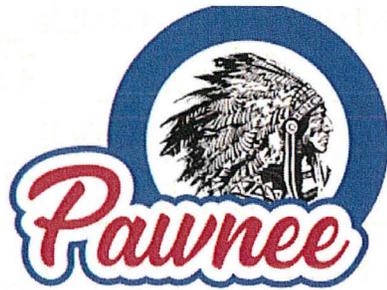


Pawnee Independent School District

313 Application with Helena Wind, LLC

January 14, 2020



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>

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

01/14/2020
Date Application Received by District

Michelle
First Name

Hartmann
Last Name

Superintendent
Title

Pawnee Independent School District
School District Name

6229 FM 798 P.O. Box 569
Street Address

6229 FM 798 P.O. Box 569
Mailing Address

Pawnee
City

Texas
State

78145
ZIP

361-456-7256
Phone Number

361-456-7388
Fax Number

mhartmann@pawneeisd.net
Email Address

Mobile Number (optional)

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Mali	Hanley
First Name	Last Name
Consultant	
Title	
O'Hanlon, Demerath & Castillo	
Firm Name	
512-494-9949	512-494-9919
Phone Number	Fax Number
	mhanley@808west.com
Mobile Number (optional)	Email Address

January 15, 2020

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

Philip	Moore
First Name	Last Name
Senior Vice President - Development	Orsted Onshore North America, LLC
Title	Organization
401 N. Michigan Ave., Suite 501	
Street Address	
401 N. Michigan Ave., Suite 501	
Mailing Address	
Chicago	IL
City	State
512-767-7461	60611
Phone Number	ZIP
	312-527-0538
	Fax Number
	pmoore@lincolnclean.com
Mobile Number (optional)	Business Email Address

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

Eric	Barnett
First Name	Last Name
Director of Development	Orsted Onshore North America, LLC
Title	Organization
401 N. Michigan Ave , Suite 501	
Street Address	
401 N. Michigan Ave , Suite 501	
Mailing Address	
Chicago	IL
City	State
(512) 484-4613	60611
Phone Number	ZIP
	(312) 527-0538
	Fax Number
	ebarnett@lincolnclean.com
Mobile Number (optional)	Business Email Address

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

David Sewell
 First Name Last Name
 Attorney
 Title
 Stahl, Davies, Sewell, Chavarria & Friend, LLP
 Firm Name
 (512) 346-5558 (512) 346-2712
 Phone Number Fax Number
 dsewell@sbaustilaw.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? Helena Wind, LLC
- List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32066921225
- List the NAICS code 221115
- 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 Corporation
- 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 type="checkbox"/> Land has no existing improvements	<input checked="" type="checkbox"/> Land has existing improvements <i>(complete Section 13)</i>
<input type="checkbox"/> Expansion of existing operation on the land <i>(complete Section 13)</i>	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

- 1. Application approval by school board 06/30/2020
- 2. Commencement of construction Q2 2021
- 3. Beginning of qualifying time period 06/30/2020
- 4. First year of limitation 01/01/2022
- 5. Begin hiring new employees Q2 2022
- 6. Commencement of commercial operations Q2 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? 05/01/2022

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Bee County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Bee County Central Appraisal District
- 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: Bee County, 0.67782, 100% 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): Coastal Bend College, .17687, 100% Other (describe): N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
- 5. Is the project located entirely within the ISD listed in Section 1? Yes No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
- 6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

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

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).

2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? Yes No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).

3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? Feb. 2020

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? 4
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 a. Average weekly wage for all jobs (all industries) in the county is 707.25
 b. 110% of the average weekly wage for manufacturing jobs in the county is 975.98
 c. 110% of the average weekly wage for manufacturing jobs in the region is 1,254.80
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? 50,750.96
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 50,751.00
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**.

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

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

Tab Item 3

Documentation of Combined Group Membership under Texas Tax Code 171.0001(7)

Documentation from Texas Comptroller's Franchise Tax Division to demonstrate combined group membership:

1. Helena Wind, LLC is a Delaware Limited Liability Company formed on April 16th, 2018.
2. Helena Wind, LLC is registered in the State of Texas as a foreign limited liability company, File Number 802994591, in the Office of the Secretary of State. Taxpayer number 32066921225.
3. Helena Wind, LLC has one member with 100% ownership, Lincoln Clean Energy, LLC, which is registered in the State of Texas as a foreign limited liability company, File Number 0802369618, in the Office of the Secretary of State. Taxpayer number 32059303761.
4. Contact information for Helena Wind, LLC is as follows:
 - a. Contact: Philip Moore
 - b. Phone: (512) 767 – 7461
 - c. Email: pmoore@lincolnclean.com
5. Helena Wind, LLC will appear as an affiliate on the combined group report filed by Orsted Onshore North America, LLC beginning with franchise tax report year 2020.

Tab Item 4

Detailed Description of the Project

Provide 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.

Helena Wind, LLC ("Helena Wind") is requesting a Chapter 313 Appraised Value Limitation Agreement from Pawnee ISD for a proposed renewable energy project using wind turbines (the "Project") to be constructed partially in Pawnee ISD (Bee County) and partially in Pettus ISD (Bee County). The portion of the Project located in Pawnee ISD is the subject of this application. The portion of the Project located in Pettus ISD may be the subject of an application.

The installed capacity of the proposed project is expected to be approximately 252 megawatts (MW). While turbine type and size have yet to be finalized, the current plan is to utilize approximately 60 Vestas V150-4.2 4.2 MW wind turbine generators with 105m towers and rotors of 150m diameter. The Project is anticipated to cover approximately 25,000 acres of privately-owned land, all currently used as farmland or pasture, and such uses can continue as the Project is designed to be compatible with such activities. Construction of the Project is expected to commence in the second quarter of 2021 and is anticipated to be complete in the second quarter of 2022. The siting of the wind turbine generators is currently proposed to be allocated among the school districts as follows:

Pawnee ISD

48 turbines for a total of 201.6 MW

Pettus ISD

12 turbines for a total of 50.4 MW

In addition to the wind turbines, the Project will also include the following improvements in Pawnee ISD:

- An operations and maintenance building
- a series of new access roads to the turbines
- underground electrical collection cables
- meteorological towers
- substation
- overhead transmission line connecting to a substation at the Point of Interconnection

Tab Item 5

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

Helena Wind, LLC is a Delaware limited liability company. Helena Wind, LLC has one member with 100% ownership, Orsted Onshore North America, LLC (“Orsted”). Orsted has successfully developed projects involving over \$1 billion in capital investment in some of the largest electricity markets in the United States, including California, New Jersey, Nebraska, South Dakota, and Texas.

The Applicant for this Project has entered into several contracts related to the project, including long-term lease option agreements with area landowners and service agreements and scopes with various consultants (environmental, airspace, etc.) to assess the suitability of the site, and a request for studies leading to an interconnection agreement with the transmission provider. None of these contracts obligate Applicant to construct the Project, and each of these contracts may be terminated by Applicant without incurring any significant liability.

The Project was previously known by the name “Foxtrot Wind, LLC.” The Project applied to ERCOT on July 26, 2018, and it has been assigned GINR number 20INR0129.

For the project to qualify for the federal income tax Production Tax Credit (PTC), the Applicant was required to complete a minimum amount of PTC qualification work before the statutorily imposed deadline of December 31, 2018. This work consisted of earth-moving to prepare eight (8) holes for turbine foundations (though foundations were not installed) and installation of 4,000 linear feet of road connecting three foundation holes. These preconstruction activities were not deemed taxable improvements by the Bee County Central Appraisal District and no tax bill was delivered.

The Applicant’s completion of the minor amount of PTC work qualification work does not, either legally or financially, commit it to constructing the Project in Bee County.

The Applicant is a national wind developer with the ability to locate projects of this type in other states within the United States and other regions within Texas with favorable wind characteristics. The Applicant is actively assessing and developing other projects outside of Texas that are competing for limited investment funds. The applicant’s current projects in development include projects in the following states: Florida, Illinois, Missouri, Nebraska, South Dakota, Colorado, and Virginia. This appraised value limitation is critical to the ability of the Project to move forward as currently sited.

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 significantly decrease. The Applicant for this project is competing against other developers who have been offered or are in the process of applying for Value Limitation Agreements with other school districts.

Obtaining the limitation is critical to the economic and competitive viability of this Project. Without the limitation approval, the Applicant would likely terminate the Project, including the aforementioned contracts, leases, and limited improvements, in order to reallocate resources in areas with more favorable economics.

Tab Item 6

The overall project is anticipated to have a capacity of 252 MW consisting of sixty (60) Vestas V150-4.2 4.2 MW wind turbine generators. The siting of the turbines will be allocated among the school districts as follows:

Pawnee ISD

48 turbines for a total capacity of 201.6 MW

Pettus ISD

12 turbines for a total capacity of 50.4 MW

Based on the location of the turbines shown above, 80% of the Project is in Pawnee ISD, and 20% of the Project is in Pettus ISD.

100% of the Project is in Bee County.

The Project's Operations & Maintenance building and substation will be in Pawnee ISD.

Tab Item 7

Description of Qualified Investment

Helena Wind, LLC plans to construct a 252 MW wind farm consisting of 60 turbines in Bee county within the boundaries of Pawnee ISD and Pettus ISD.

The applicant is requesting an appraised value limitation on all the qualified investment and the qualified property constructed or placed upon the real property within Pawnee ISD. For purposes of this application, the Project anticipates using Vestas V150-4.2 4.2 MW turbines. The qualified investment in Pawnee ISD is expected to include approximately forty-eight (48) Vestas V150-4.2 4.2 MW wind turbine generators, including 105m towers, nacelles, rotors with 150m rotor diameter, and reinforced concrete foundations, pads, underground and overhead electric collection cables, met towers, and control systems as necessary for the commercial generation of electricity. While the turbine locations have not yet been finalized, they are expected to be sited in a series of rows running approximately east to west in the northern part of Bee county. The map in Tab 11 shows the preliminary turbine locations. The exact placement of these turbines, as well as the exact specifications, heights, and component parts, is subject to ongoing planning, soil and geotechnical studies, and engineering and will be determined before construction commences.

In addition to the wind turbines, the project will also include the following qualified investment in Pawnee ISD:

- Access roads to the turbines
- Underground electrical collection cables
- Permanent meteorological towers
- Overhead transmission line connecting the project substation to the Point of Interconnection
- Operations and Maintenance Building
- Project Substation

The approximate location of each of these improvements is shown on the map in Tab 11.

Tab Item 8

Description of Qualified Property

Helena Wind, LLC plans to construct a 252 MW wind farm consisting of 60 turbines in Bee county within the boundaries of Pawnee ISD and Pettus ISD.

The applicant is requesting an appraised value limitation on all the qualified investment and the qualified property constructed or placed upon the real property within Pawnee ISD. For purposes of this application, the Project anticipates using Vestas V150-4.2 4.2 MW turbines. The qualified investment in Pawnee ISD is expected to include approximately forty-eight (48) Vestas V150-4.2 4.2 MW wind turbine generators, including 105m towers, nacelles, rotors with 150m rotor diameter, and reinforced concrete foundations, pads, underground and overhead electric collection cables, met towers, and control systems as necessary for the commercial generation of electricity. While the turbine locations have not yet been finalized, they are expected to be sited in a series of rows running approximately east to west in the northern part of Bee county. The map in Tab 11 shows the preliminary turbine locations. The exact placement of these turbines, as well as the exact specifications, heights, and component parts, is subject to ongoing planning, soil and geotechnical studies, and engineering and will be determined before construction commences.

In addition to the wind turbines, the project will also include the following qualified investment in Pawnee ISD:

- Access roads to the turbines
- Underground electrical collection cables
- Permanent meteorological towers
- Overhead transmission line connecting the project substation to the Point of Interconnection
- Operations and Maintenance Building
- Project Substation

The approximate location of each of these improvements is shown on the map in Tab 11.

Tab Item 9

Description of Land

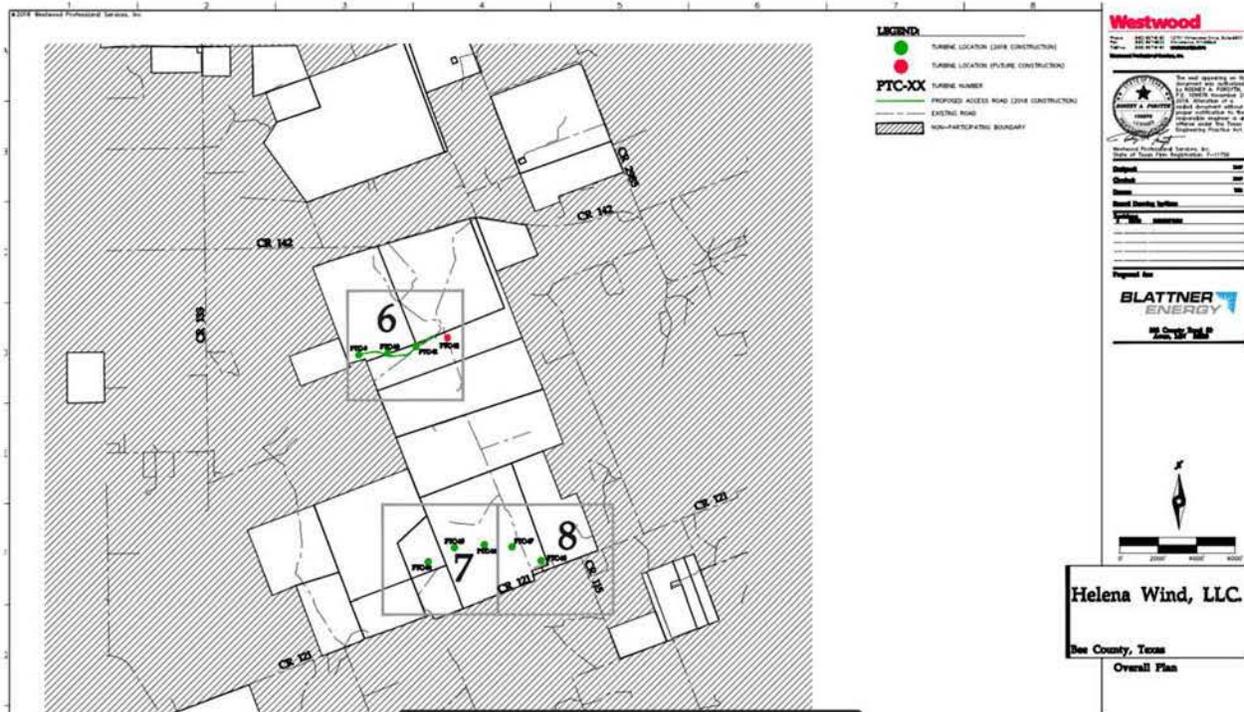
The land will not be part of the qualified property for the Project.

Tab Item 10

Description of all property not eligible to become qualified property

Applicant completed a minor amount of pre-construction work in December of 2018 at the Project site in order to qualify the Project for the federal income tax Production Tax Credit in accordance with federal law. This pre-construction work consisted of earth-moving to prepare eight (8) holes for turbine foundations (though turbine foundations were not installed) and the installation and completion of 4,000 linear feet of road connecting three foundation holes. These preconstruction activities were not deemed to have created taxable improvements by the Bee County Central Appraisal District, and no tax bill was delivered. The pre-construction activities did not result in the creation of any Qualified Property.

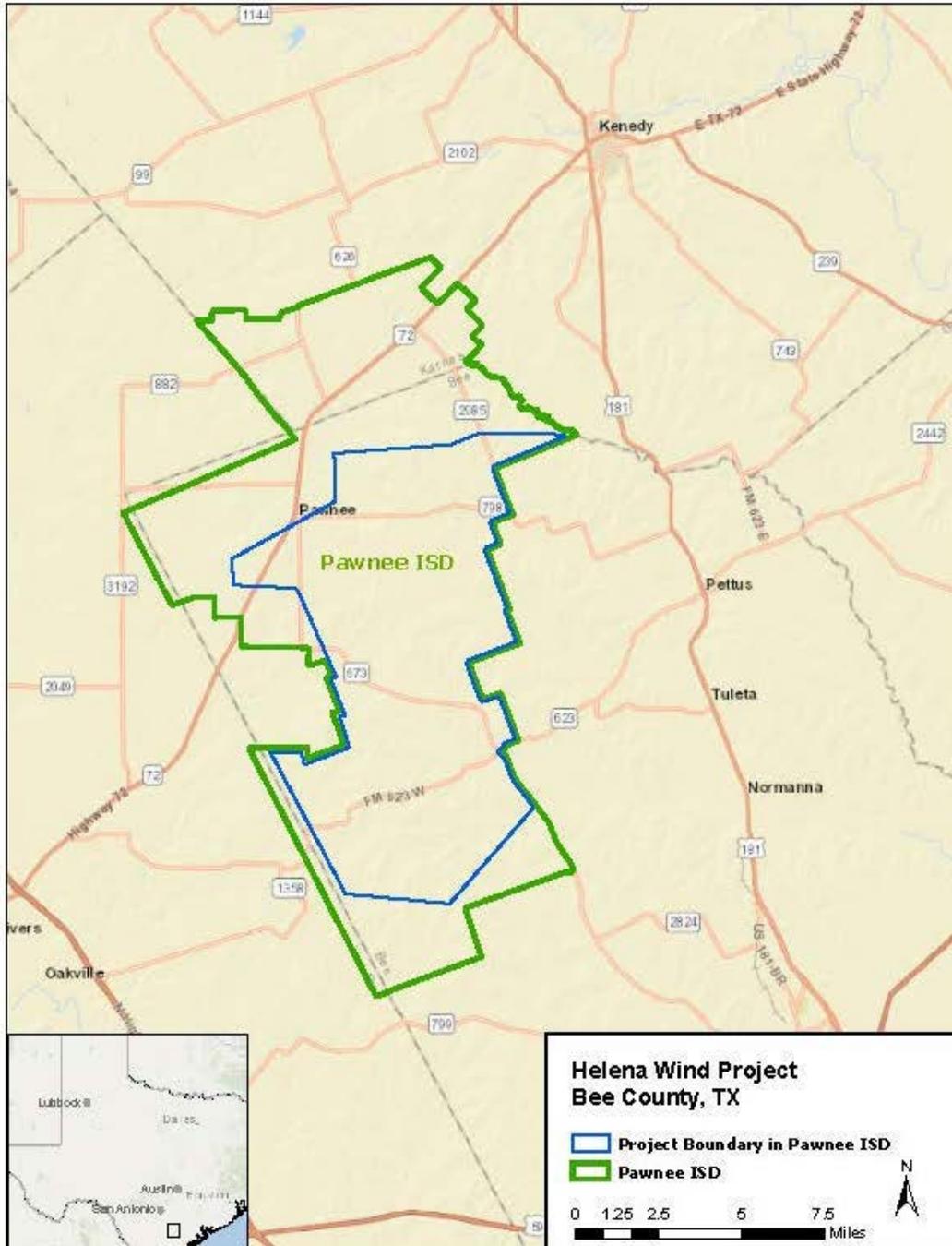
The 2018 pre-construction activities are represented with a map below:



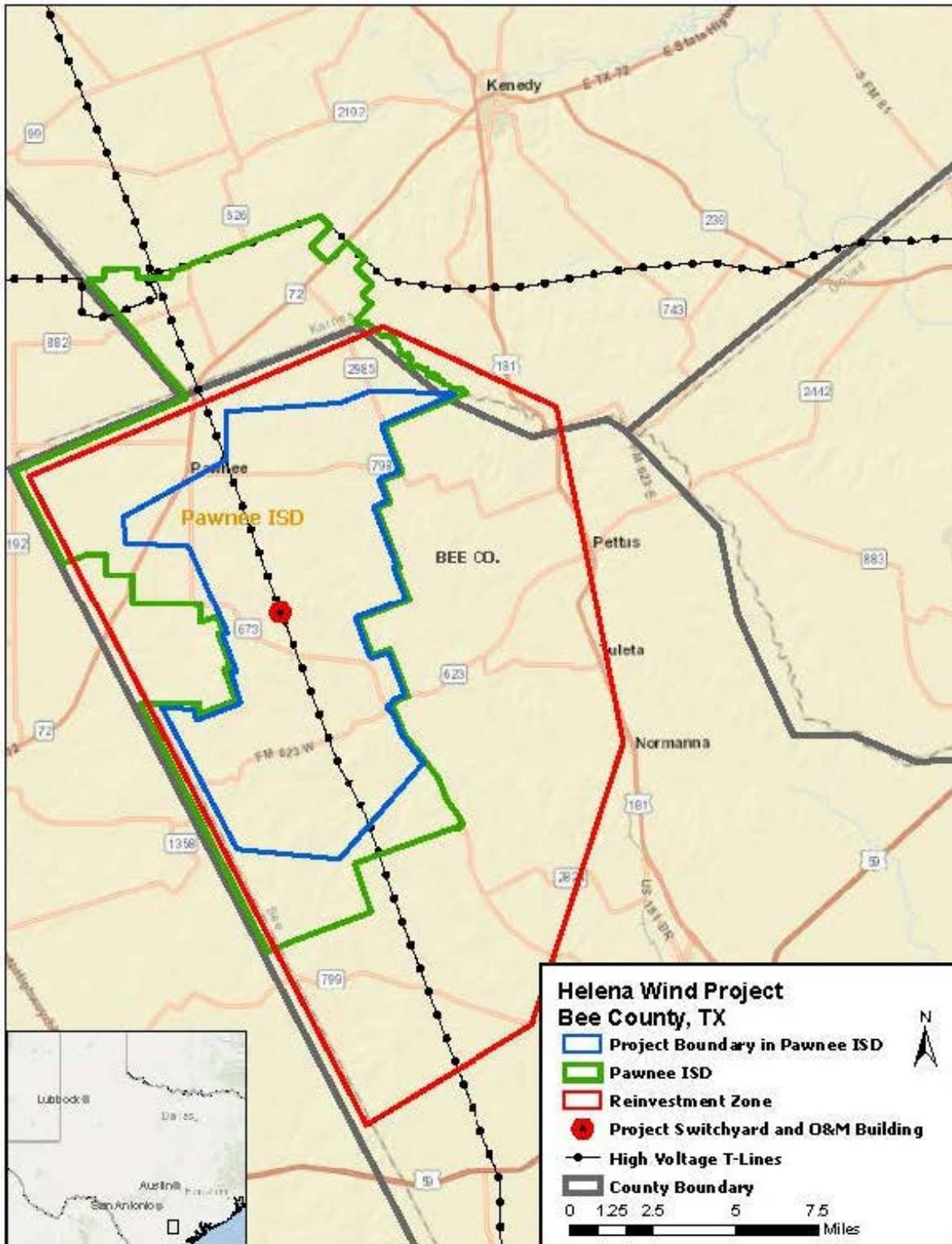
Tab Item 11

Maps

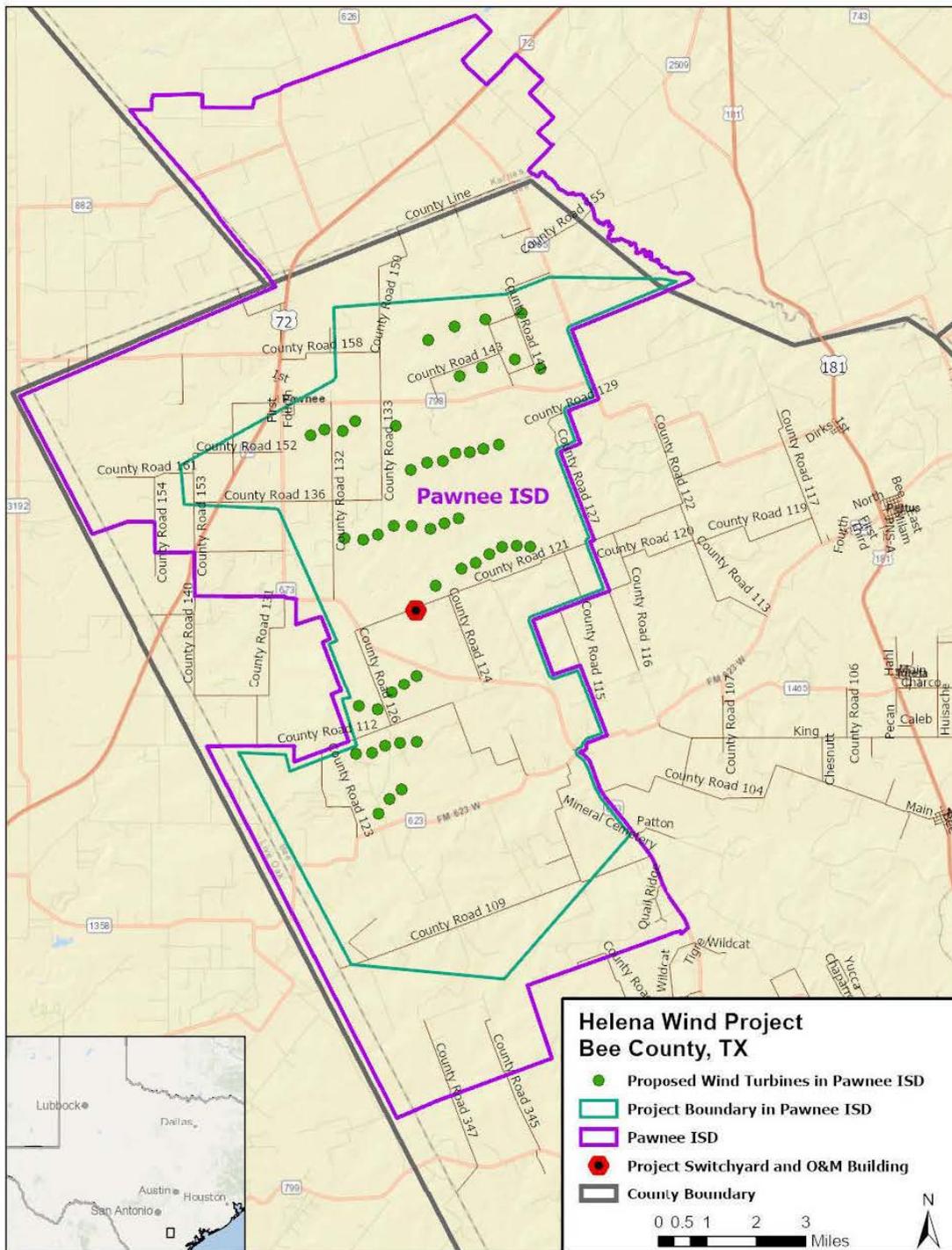
Vicinity Map:



Location of Bee County, Pawnee ISD, Bee County Reinvestment Zone, Project Boundary:



Location of Pawnee ISD Boundary, Bee County Boundary, Reinvestment Zone, Project Boundary, Qualified Investment, and Qualified Property:



Tab Item 12
Request for Waiver of Job Creation Requirement

See attached letter. Based on the attached letter, Helena Wind, LLC is committing to creating five (5) jobs to support the entire project. Although no individual employees will be assigned specifically to manage the portions of the Project in Pawnee ISD or Pettus ISD, based on the number of turbines located in each school district, the created jobs will be allocated among the school districts as follows:

Pawnee ISD

4 jobs

Pettus ISD

1 job

January 14, 2020

Superintendent Hartmann
Pawnee ISD
6229 FM 798 P.O. Box 569
Pawnee, TX 78145

Re: Chapter 313 Job Waiver Request

Dear Superintendent Hartmann,

Please consider this letter to be Helena Wind, 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. Wind energy projects create many 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 wind industry, approximately 1 full time job is required for every 15 wind turbine generators installed. We expect to install fifty-seven (57) wind turbine generators in Pawnee ISD. As such we can commit to creating four (4) full-time positions in Pawnee ISD. This position would be a qualifying job as described in Section 313.021(3) of the Texas Tax Code.

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

Kind Regards,



Eric Barnett
Director of Development
Helena Wind, LLC

Tab Item 13

Calculation of three possible wage requirements with TWC documentation

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for All Jobs (All Industries) in Bee County

Year	Period	Area	Ownership	Ind-Code	Industry	Avg. Weekly Wages
2018	3 rd Qtr	Bee	Total All	10	Total, All Industries	\$705
2018	4 th Qtr	Bee	Total All	10	Total, All Industries	\$716
2019	1 st Qtr	Bee	Total All	10	Total, All Industries	\$692
2019	2 nd Qtr	Bee	Total All	10	Total, All Industries	\$716
Average						\$707.25

110% of \$707.25 = \$777.98

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	Bee	Total All	10	Total, All Industries	735	
2018	02	Bee	Total All	10	Total, All Industries	691	
2018	03	Bee	Total All	10	Total, All Industries	705	
2018	04	Bee	Total All	10	Total, All Industries	716	
2019	01	Bee	Total All	10	Total, All Industries	692	
2019	02	Bee	Total All	10	Total, All Industries	716	

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for Manufacturing Jobs in Bee County

Year	Period	Area	Ownership	Ind-Code	Industry	Avg. Weekly Wages
2018	3 rd Qtr	Bee	Private	31-33	Manufacturing	\$873
2018	4 th Qtr	Bee	Private	31-33	Manufacturing	\$994
2019	1 st Qtr	Bee	Private	31-33	Manufacturing	\$763
2019	2 nd Qtr	Bee	Private	31-33	Manufacturing	\$919
Average						\$887.25

110% of \$887.25 = \$975.98

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	Bee	Private	31-33	Manufacturing	1,323
2018	02	Bee	Private	31-33	Manufacturing	1,028
2018	03	Bee	Private	31-33	Manufacturing	873
2018	04	Bee	Private	31-33	Manufacturing	994
2019	01	Bee	Private	31-33	Manufacturing	763
2019	02	Bee	Private	31-33	Manufacturing	919

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for Manufacturing Jobs in Region

Bee County is included in the Coastal Bend Council of Governments. The most recently reported (2018) average wage for the Coastal Bend Council of Governments is \$59,318.

$$\$59,318 / 52 = \$1,140.73$$

$$110\% \text{ of } \$1,140 = \$1,254.80$$

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

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

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

Data published: July 2019

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

Annual wage figure assumes a 40-hour work week.

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

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

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

Tab Item 14

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

See Attached

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

Date

Applicant Name

Helena Wind, LLC

Form 50-296A

ISD Name

Pawnee ISD

Revised May 2014

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 <u>not</u> 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			[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	2020	2020-2021	2020					
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period								\$0
Complete tax years of qualifying time period	2021	2021-2022	2021					\$0
	2022	2022-2023	2022	\$240,600,000	\$1,000,000			\$241,600,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$240,600,000	\$1,000,000	\$0	\$0	\$241,600,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$241,600,000				

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 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
 Applicant Name **Helena Wind, LLC**
 ISD Name **Pawnee ISD**

Form 50-296A
 Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated investment in each year. Do not put cumulative totals.)								
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property [SEE NOTE]	Column E Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		\$240,600,000	\$1,000,000	\$0	\$0	\$241,600,000
Enter amounts from TOTAL row in Schedule A1 in the row below								
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2020-2021	2020					
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2021-2022	2021	\$240,600,000	\$1,000,000	\$0	\$0	\$241,600,000
	1	2022-2023	2022	\$0	\$0	\$0	\$0	\$0
	2	2023-2024	2023	\$0	\$0	\$0	\$0	\$0
	3	2024-2025	2024	\$0	\$0	\$0	\$0	\$0
	4	2025-2026	2025	\$0	\$0	\$0	\$0	\$0
	5	2026-2027	2026	\$0	\$0	\$0	\$0	\$0
	6	2027-2028	2027	\$0	\$0	\$2,000,000	\$0	\$2,000,000
	7	2028-2029	2028	\$0	\$0	\$2,000,000	\$0	\$2,000,000
	8	2029-2030	2029	\$0	\$0	\$2,000,000	\$0	\$2,000,000
	9	2030-2031	2030	\$0	\$0	\$2,000,000	\$0	\$2,000,000
	10	2031-2032	2031	\$0	\$0	\$2,000,000	\$0	\$2,000,000
Total Investment made through limitation				\$240,600,000	\$1,000,000	\$10,000,000	\$0	\$249,600,000
Continue to maintain viable presence	11	2032-2033	2032			\$3,000,000		\$3,000,000
	12	2033-2034	2033			\$3,000,000		\$3,000,000
	13	2034-2035	2034			\$3,000,000		\$3,000,000
	14	2035-2036	2035			\$3,000,000		\$3,000,000
	15	2036-2037	2036			\$3,000,000		\$3,000,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037			\$3,000,000		\$3,000,000
	17	2038-2039	2038			\$3,000,000		\$3,000,000
	18	2039-2040	2039			\$3,000,000		\$3,000,000
	19	2040-2041	2040			\$3,000,000		\$3,000,000
	20	2041-2042	2041			\$3,000,000		\$3,000,000
	21	2042-2043	2042			\$3,000,000		\$3,000,000
	22	2043-2044	2043			\$3,000,000		\$3,000,000
	23	2044-2045	2044			\$3,000,000		\$3,000,000
	24	2045-2046	2045			\$3,000,000		\$3,000,000
	25	2046-2047	2046			\$3,000,000		\$3,000,000

* 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

*** 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

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 C: Employment Information

Date

Applicant Name

Helena Wind, LLC

Form 50-296A

ISD Name

Pawnee ISD

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
				Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020					
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021	180 FTEs	\$40,000	0	0	
	1	2022-2023	2022	N/A	N/A	0	4	\$50,751.00
	2	2023-2024	2023	N/A	N/A	0	4	\$50,751.00
	3	2024-2025	2024	N/A	N/A	0	4	\$50,751.00
	4	2025-2026	2025	N/A	N/A	0	4	\$50,751.00
	5	2026-2027	2026	N/A	N/A	0	4	\$50,751.00
	6	2027-2028	2027	N/A	N/A	0	4	\$50,751.00
	7	2028-2029	2028	N/A	N/A	0	4	\$50,751.00
	8	2029-2030	2029	N/A	N/A	0	4	\$50,751.00
	9	2030-2031	2030	N/A	N/A	0	4	\$50,751.00
	10	2031-2032	2031				4	\$50,751.00
Years Following Value Limitation Period	11 through 25	2032-2047	2032-2046	N/A	N/A	0	4	\$50,751.00

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)
If yes, answer the following two questions:

Yes No

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

Yes No

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

Yes No

Schedule D: Other Incentives (Estimated)

Date
 Applicant Name
 ISD Name

Helena Wind, LLC
 Pawnee ISD

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
Tax Code Chapter 311	County:	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Tax Code Chapter 312	County: Bee County	2022	10 years	\$705,660	\$387,660 (54.93%)	\$318,000
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Local Government Code Chapters 380/381	County:	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Freeport Exemptions	N/A	N/A	N/A	N/A	N/A	N/A
Non-Annexation Agreements	N/A	N/A	N/A	N/A	N/A	N/A
Enterprise Zone/Project	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development Corporation	N/A	N/A	N/A		N/A	
Texas Enterprise Fund	N/A	N/A	N/A		N/A	
Employee Recruitment	N/A	N/A	N/A		N/A	
Skills Development Fund	N/A	N/A	N/A		N/A	
Training Facility Space and Equipment	N/A	N/A	N/A		N/A	
Infrastructure Incentives	N/A	N/A	N/A		N/A	
Permitting Assistance	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
TOTAL				\$705,660	\$387,660	\$318,000

Additional information on incentives for this project:

Tab Item 15

Economic Impact Analysis

Not applicable.

Tab Item 16

Description of Reinvestment Zone

COUNTY JUDGE:
Stephanie A. Moreno
COUNTY CLERK:
Mirella Escamilla Davis
DISTRICT CLERK:
Zenaida R. Silva
COUNTY ATTORNEY:
Mike Knight
SHERIFF:
Alden Southmayd
TAX ASSESSOR – COLLECTOR
Linda G. Bridge



COMMISSIONER PRECINCT 1:
Carlos Salazar, Jr.
COMMISSIONER PRECINCT 2:
Dennis DeWitt
COMMISSIONER PRECINCT 3:
Eloy Rodriguez
COMMISSIONER PRECINCT 4:
Ken Haggard
COUNTY AUDITOR:
April Cantu

RESOLUTION ELECTING TO BECOME ELIGIBLE TO PARTICIPATE IN TAX ABATEMENT AND ORDER ADOPTING UPDATED GUIDELINES AND CRITERIA FOR GRANTING TEMPORARY PROPERTY TAX ABATEMENTS

WHEREAS, the Property Redevelopment and Tax Abatement Act (the "Act"), Chapter 312 of the Texas Tax Code authorizes counties, cities and other taxing units to provide temporary property tax abatement for limited periods of time as an inducement for the development or redevelopment of a property; and,

WHEREAS, the Act further requires that in order to become eligible to participate in tax abatement, a county or other taxing unit must adopt a resolution stating its election to do so and adopt guidelines and criteria for property tax abatement agreements; and,

WHEREAS, the Commissioners Court of Bee County previously adopted Guidelines and Criteria for Property Tax Abatement, but more than two years have elapsed since such action and such Guidelines and Criteria have expired.

NOW, THEREFORE, BE IT ORDERED, by the Commissioners Court of Bee County, that the County is eligible to participate in tax abatement and further ORDERS adoption of the updated Guidelines and Criteria attached hereto as Exhibit A in accordance with the requirements of the Act.

DULY ADOPTED BY VOTE OF THE COMMISSIONERS COURT OF BEE COUNTY, TEXAS, ON THIS THE 28th DAY OF AUGUST, 2017.


STEPHANIE MORENO
Bee County Judge


CARLOS SALAZAR JR.
Commissioner, Precinct 1


SAMMY G. FARIAS
Commissioners, Precinct 3


DENNIS DEWITT
Commissioner, Precinct 2


KENNETH HAGGARD
Commissioners, Precinct 4

ATTEST:

COUNTY CLERK, BEE COUNTY, TEXAS

BY: 
MIRELLA ESCAMILLA DAVIS, Bee County Clerk

GUIDELINES AND CRITERIA

Tax Abatement or Phase-In

Bee County, Texas

WHEREAS, Bee County recognizes that an active program of economic development is necessary to the economic welfare of the community and its citizens;

WHEREAS, Bee County recognizes that the attraction of long-term investment and the establishment of new jobs in the area would enhance the economic base of area taxing entities;

WHEREAS, Bee County recognizes that abatement or phase-in of certain taxes can be an effective economic incentive to attract or retain businesses to the community;

WHEREAS, Bee County recognizes that abatement or phase-in of certain taxes will allow Bee County to be competitive in attracting economic growth and be of benefit to all the citizens of the community;

WHEREAS, Bee County acknowledges that both the retention of economic assets and existing jobs and the creation of new jobs and economic endeavors have an important place in striking a positive economic balance in Bee County. These Guidelines and Criteria for seeking tax abatement from Bee County are intended to be flexible and special circumstances may lead the Commissioners Court to tailor individual tax abatement agreements to specific circumstances;

WHEREAS, the Texas Property Redevelopment and Tax Abatement Act provides that a county may not enter into a tax abatement agreement or designate an area as a reinvestment zone unless Bee County has established guidelines and criteria governing tax abatement agreements by the county; and

WHEREAS, the Texas Property Redevelopment and Tax Abatement Act further provides that the guidelines and criteria adopted by a county are effective for two years from the date adopted;

NOW, THEREFORE Bee County sets forth these Guidelines and Criteria for tax abatement or tax phase-in within its respective jurisdictions as follows:

Section 1 Definitions

The following defined terms shall have the following definitions when capitalized herein:

1. **"Abatement"** means the full or partial exemption from ad valorem taxes of certain real property in a Reinvestment Zone designated by an Affected Jurisdiction for economic development purposes.
2. **"Affected Jurisdiction"** means Bee County and any municipality or school district, the majority of which is located in Bee County that levies ad valorem taxes upon and

provides services to property located within the proposed or existing Reinvestment Zone designated by Bee County.

3. **"Agreement"** means written contractual agreement between a property owner and/or lessee and an Affected Jurisdiction for the purposes of tax abatement.
4. **"Base Year Value"** means the assessed value of eligible property January 1 preceding the execution of the Agreement plus (if applicable) the agreed upon value of eligible property improvements made after January 1 but before the execution of the Agreement.
5. **"Deferred Maintenance"** means improvements necessary for continued operations, which do not improve productivity or alter the process technology.
6. **"Distribution Center Facility"** means buildings and structures, including machinery and equipment, used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility operator where a majority of the goods or services are distributed to points at least 25 miles from its location in Bee County.
7. **"Expansion"** means the addition of buildings, structures, machinery or equipment for purposes of increasing production capacity.
8. **"Facility"** means property improvements completed or in the process of construction which together comprise an integral whole.
9. **"Manufacturing Facility"** means buildings and structures, including fixed in place machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
10. **"Modernization"** means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed in place machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.
11. **"New Facility"** means a property previously undeveloped that is placed into service by means other than or in conjunction with expansion or modernization.
12. **"New Jobs"** means employees associated with the authorized facility on a full-time permanent basis in Bee County within one year of production start-up. These jobs:
 - a. Must be dependent upon the proposed project (i.e. the positions would not exist if the project is not completed); and
 - b. Must NOT simply relocate current employees within the company without the employee's previous position being filled. (i.e. Company employment 1 year from start-up must be equal to or greater than the current employment listed on the application plus

the number of new jobs.)

13. **"Other Basic Industry"** means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services, including, but not limited to, electricity and power, which serve a market primarily outside of Bee County and result in the creation of new permanent jobs and create new tax base in Bee County.
14. **"Phase-In"** means the incremental increase of taxes over a period of four to eight years until full local taxation is reached, according to the schedule found in Section 2.8. It has been determined that this terminology more accurately reflects the practice of abatement for the County of Bee, Texas.
15. **"Productive Life"** means the number of years a property improvement is expected to be in service.
16. **"Regional Service Facility"** means buildings and structures, including machinery and equipment, used or to be used to service goods where a majority of the goods being serviced are domiciled at least 25 miles from the facility's Bee County location.
17. **"Reinvestment Zone"** is a specific parcel of property designated by the Bee County Commissioners Court within which tax abatement can be granted.
18. **"Research Facility"** means buildings and structures, including fixed in-place machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.

Section 2 Requirements For Phase-In

1. **Authorized Facility.** A facility may be eligible for phase-in if it is located in a designated Reinvestment Zone and is a Manufacturing Facility, Research Facility, Distribution Center or Regional Service Facility, or Other Basic Industry.
2. **Creation of New Value.** Phase-in may only be granted for the additional value of eligible property improvements made subsequent to and specified in a phase-in Agreement between the Affected Jurisdiction and the property owner or lessee, subject to such limitations as Bee County may require.
3. **Employee Origin.** In order to be eligible for designation as a Reinvestment Zone and receive tax phase-in, the planned improvement must not be expected to solely or primarily have the effect of transferring employment from one part of Bee County to another.
4. **Eligible Property.** Phase-in may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements plus that office space and related fixed

improvements necessary to the operation and administration of the facility.

5. **Ineligible Property.** The following types of property shall be fully taxable and ineligible for phase-in: land; inventories; supplies; tools; furnishings, and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodation; retail facilities; Base Year Value investments; property to be rented or leased to third parties except as provided in Section 2.6; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas; and property in a Reinvestment Zone that is owned or leased by a member of the Bee County Commissioners Court.

6. **Lease Facilities.** If a new facility is to be constructed by a third party owner for lease to an Applicant otherwise eligible for tax phase-in, then the building owner may also be eligible for phase-ins. To calculate the applicable category for Phase-In, the investment of both entities will be added and each shall be eligible to receive Phase-In at the same rate as would have been available if one owner was accomplishing the entire project.

7. **Economic Qualifications.** In order to be eligible to receive tax phase-in, the planned new facility or planned expansion to modernization of an existing facility must meet the following qualifications:
 - a. Be reasonably expected to increase the appraised value of the property in the amount of not less than One Hundred Thousand (\$100,000) Dollars after construction is completed.
 - b. For new construction projects expected to create less than ten (10) New Jobs, project must be of strategic importance to the community and align with the strategic economic plan of the County.
 - c. Companies seeking to qualify for tax phase-in on the basis of job retention shall document that without the creation of a reinvestment zone and/or tax phase-in; the company will either reduce or cease operations.

8. **Maximum Available Abatements Per Year ***

Taxable Investment (Millions)	Year.							
	1	2	3	4	5	6	7	8
Up to .10	---	---	---	---	---	---	---	---
.10 to .99	90	80	60	40	---	---	---	---
1.0 to 2.99	90	90	75	60	45	---	---	---
3.0 to 6.99	90	90	80	70	60	50	---	---
7.0 to 14.99	90	90	85	75	65	55	45	---
15.0 or more	90	90	85	80	75	65	55	45

* Affected jurisdictions reserve the right to grant abatements less than the maximums stated

above.

* For Eligible Property investments in excess of \$100 million or 100 New Jobs, the Affected Jurisdictions reserve the right to grant Abatements up to the state maximum of 100% for 10 years.

9. **New and Existing Facilities.** Tax phase-in may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.
10. **Transferability.** A tax abatement Agreement may only be assigned to a new owner or lessee of a facility with the written consent of Bee County, which may be withheld at Bee County's discretion.
11. **Partially Eligible.** Partially eligible for phase-ins are modernization projects and manufacturing facilities, which are intended to replace existing equipment, or facilities when the existing equipment and facilities will be removed thus eliminating existing value from the tax rolls. In this event, the value of the existing facility and equipment shall be frozen at the time of the phase-in Agreement and shall remain frozen throughout the phase-in period. The eligible abatable value of the new project shall be the difference between the total new investment amount and the existing tax value of the equipment and/or facility to be removed.
12. **Taxability.** From the execution of the phase-in contract to the end of the Agreement period, taxes shall be payable as follows: (1) the value of ineligible property as provided in Section 2.5. shall be fully taxable; (2) the Base Year Value of existing eligible property as determined each year shall be fully taxable; and, (3) the additional value of new eligible and partially eligible property shall be taxable in the manner described in Section 2.8.
13. **Term of Phase-in.** The term shall be no longer than as set out in the schedule shown in paragraph 2.8 for each stated range of investment.

Section 3 Application

1. **Written Request.** Any present or potential owner of taxable property in an Affected Jurisdiction may request the creation of a Reinvestment Zone and tax phase-in by filing a written request with the Affected Jurisdictions and attaching a plat and metes and bounds description effectively describing said Reinvestment Zone.
2. **Contents of Application.** The application shall consist of a completed application form accompanied by: a general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken; a descriptive list of the improvements which will be a part of the facility; a map and property description; and a time schedule for undertaking and completing the planned improvements. In the case of modernizing, a statement of the assessed value of the facility separately stated for real and personal property shall be given for the tax year immediately

preceding the application. The application form shall also include such financial and other information necessary for Bee County to evaluate the financial capacity and other factors of the applicant.

3. **Filing the Application.** The initial application for the creation of a "Reinvestment Zone" and tax phase-in shall be made to the Bee County Judge. Upon receipt of a completed application, the County Judge shall notify in writing the presiding officer of the legislative body of each Affected Jurisdiction and provide each presiding officer with a copy of the application. The County Judge as applicable shall then set a public hearing before the Bee County Commissioners Court to afford the Applicant an opportunity to request that a Reinvestment Zone be designated and to describe the project and request the tax phase-in. All interested parties will have the opportunity to publicly state why the phase-in should or should not be granted at this hearing. Notice of the Public Hearing shall be clearly identified on a Bee County Commissioners Court agenda and be timely posted as provided by law. After Bee County creates the Reinvestment Zone, the other Affected Jurisdictions may set their public meetings in the same manner as described above to grant or not grant the applied for abatement.
4. **Feasibility Study.** After receipt of an application for creation of a Reinvestment Zone and application for phase-in, Bee County shall make a determination that the improvements sought to be included in the Reinvestment Zone and the Tax Abatement Agreement are feasible and practical and would be a benefit to the land to be included in the Reinvestment Zone. The feasibility study shall include, but not be limited to, an estimate of the economic impact on each jurisdiction of the creation of the Reinvestment Zone and the abatement amount of taxes on the property to be included in the Reinvestment Zone.
5. **Timeliness.** Bee County shall not establish a Reinvestment Zone for the purpose of abatement if it finds that the request for the phase-in was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility.
6. **Application Fee.** An applicant is required to submit an application fee along with the submission of its application for tax abatement. The amount of the application fee is the sole discretion of the Bee County Commissioners Court, however, the application fee shall not exceed \$1,000. The application fee may be waived at the sole discretion of the Bee County Commissioners County.

Section 4 Public Hearing

1. **No Obligation.** The adoption of these guidelines and criteria by Bee County does not:
 - a. limit the discretion of Bee County to decide whether to enter into a specific tax phase-in Agreement;
 - b. limit the discretion of Bee County to delegate to its employees the authority to

determine whether or not Bee County should consider a particular application or request for tax phase-in; or

- c. create any property, contract, or other legal right in any person or entity to have Bee County consider or grant a specific application or request for tax phase-in.
2. **Adverse Effects.** Should Bee County make findings during its public hearing that the granting of abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity or the provision of service, that finding shall be a reason for Bee County to deny any designation of the Reinvestment Zone, the granting of abatement, or both. Additionally, Bee County reserves the right to grant less than the abatement percentages shown in Section 2.8, or deny all phase-ins if Bee County, in its sole discretion, determines that Applicants' investment will not meet the community enhancement goals of said Bee County.
3. **Additional Conditions to Approval.** Neither a Reinvestment Zone nor phase-in Agreement shall be authorized if it is determined that: (1) there would be a substantial adverse effect on the provision of government service or tax base; (2) the applicant has insufficient financial capacity; (3) planned or potential use of property would constitute a hazard to public safety, health or morals; or, (4) violation of other codes or law.

Section 5 Agreement

1. **Compliance with Guidelines and Criteria.** Bee County may not enter into a Tax Phase-in Agreement unless it finds that the terms of the Agreement and the property subject to the Agreement meet these Guidelines and Criteria.
2. **Contents of Agreement.** After approval, Bee County shall formally pass a resolution and execute an Agreement with the Applicant, and if applicable, the owner of the facility which shall include: (1) estimated value to be abated and the Base Year Value; (2) percent of value to be abated each year as provided in Section 2.7; (3) the commencement date and the termination date of phase-in; (4) the proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provided in, Section 3.2; (5) contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections 6 and 7, or other provisions that may be required for uniformity or State law. Such Agreement shall be executed within 60 days after the applicant has forwarded all necessary information and documentation to Bee County or at such later date as may be agreed between applicant and Bee County.

Section 6 Recapture

1. **Discontinuation of Service.** In the event that the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion or other casualty or accident or natural disaster for a period of one year during the phase-in period, then the Phase-In Agreement shall

terminate and so shall the abatement of the taxes for the current and any future calendar year during which the facility no longer produces. The taxes, which were to be abated for that calendar year, shall be paid to the Affected Jurisdictions within 60 days from the date of termination.

2. **Default and Cure.** Should Bee County determine that the company or individual is in default according to the terms and conditions of its Agreement, Bee County shall notify the company or individual in writing at the address stated in the Agreement, and if such is not cured within 60 days from the date of such notice ("Cure Period"), then the Agreement may be terminated.
3. **Termination of Agreement.** In the event that the company or individual (1) allows its unabated ad valorem taxes owed any of the Affected Jurisdictions to become delinquent and fails to properly follow the legal procedures for their protest and/or contest in a timely manner, or (2) violates any of the terms and conditions of the Phase-In Agreement with any of the Affected Jurisdictions and fails to cure during the Cure Period, the Agreement then may be terminated by every Affected Jurisdiction and all taxes previously abated by virtue of every Agreement will be recaptured by each Affected Jurisdiction and shall be paid by Applicant to each Affected Jurisdiction within 60 days of the termination.

Section 7 Administration

1. **Informed Appraisal.** The Chief Appraiser of the County shall annually determine an assessment of the real and personal property comprising the Reinvestment Zone. Each year, the company or individual receiving abatement shall furnish the appraiser with such information as may be necessary for abatement, including changes in appraised value of property and verification of full-time equivalent positions as required by the Agreement. Once value has been established, the Chief Appraiser shall notify the Affected Jurisdictions that levies taxes on the amount of the assessment.
2. **Periodic Inspections.** The Agreement shall stipulate that employees and/or designated representatives of the Affected Jurisdictions will have access to the Reinvestment Zone during the term of the phase-in to inspect the facility to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.
3. **Annual Evaluation.** Upon completion of construction, the Affected Jurisdictions shall annually evaluate each facility and report possible violations to the contract and Agreement to Bee County and its attorney.

Section 8 Sunset Provision

1. **Biannual Review.** These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two years, at which time all Reinvestment Zones and tax phase-in contracts created pursuant to its provisions will be reviewed by Bee County to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed or eliminated providing that such actions shall not affect existing contracts.
2. **Industrial Districts.** These Guidelines and Criteria do not apply to Industrial District Contracts entered into in accordance with Chapter 42 of the Texas Local Government Code.

Tab Item 17

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

Attached

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

Michelle Hartmann
Print Name (Authorized School District Representative)

Superintendent
Title

sign here

Michelle Hartmann
Signature (Authorized School District Representative)

12/14/2020
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

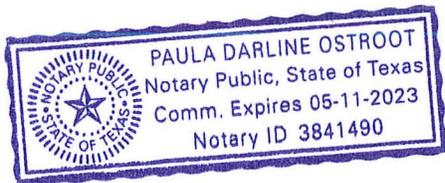
Philip Moore
Print Name (Authorized Company Representative (Applicant))

SVP
Title

sign here

Philip Moore
Signature (Authorized Company Representative (Applicant))

1/6/2020
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

8 day of January, 2020
Paula Darline Ostroot
Notary Public in and for the State of Texas
My Commission expires: 5/11/2023

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.