-2047	2046							
Continue to maintain viable presence									
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.

Column B: Only tangible personal property that is specifically described in the application can become qualified property.

Column C: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column E: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

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	0	2019-2020							
Each year prior to start of Value Limitation Period	0	2020-2021							
Each year prior to start of Value Limitation Period	0	2021-2022							
Value Limitation Period	1	2022-2023			\$ 48,928,093.20	\$ 48,928,093.20	\$ 48,928,093.20	\$ 20,000,000.00	\$ 20,000,000.00
	2	2023-2024			\$ 46,481,688.54	\$ 46,481,688.54	\$ 46,481,688.54	\$ 20,000,000.00	\$ 20,000,000.00
	3	2024-2025			\$ 44,035,283.88	\$ 44,035,283.88	\$ 44,035,283.88	\$ 20,000,000.00	\$ 20,000,000.00
	4	2025-2026			\$ 41,588,879.22	\$ 41,588,879.22	\$ 41,588,879.22	\$ 20,000,000.00	\$ 20,000,000.00
	5	2026-2027			\$ 39,142,474.56	\$ 39,142,474.56	\$ 39,142,474.56	\$ 20,000,000.00	\$ 20,000,000.00
	6	2027-2028			\$ 36,696,069.90	\$ 36,696,069.90	\$ 36,696,069.90	\$ 20,000,000.00	\$ 20,000,000.00
	7	2028-2029			\$ 34,249,665.24	\$ 34,249,665.24	\$ 34,249,665.24	\$ 20,000,000.00	\$ 20,000,000.00
	8	2029-2030			\$ 31,803,260.58	\$ 31,803,260.58	\$ 31,803,260.58	\$ 20,000,000.00	\$ 20,000,000.00
	9	2030-2031			\$ 29,356,855.92	\$ 29,356,855.92	\$ 29,356,855.92	\$ 20,000,000.00	\$ 20,000,000.00
	10	2031-2032			\$ 26,910,451.26	\$ 26,910,451.26	\$ 26,910,451.26	\$ 20,000,000.00	\$ 20,000,000.00
Continue to maintain viable presence	11	2032-2033			\$ 24,464,046.60	\$ 24,464,046.60	\$ 24,464,046.60	\$ 24,464,046.60	\$ 24,464,046.60
	12	2033-2034			\$ 22,017,641.94	\$ 22,017,641.94	\$ 22,017,641.94	\$ 22,017,641.94	\$ 22,017,641.94
	13	2034-2035			\$ 19,571,237.28	\$ 19,571,237.28	\$ 19,571,237.28	\$ 19,571,237.28	\$ 19,571,237.28
	14	2035-2036			\$ 17,124,832.62	\$ 17,124,832.62	\$ 17,124,832.62	\$ 17,124,832.62	\$ 17,124,832.62
	15	2036-2037			\$ 14,678,427.96	\$ 14,678,427.96	\$ 14,678,427.96	\$ 14,678,427.96	\$ 14,678,427.96
	16	2037-2038			\$ 12,232,023.30	\$ 12,232,023.30	\$ 12,232,023.30	\$ 12,232,023.30	\$ 12,232,023.30
	17	2038-2039			\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64
	18	2039-2040			\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64
	19	2040-2041			\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64
	20	2041-2042			\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64
Additional years for 25 year economic impact as required by 313.026(c)(1)	21	2042-2043			\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64
	22	2043-2044			\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64
	23	2044-2045			\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64
	24	2045-2046			\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64
	25	2046-2047			\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64	\$ 9,785,618.64

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

Schedule C: Employment Information

Date: 5/7/2020  
 Applicant Name: Hubbard Wind, LLC  
 ISD Name: Axtell ISD

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs		Qualifying Jobs	
				Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs	
Each year prior to start of Value Limitation Period	0	2019-2020	2019						
Each year prior to start of Value Limitation Period	0	2020-2021	2020						
Each year prior to start of Value Limitation Period	0	2021-2022	2021	300	\$ 51,969.50				
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2022-2023	2022				2	\$ 51,969.50	
	2	2023-2024	2023				2	\$ 51,969.50	
	3	2024-2025	2024				2	\$ 51,969.50	
	4	2025-2026	2025				2	\$ 51,969.50	
	5	2026-2027	2026				2	\$ 51,969.50	
	6	2027-2028	2027				2	\$ 51,969.50	
	7	2028-2029	2028				2	\$ 51,969.50	
	8	2029-2030	2029				2	\$ 51,969.50	
	9	2030-2031	2030				2	\$ 51,969.50	
	10	2031-2032	2031				2	\$ 51,969.50	
	Years Following Value Limitation Period	11 through 25	2032-2047	2032-2047				2	\$ 51,969.50

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? (25)
- C1. qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts
- If yes, answer the following two questions:
- 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

Date: 5/7/2020  
 Applicant Name: Hubbard Wind, LLC  
 ISD Name: Axtell ISD

**Schedule D: Other Incentives (Estimated)**

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County: City: Other:					
Tax Code Chapter 312	County: Limestone County City: Other: Hill County	2022	10 years	\$ 1,084,063.00	70%	\$ 325,218.90
Local Government Code Chapters 380/381	County: City: Other:	2022	10 Years	\$ 500,569.00	Average 50%	\$ 250,284.50
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:						
<b>TOTAL</b>				<b>\$ 1,584,632.00</b>	<b>Average 50% &amp; 70%</b>	<b>\$ 575,503.40</b>

Additional information on incentives for this project:



## Tab 16

### *Description of Reinvestment Zone*

Hubbard Wind, LLC will be located in a proposed reinvestment zone to be created by Axtell ISD. Please find attached the letter of intent from Axtell ISD in regard to creating the proposed reinvestment zone prior to the execution of the anticipated agreement.

# Axtell I.S.D.

308 Ottawa, Axtell, Tx. 76624  
Voice: 254.863.5301  
Fax: 254.863.5651

Dr J.R. Proctor, Superintendent

May 11, 2020

*Via Electronic Mail and Hand Delivery*  
Local Government Assistance & Economic Analysis  
Texas Comptroller of Public Accounts  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

Re: Application for Appraised Value Limitation on Qualified Property from Hubbard Wind, LLC to Axtell Independent School District, Application #1454  
*Intent of the Axtell Independent School District to Establish the Hubbard Wind Reinvestment Zone #1*

Dear Local Government Assistance and Economic Analysis Division:

The Board of Trustees of the Axtell Independent School District (the "District") intends to conduct a public hearing to consider and act upon a Resolution designating a certain area as a Reinvestment Zone, under Texas Tax Code § 321.0025, in portions of Limestone County and Hill County, Texas; establishing the boundaries thereof; and providing for an effective date. The Hubbard Wind, LLC project is to be located within the proposed *Hubbard Wind Reinvestment Zone #1*.

To determine whether to designate the proposed *Hubbard Wind Reinvestment Zone #1*, the Board of Trustees will consider, in accordance to Board Policy CCGB (LEGAL), whether the Reinvestment Zone: (i) meets the criteria set forth in Texas Tax Code § 312.0025 for the creation of a reinvestment zone, as set forth in the Property Redevelopment and Tax Abatement Act, as amended; and (ii) is reasonably likely to contribute to the expansion of primary employment in the Reinvestment Zone, or attract major investment in the Reinvestment Zone that would be a benefit to property in the Reinvestment Zone and to the District and contribute to the economic development of the region of this State in which the District is located. (See **Exhibit A**).

The adoption of this measure will be complete when the District considers the final approval of the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes by and between the District and Applicant.

Thank you for your attention to the foregoing. Should you have any questions, please do not hesitate to contact the District's Authorized Representative Mr. Rick Lambert via email at [rlambert@pyt-law.com](mailto:rlambert@pyt-law.com) (with copy to [sleung@pyt-law.com](mailto:sleung@pyt-law.com)) or via telephone at (512) 494-1177.

Sincerely,



Dr. J.R. Proctor, Superintendent of Schools  
Axtell Independent School District

Enclosure

**EXHIBIT A**

**BOARD POLICY CCGB (LEGAL)—LOCAL REVENUE SOURCES; AD VALOREM TAXES**

**Texas Economic Development Act**

Purpose

These provisions outline the procedures the District shall use for the filing, accepting, and reviewing of applications made under the Texas Economic Development Act, as set forth in Tax Code Chapter 313. In addition, these provisions shall outline procedures the Board shall use for considering amendments to, and, when necessary, enforcing agreements made under the Texas Economic Development Act, as set forth in Tax Code Chapter 313.

Definitions

As used in this policy, the following phrases, words, and terms shall have the following meanings, unless the context clearly indicates otherwise:

“Act” shall mean the Texas Economic Development Act, as set forth in Tax Code Chapter 313.

“Agreement” shall mean a written contract between the District and the applicant, which creates, implements, and governs the terms of a limitation on the appraised value for District maintenance and operations ad valorem property tax purposes on an entity’s qualified property, that complies with Tax Code Chapter 313, and which is consistent with Tax Code 313.027.

“Agreement holder” shall mean an entity that has executed an agreement with the District.

“Applicant” shall mean a business entity, including an “affiliated group” that is subject to taxation under Tax Code 171.001, that applies to the District for a limitation on the appraised value of qualified property in a reinvestment zone under the Act.

“Application” shall mean a completed application for appraised value limitation on qualified property on a form adopted by the comptroller and containing all information required at 34 TAC 9.1053 together with all supporting schedules and documentation and shall include any application amendment or application supplement filed by the applicant.

“Application fee” shall mean the nonrefundable application fee to be paid to the District by an applicant, determined in accordance with this policy, to cover the District’s costs incurred in the processing and consideration of the application.

“Application amendment fee” shall mean the nonrefundable fee required of an applicant or agreement holder seeking to amend an application or agreement at any time after the comptroller has issued an economic impact analysis on the application pursuant to 34 TAC 9.1055(d).

“Application review period” shall mean the time during which the Board is required to consider the application. The application review period shall begin on the day the application is filed with the District and shall expire on the 151st day after the application is filed with the District, unless the application review period is extended prior to the expiration of the application review period, in which case the application review period shall include any such extension. The Board delegates to the Superintendent authority to extend the time period for reviewing the application consistent with 34 TAC 9.1054(d).



“Application review start date” shall mean the later date of either the date on which the District issues its written notice that an applicant has submitted a completed application or the date on which the comptroller issues its written notice that an applicant has submitted a completed application.

“Appraisal district” shall mean each appraisal district that appraises property proposed to be subject to a limitation on appraised value.

“Board” shall mean the Board of Trustees of the District.

“Comptroller” shall mean the comptroller of public accounts of the State of Texas.

“Comptroller’s rules” shall mean those rules adopted by the comptroller set forth at 34 TAC, Subchapter F.

“Deferral” shall mean a forward adjustment of the date upon which the qualifying time period, as defined by Tax Code 313.021(4), begins.

“District” shall mean the Axtell Independent School District.

“Initial Board review” shall mean the initial presentment to the District’s Board, at which the Board will determine whether to consider the application and determine whether it should be forwarded to the comptroller for the execution of the comptroller’s review and certification processes. Board action to consider an application after conducting its initial review does not commit the District in any way to the ultimate approval of an agreement.

“Substantive document” shall mean a document or other information or data in electronic media that includes or transmits information or data significant to an application, the evaluation or consideration of such an application, or to the agreement or implementation of an agreement for limitation of appraised value pursuant to Tax Code Chapter 313. The meaning shall include, but not be limited to: any application requesting a limitation on appraised value and any amendments or supplements; any economic impact evaluation made in connection with an application; any agreement between the applicant and the District and any subsequent amendments or assignments; any District written finding or report filed with the comptroller as required under this subchapter; and any application requesting school tax credits under Tax Code 313.103.

*Presenting the Application*            The applicant shall file with the Superintendent three copies of each application filed under this policy. The Superintendent shall acknowledge in writing the date of the receipt of the application and application fee.

Applications shall be considered for final approval by the Board only after the District’s receipt of the application fee established by the Board and after completion of the economic analysis and the school facilities impact analysis required by the Act.

The completed application shall be made available to the public as required under the Texas Public Information Act. Information sub-mitted to the District in connection with the application shall be presumed to be public information unless the applicant clearly identifies such as confidential and proprietary information.

*Amending an Application*            An application may be amended by an applicant at any time. In the event that an amended application is filed at any time after the comptroller has issued an economic impact analysis on the application pursuant to 34 TAC 9.1055(d), or to request waiver of the job requirements at any time after submittal of the original



application, the applicant must submit an application amendment fee together with the proposed amended application. The Superintendent is delegated the authority to accept an amended application. Upon receipt of an amended application or supplemental information, the Superintendent shall review and forward the material to the comptroller and to each applicable appraisal district.

**Application Fee Schedule** The Board finds that the application review process is complex, and the complexity is greater for larger projects, the following application fee schedule represents the anticipated necessary or reasonable cost to the District of reviewing, processing and acting on an application:

- \$75,000 for projects valued at less than \$500 million total anticipated investment.
- \$100,000 for projects valued from \$501 million to less than \$1 billion total anticipated investment.
- \$150,000 for projects valued at or over \$1 billion total anticipated investment.

The application fee shall not be refundable except in the event that the application is denied after an initial Board review, as defined in this policy, or in the event that the actual costs incurred in the review process are exceeded by the anticipated costs as established in this policy.

The application fee does not include any amount charged by the comptroller's office for its economic impact study, if such a fee is charged.

**Application Amendment Fee** In the event that an applicant or agreement holder seeks to amend an application or an agreement at any time after the comptroller has issued an economic impact analysis on the application pursuant to 34 TAC 9.1055(d), an application amendment fee of no less than \$25,000 and no greater than \$65,000 shall be charged. The amendment fee shall take into account the nature of the amendment and the actual time and expense required to evaluate, review, and process that amendment.

**Agreement Assignment Fee** In the event that an applicant or agreement holder seeks to assign an agreement to another entity at any time, an agreement assignment fee of \$5,000 shall be charged.

**Limitation Amount** The minimum limitation amount shall be that amount set forth under Tax Code 313.027(b). However, after initial review of an application, the District may specify a greater limitation amount, as permitted under Tax Code 313.027(c).

**Processing the Application** Upon receipt of the application and the application fee, the Superintendent shall take the following actions:

1. Accept the filing of the application and send to the applicant written confirmation of receipt of the application and application fee.
2. Identify appropriate attorneys and consultants to assist the Board in completing the application review process, and schedule Board action to retain such attorneys and consultants.
3. Ensure that conflict of interest disclosures are obtained and posted, as appropriate, in conformance with Local Government Code 171.002 (trustee interest in business entity or real property), Local Government Code 176.003 (trustee income, gifts to trustee or



superintendent); Local Government Code 176.006; and HB 1295 (disclosure of interested parties).

If, after initial review, the Board determines to proceed with consideration of the application and the District has received the application fee, the Superintendent shall:

1. Review the application, and require the applicant, as necessary, to submit additional and/or supplementary information, including the completion of all schedules required by the comptroller's rules.
2. Schedule, at the first available Board meeting for which notice can be posted in accordance with the Texas Open Meetings Act (TOMA), Board consideration of the application for initial Board review, in accordance with this policy.
3. Determine, after the initial Board review, whether the application is sufficient, and direct the applicant to immediately correct deficiencies, if any.
4. File with the comptroller in the following formats copies of the application, all required schedules and documentation, and proof of payment of the application fee; and written notice certifying the application review start date:
  - One original hard copy in a three-ring binder with tabs separating each section of the documents; and
  - An electronically digitized copy, formatted in searchable PDF format.
  - The notice certifying the application review start date shall include:
    - The date on which the application was received;
    - The date on which the Board decided to consider the application;
    - The date on which the District determined that the application was complete;
    - A request that the comptroller provide an economic impact evaluation; and
    - All other information relating to consideration of the application, as prepared by the District's consultants to meet the requirements of 34 TAC 9.1054.
5. Accept on behalf of the Board any amendments or supplements submitted by the applicant and transmit copies to the comptroller.
6. Within 20 business days of receipt of a request from the comptroller, forward to the comptroller and the appraisal district any amended or supplemental application or any other information necessary to complete the comptroller's application recommendation or economic impact study.
7. Direct the District's webmaster to create a link from the District's website to the location on the comptroller's website where copies of applications under the Act are posted.
8. Ensure that the applicant and the District's consultants conduct all required analyses to properly protect the District's financial interests and provide all required supplemental information necessary to assist the staffs of the comptroller and the Texas Education Agency (TEA) with the analyses required by the Act and the comptroller's rules.



9. Not later than 151 days after the application review start date, present to the Board an agreement for final approval or a re-request from the applicant for an extension of the application re-view period.
10. In the event of a Board action to approve an extension for final action on the application, forward to the comptroller, the applicant, and each applicable appraisal district within seven days a notice of the extension.
11. Ensure that the District and the comptroller have been given draft copies of the agreement at least ten days prior to the meeting at which the Board is scheduled to consider final approval of an agreement.
12. Upon completion of Board action, if any, on the application, ensure that all required information is transmitted to the comptroller, the applicant, and each applicable appraisal district.
13. Make reasonable inquiry, when called for by the agreement, and issue a certification of the date upon which commercial operations begin at the site of the project.
14. Ensure that the applicant makes all required post-approval submissions to the District, the comptroller, and any other applicable state agency within the required deadlines.
15. Ensure that the District makes timely responses to requests by the comptroller or state auditor for data or records when the state auditor is conducting an audit of any agreement adopted by the District.

Initial Board Review

Following the filing of an application, the Board should conduct an initial review of the application at the first available Board meeting for which notice can be posted in accordance with TOMA. At the initial review, the Board may consider either a written or oral presentation concerning the application.

If, after the initial review, the Board is of the opinion that the application is not in the best interests of the District, the Board shall reject the application and shall return the application fee, in full, to the applicant.

As a part of conducting the initial board review, each Trustee and the Superintendent shall be requested to publicly affirm the absence of a conflict of interest with the applicant in accordance with the District policies at BBFA. Thereafter, on an annual basis, each Trustee and the Superintendent shall, as a part of his or her annual conflict of interest disclosure requirements, list any business relationship with an applicant on the disclosure form.

Once the Board has accepted an application for consideration after the initial review, the Superintendent shall be expressly delegated the authority to accept on behalf of the Board and the District any amended or supplemental application submitted by the applicant for the same project prior to the comptroller's issuance of an economic impact analysis on the application pursuant to 34 TAC 9.1055(d).

Consulting Services

Upon retention by the Board, the District's consultants shall review the application to ensure that the application documents and any other required reports include all information required by the comptroller's rules or by 34 TAC 9.1054. The consultants shall simultaneously begin an analysis of the impact on District finances, any legal implications of the application, development of an appropriate revenue protection



agreement, and when the reports become available, the studies from the comptroller's office and TEA.

The consultants shall be paid for their services from the application fee. The consultants shall complete their analysis in sufficient time to be considered by the Board in its final determination on the application.

**Public Hearing** The Board's final determination of the application shall be made only after a public hearing at which the Superintendent, the District's consultants, the applicant, and members of the public shall have a reasonable opportunity to present their views on the proposed application.

The comptroller's recommendation shall be publicly disclosed at the public hearing.

The public hearing shall be scheduled at a time that enables the Board to approve or disapprove an application before the 151st day after the application was filed with the District, unless the Superintendent or Board has previously granted an extension of this deadline.

**Board Findings of Fact** Prior to final approval of an agreement, the Board shall deliberate and adopt such findings of fact regarding the application as are required by law, including but not limited to findings:

1. As to each criterion listed in Tax Code 313.026;
2. As to each criterion required by Tax Code 313.025(f-1), if applicable;
3. That the information in the application is true and correct;
4. That the applicant is eligible for the limitation on the appraised value of the entity's qualified property; and
5. That making a determination to grant the application is in the best interest of the District and the state.

**Adoption of Agreement** After considering the comptroller's certification and economic impact report, the information supplied by the District's consultants, the reports and recommendations of other state agencies, and input received at the public hearing, the Board shall consider and may adopt an agreement with the applicant, which agreement shall provide for protection from and/or compensation for any financial risks undertaken by the District in accepting the application.

If the comptroller has not certified the application, no action may be taken.

Any agreement adopted by the Board under Tax Code Chapter 313 must disclose all consideration promised in conjunction with the application and/or the limitation agreement.

**Substantive Documents** Unless claimed by the applicant to be confidential, the following shall be considered substantive documents and defined in this policy and shall be available for public inspection:

- All sections of any application;
- All reports presented to the Board by its consultants, after presentation to the Board; and



- All resolutions, findings of fact, agreements, and any other documents adopted by the Board.

All documents required by comptroller's rules or by state law to be filed with the State of Texas shall be transmitted within seven days of adoption.

**Applicant's Claim of Information Confidentiality** At the time of submitting an application or any amendment or supplement thereto, an applicant may request that all or parts of the documents not be posted on the Internet and not be otherwise publicly released. In order to make such a request, the applicant shall submit a written request that:

1. Specifically lists each document or portion of a document and each entry in any form prescribed by the comptroller that the applicant contends is confidential;
2. Identifies specific, detailed reasons why the applicant believes each item listed should be considered confidential and identifies any relevant legal authority in support of the request;
3. Segregates the documents that are subject to the request from the other documents not subject to the request but submitted with the application; and
4. Clearly designates each document subject to the request as "confidential."

**Waiver of Jobs Requirement** At the time of the original application, or at any other time during the course of a Chapter 313 agreement, the Board may waive the new jobs creation requirement of Tax Code 313.021(2)(A)(iv)(b) or 313.051(b) and may approve an application if the Board 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 described in the application.

If the applicant seeks a job waiver, the applicant shall submit to the District as part of the application or an amended application a separate, clearly marked set of documentation on which the applicant intends to rely to demonstrate that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility by the applicant.

In the event that such a request is made other than at the time of the original application, the Board shall charge an application amendment fee.

**Enforcement Proceedings** In the event that the Superintendent determines that an agreement holder has committed a material breach of the agreement with the District, the Superintendent shall provide the applicant with written notice of the facts the Superintendent believes to have caused the material breach of the agreement, as well as the cure proposed by the District, if a cure is possible.

Not later than the 90th day after sending such a notice, the Superintendent shall schedule a Board hearing, at which the agreement holder shall be given the opportunity to present to the Board any facts or arguments showing that it is not in material breach of its obligations under the agreement or that it has cured or undertaken to cure any such material breach.

After hearing from both sides, the Board shall make findings as to whether or not a material breach of the agreement has occurred, the date such breach occurred, if any, and whether any such breach has been cured. After making its determination regarding an



alleged breach, the Board shall cause the agreement holder to be notified in writing of the determination.

In the event that the Board determines that such a breach has occurred and has not been cured, the Board may commence enforcement proceedings.

**Tax Credit Eligibility** An applicant meeting all requirements in Tax Code Chapter 313 and the agreement shall become eligible to receive tax credits under the provisions of Tax Code Chapter 313, Subchapter D. The District shall begin the processing of an applicant's tax credit request following the payment by the applicant of all ad valorem taxes due to the district of taxes levied in each year of the qualifying time period as defined by Tax Code 313.021(4).

**Tax Credit Application Requirements** An applicant seeking tax credits under the provisions of Tax Code Chapter 313, Subchapter D must file with the District a completed comptroller's tax credit application form signed by the applicant. The submission shall not be earlier than the date the property taxes are paid for the last year of the qualifying time period. The comptroller's form shall be accompanied by a tax receipt from the collector of taxes for the District showing full payment of District ad valorem taxes on the qualified property for each year of the qualifying time period.

**Applicant Reporting Obligations** During the course of its Chapter 313 agreement with the District, the agreement holder shall designate a responsible party to the District, who shall be the primary contact person for the agreement holder. The agreement holder shall be responsible for timely making any and all reports, including but not limited to the comptroller's annual eligibility report and the biennial progress report, that are or may be required under the provisions of law or administrative regulation and that may be required to be submitted by the applicant to the comptroller under provisions of Tax Code 313.032. The agreement holder shall forward to the District a copy of all such required reports or certifications contemporaneously with the filing thereof. The obligation to make all such required filings shall be a material obligation of the agreement.

An agreement holder shall keep the District updated with any changes in the following information:

1. Changes of the authorized representatives;
2. Changes to the location and contact information for the approved applicant, including all members of the combined group participating in the limitation agreement;
3. Copies of any assignments of the agreement and contact information for authorized representatives of any assignees;
4. All required comptroller reports;
5. Required updates to vendor conflict of interest disclosure forms; and
6. Any other significant developments concerning the project's operations affecting the agreement.

**District Reporting Obligations** If the comptroller requests information reasonably necessary to complete the recommendation or economic impact evaluations, the Superintendent shall provide the requested information within 20 working days from the date of the request. The Superintendent may request an extension of time, not to exceed ten working days, to provide to the comptroller the additional information.



**Superintendent Responsibilities/ Delegation** During the term of any agreement, the Superintendent shall ensure that all calculations, reporting, and other requirements under the agreement and Chapter 313 are completed by the District and the agreement holder. The Superintendent is authorized to engage, as desired or necessary, one or more consultants to timely fulfill the requirements. Any fees for the consultants shall be reimbursed to the District by the applicant, or, in the alternative, the consultant may send an invoice for such fees directly to the agreement holder, with a copy and proof of timely payment to be provided to the District by the agreement holder.

**Access to Information** The Superintendent shall provide to the applicant and the District's consultants a copy of the economic impact evaluation and the facilities impact study upon receipt thereof.

The Superintendent shall direct the District's consultant to provide backup data and underlying calculations in the event that an agreement holder requests such information in connection with the calculation of any tax credit, hold harmless payment, supplemental payment or other payment charged to the agreement holder on the basis of calculations made by the consultant on the District's behalf.

**Foreign Trade Zone** In the event that the District is requested to indicate its support or "non-opposition" to a proffered application to the Foreign Trade Zones Board concerning the creation of a new Foreign Trade Zone or the expansion of an existing Foreign Trade Zone in accordance with the provisions of 19 U.S.C. 810(e) that is within the territorial boundaries of the District, the Board may require the proponent or operator of the Foreign Trade Zone to enter into an agreement outlining financial and/or other appropriate terms relating to the District's support for the Foreign Trade Zone request.

In negotiating such agreement, the District may engage attorneys and/or appropriate consultants to advise them in the review of the Foreign Trade Zone application. The Foreign Trade Zone proponent or operator shall reimburse the District for all necessary and reasonable legal, consulting, or other professional fees incurred by the District in connection with review of the Foreign Trade Zone request and the negotiation and drafting of an appropriate agreement.





# Tab 17

## *Signatures and Certifications*

**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** ▶

Larry Proctor Jr.  
Print Name (Authorized School District Representative)

Superintendent  
Title

**sign here** ▶

[Signature]  
Signature (Authorized School District Representative)

5.11.2020  
Date

**2. Authorized Company Representative (Applicant) Signature and Notarization**

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

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

**print here** ▶

\_\_\_\_\_  
Print Name (Authorized Company Representative (Applicant))

\_\_\_\_\_  
Title

**sign here** ▶

\_\_\_\_\_  
Signature (Authorized Company Representative (Applicant))

\_\_\_\_\_  
Date

GIVEN under my hand and seal of office this, the

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires: \_\_\_\_\_

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

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

John DiDonato  
Print Name (Authorized Company Representative (Applicant))

Vice President  
Title

sign here

[Handwritten Signature]  
Signature (Authorized Company Representative (Applicant))

5/11/2020  
Date

GIVEN under my hand and seal of office this, the

11 day of May

[Handwritten Signature]  
Notary Public in and for the State of Texas

My Commission expires: 3-28-2024



(Notary Seal)

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.