

**ON THE APPLICATION
FOR APPRAISED VALUE LIMITATION ON QUALIFIED PROPERTY
FINDINGS UNDER THE TEXAS ECONOMIC DEVELOPMENT ACT
TEXAS TAX CODE, CHAPTER 313 *et seq.***

BT FILES SOLAR, LLC
Comptroller Application # 1465

**BOARD OF TRUSTEES
ITASCA INDEPENDENT SCHOOL DISTRICT**

**REGULAR MEETING
September 14, 2020**

County of Hill §
State of Texas §

FINDINGS UNDER THE TEXAS ECONOMIC DEVELOPMENT ACT

PREAMBLE

WHEREAS, at a duly called Public Meeting on September 14, 2020, the Board of Trustees of the Itasca Independent School District (“Board”) considered the Application for a Limitation on Appraised Value on Qualified Property from BT Files Solar, LLC (“Application” and “Applicant,” respectively) pursuant to Texas Economic Development Act, Chapter 313 of the Texas Tax Code and 34 Texas Administrative Code Part 1, Chapter 9, Subchapter F;

WHEREAS, the Board acknowledges the following facts:

1. On February 10, 2020 the Itasca Independent School District (“District”) received an application for appraised value limitation on qualified property (“Application”) on the form prescribed by the Comptroller from Applicant pursuant to Chapter 313 of the Texas Tax Code – **Exhibit A**;
2. The Board acknowledged receipt of the Application and application fee and acted to consider the Application pursuant to Texas Tax Code Section 313.025(a)(1);
3. The District submitted the Application to the Texas Comptroller of Public Accounts (“Comptroller”) for review pursuant to Texas Tax Code Section 313.025(b);
4. In response to Comptroller request, the Applicant and District submitted one amendment on April 7, 2020 pursuant to Texas Tax Code Sections 313.025 and 313.026 – **Exhibit A-1**;
5. In response to Comptroller request, the Applicant and District submitted one supplement on May 13, 2020 pursuant to Texas Tax Code Sections 313.025 and 313.026 - **Exhibit A-2**;
6. On April 15, 2020, the Comptroller issued a “completeness” letter acknowledging that the Applicant had submitted a complete application for a limitation on appraised value under the provisions of Tax Code Chapter 313 – **Exhibit B**;
7. On May 29, 2020, the Comptroller issued a Certification for Limitation on Appraised Value letter including an economic impact evaluation pursuant to Texas Tax Code Section 313.025(b) – **Exhibit C**;

8. On June 8, 2020, the District received an independent financial impact report from its financial advisor showing the estimated economic impact of the proposed tax value limitation – **Exhibit D**;
9. The District and Applicant negotiated the specific language of the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes (“Agreement”), including appropriate revenue protections pursuant to Chapter 313 of the Texas Tax Code;
10. The Agreement was reviewed and revised by the parties as requested by the Comptroller and subsequently approved via correspondence from the Comptroller dated September 14, 2020 – **Exhibit E**;
11. The Applicant is a corporation in good standing with the State of Texas as noted in its Franchise Tax Account Status – **Exhibit F**.

FINDINGS

WHEREAS, after hearing from interested parties and considering the criteria listed in Section 313.025, Texas Tax Code, and 34, Texas Administrative Code §9.1054, the Board makes the following findings:

1. The Comptroller recommends approval of the Application;
2. There is a strong and positive relationship between the Applicant’s industry and the types of qualifying jobs to be created by the Applicant and the long-term economic growth plans of the State;
3. Applicant has represented in the Application that it could locate or relocate the Project to another state or another region of this state;
4. The Project will result in revenue gains by the District and that the economic effects on the local and regional tax base are that the tax base will increase as a result of the Project and additional employment;
5. It is not likely that that the Project could have an impact on enrollment from families that might temporarily relocate during the construction phase, but that any impact during the operation phase can be absorbed by current facilities;
6. The projected market value of the qualified property of the Applicant as determined by the Comptroller is Ninety-Four Million Five Hundred Thousand Dollars (\$94,500,000.00);
7. The proposed limitation on appraised value for the qualified property for school district maintenance and operations taxes of the Applicant is Twenty Million Dollars (\$20,000,000.00), with no limitation as to interest and sinking taxes;

8. The total projected dollar amount of District maintenance and operation taxes that would be imposed on the qualified property, for all years covered by the Agreement, if the property does not receive a limitation on appraised value is Six Million, Five Hundred Forty-Four Thousand, and Six Hundred Fifty-Seven Dollars (\$6,544,657.00) as shown on **Exhibit C**, Attachment A, Table 3;
9. The projected dollar amount of the maintenance and operations taxes that would be imposed on the qualified property, for each tax year of the Agreement, if the property receives a limitation on appraised value is Three Million, Two Hundred Eight Thousand, Seven Hundred and Ninety-One Dollars (\$3,208,791.00) as shown on **Exhibit C**, Attachment A, Table 4;
10. The total amount of maintenance and operation taxes projected to be lost or gained by the District over the life of the Agreement computed by subtracting the projected taxes if the property receives a tax limitation from the projected taxes if the property does not receive a tax limitation is Three Million, Three Hundred Thirty-Five Thousand, Eight Hundred and Sixty-Six Dollars (\$3,335,866.00) as shown on **Exhibit C**, Attachment A, Table 4;
11. The Applicant is eligible for the limitation on the appraised value of the Applicant's qualified property;
12. Applicant's qualified property is eligible for a limitation on appraised value under Texas Tax Code § 313.024 as a renewable energy electric generation project;
13. The Project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period;
14. The limitation of appraised value is a determining factor in the Applicant's decision to invest capital and construct the Project in this state;
15. The job creation requirement of ten (10) new jobs exceeds the industry standard for the number of employees reasonably necessary for the operation of the Project described in the Application. The Board has waived the new job creation requirement in Texas Tax Code, Section 313.051(b).
16. Applicant will create one (1) new qualifying jobs, and Applicant has confirmed that such jobs will meet all of the requirements of Texas Tax Code § 313.021(3).

17. The Project will be located within an area designated as a reinvestment zone by Hill County on August 20, 2019 pursuant to Texas Tax Code Chapter 312;
18. The information in the Application submitted by Applicant is true and correct;
19. The proposed Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes (“Agreement”), meets all of the requirements set out in Texas Tax Code § 313.027, including adequate and appropriate revenue protection provisions for the District;
20. The proposed Agreement is in the form of the template Texas Economic Development Act Agreement adopted by the Comptroller as of January 24, 2016, and the Comptroller has verified that the agreement complies with the provisions of Chapter 313 of the Texas Tax Code and 34 Texas Administrative Code Chapter 9, Subchapter F;
21. Considering the purpose and effect of the law and the terms of the Agreement, granting the Application and entering the Agreement are in the best interest of the District and the State;
22. The Applicant, BT Files Solar, LLC (Tex. Taxpayer ID # 32069901232) is an entity subject to Chapter 171, Texas Tax Code and is certified to be in good standing with the Texas Comptroller of Public Accounts. A copy of the Comptroller’s Franchise Tax Account Status is attached as **Exhibit F**;
23. There are no conflicts of interest on the Board of Trustees at the time of its consideration of the Agreement; and
24. The posting of notice and conduct of the meeting at which these Findings under the Texas Economic Development Act complies with the Texas Open Meeting Act, Section 552.001 *et seq.*

IT IS THEREFORE DETERMINED THAT:

1. The Findings and the recitals in the Preamble are adopted and approved by the Board of Trustees;
2. The Application for Limitation on Appraised Value of Property for School District Maintenance and Operations with BT Files Solar LLC (No. 1465) Taxes of is approved;

3. The Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes with BT Files Solar LLC (No. 1465) is approved.
4. The Board President is authorized and designated to sign the Agreement on behalf of the District and take any other action necessary to implement the Board's decision; and
5. These Findings and Exhibits shall be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the District.

Dated the 14th day of September, 2020.



By: Brian Bassett, President
Itasca Independent School District



By: Kelley Strona, Secretary
Itasca Independent School District

EXHIBIT A

Application for Appraised Value Limitation on Qualified Property

EXHIBIT

Oscar G. Treviño
Attorney at Law



WALSH GALLEGOS
TREVINO RUSSO & KYLE P.C.

otreviño@wabsa.com
(512) 454-6864

February 13, 2020

via Hand Delivery via Courier Depot
Local Government Assistance and Economic Analysis Division
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, TX 78774

Re: BT Files Solar, LLC's Application for Appraised Value Limitation on Qualified Property to the Itasca Independent School District

Dear Madam or Sir:

This firm, Walsh Gallegos Treviño Russo & Kyle P.C. represents the Itasca Independent School District regarding the above referenced matter. Enclosed please find one hard copy of the Application for Appraised Value Limitation of Qualified Property together with an electronic copy of same.

Itasca ISD received a copy of the enclosed Application and received payment of the Application Fee required by the District from the Applicant on Monday, February 10, 2020. On February 10, 2020, the Itasca ISD Board of Trustees determined that the application was complete and elected to consider the Application.

The Itasca Independent School District respectfully requests that the Comptroller conduct an economic impact evaluation of the investment proposed by the Application. Please confirm with us the date and website link to the Comptroller's publication of the documentation received.

In addition to the paper and electronic copy of the Application submitted to you with this letter, a copy of the Application is being submitted to the Hill County Appraisal District pursuant to 34 TEX. ADMIN CODE §9.1054.

Please let us know if you have any questions or need anything additional. Thank you.

Sincerely,

Oscar G. Treviño

Enclosure

Local Government Assistance and Economic Analysis Division
Texas Comptroller of Public Accounts
February 13, 2020
Page 2

cc: Mr. Mark Parsons, Superintendent
Itasca Independent School District
123 N. College
Itasca, TX 76055
via email: mparsons@itascaisd.net

Mr. Lloyd Pope, Chief Operations Officer
Belltown Power
13612 Midway Rd., Suite 200
Farmers Branch, TX 75244
via email: lpope@belltownpower.com

Mr. Austin Willis, Project Manager
Belltown Power
13612 Midway Rd., Suite 200
Farmers Branch, TX 75244
via email: awillis@belltownpower.com

Mr. Brandon Westlake, Senior Consultant
Cummings Westlake LLC
16410 N. Eldridge Parkway
Tomball, TX 77377
via email: bwestlake@cwlp.net

Mr. Randy McDowell, President
McDowell School Finance Consulting
6 Wolf Trail
Heath, TX 75032
via email: randy@mcdowellshfc.com

Mr. Mike McKibben, Chief Appraiser
Hill County Appraisal District
P O Box 416
Hillsboro, TX 76645-0416
via CMRRR 9414 7266 9904 2130 8510 14

TAB 1

Pages 1 through 7 of application.



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

Economic Development
and Analysis
Form 50-296-A

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 www.texasahead.org/tax_programs/chapter313/. 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

February 10, 2020

Date Application Received by District

Mark

Parsons

First Name

Last Name

Superintendent

Title

Itasca ISD

School District Name

123 N. College

Street Address

123 N. College

Mailing Address

Itasca

TX

76055

City

State

ZIP

(254) 687-2922

(254) 687-2637

Phone Number

Fax Number

mparsons@itascaisd.net

Mobile Number (optional)

Email Address

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Oscar	Trevino
First Name	Last Name
Attorney	
Title	
Walsh Gallegos Trevino Russo & Kyle, P.C.	
Firm Name	
512-454-6864	512-467-9318
Phone Number	Fax Number
	otrevino@wabsa.com
Mobile Number (optional)	Email Address

4. On what date did the district determine this application complete? February 10, 2020
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)

Lloyd	Pope	
First Name	Last Name	
Chief Operations Officer	Belltown Power	
Title	Organization	
13612 Midway Rd., Suite 200		
Street Address		
13612 Midway Rd., Suite 200		
Mailing Address		
Farmers Branch	TX	75244
City	State	ZIP
214-729-4142		
Phone Number	Fax Number	
Mobile Number (optional)	lpope@belltownpower.com	
	Business Email Address	

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? Yes No

2a. If yes, please fill out contact information for that person.

Austin	Willis	
First Name	Last Name	
Project Manager	Belltown Power	
Title	Organization	
13612 Midway Rd., Suite 200		
Street Address		
13612 Midway Rd., Suite 200		
Mailing Address		
Farmers Branch	TX	75244
City	State	ZIP
702-469-6573		
Phone Number	Fax Number	
Mobile Number (optional)	awillis@belltownpower.com	
	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)

Brandon Westlake
 First Name Last Name
 Senior Consultant
 Title
 Cummings Westlake, LLC
 Firm Name
 (713) 266-4456 (713) 266-2333
 Phone Number Fax Number
 bwestlake@cwlp.net
 Business Email Address

SECTION 3: Fees and Payments

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

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

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

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

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A

3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? BT Files Solar, LLC

2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32069901232

3. List the NAICS code 221114

4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No

4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Corporation

2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No

2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

3. Is the applicant current on all tax payments due to the State of Texas? Yes No

4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A

5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

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

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
3. Does the applicant have current business activities at the location where the proposed project will occur? Yes No
Company has 312 agreement with the County
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
Company has 312 agreement with the County
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 August 2020
 - 2. Commencement of construction Q4 - 2020
 - 3. Beginning of qualifying time period January 1, 2021
 - 4. First year of limitation January 1, 2022
 - 5. Begin hiring new employees December 2021
 - 6. Commencement of commercial operations December 2021
 - 7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? Yes No
- Note:** Improvements made before that time may not be considered qualified property.
- 8. When do you anticipate the new buildings or improvements will be placed in service? December 2021

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Hill County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property 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: <u>Hill County, \$0.539882, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Hill County ESD #1, \$0.03, 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>Hill College, %0.091935</u> <small>(Name, tax rate and percent of project)</small>
- 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 www.texasahead.org/tax_programs/chapter313/.

- 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?

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

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

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0
2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2019
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 1
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 a. Average weekly wage for all jobs (all industries) in the county is 803.00
 b. 110% of the average weekly wage for manufacturing jobs in the county is 1034.28
 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? 51,970.00
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 51,970.00
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**.

TAB 2

Proof of Payment of Application Fee

Please find on the attached page, a copy of the check for the \$75,000 application fee paid to Itasca ISD.

BELLTOWN POWER TEXAS

13612 MIDWAY RD. STE 200
FARMERS BRANCH, TX 75244
972-656-9180

2487

35-1054/1130

22301



PAY TO THE ORDER OF

Estasca Independent School District
Seventy five thousand dollars + xx/100

\$ 75,000.00
DOLLARS

DATE 2/17/2020

BBVA Compass

Compass Bank
Dallas, TX



[Signature]

FOR BT Files Solar - 313 App

⑆002487⑆ ⑆13010547⑆ 6760392144⑆

HEAT SENSITIVE

TAB 3

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

Not applicable - BT Files Solar, LLC was not a legal entity at the time of the last filing and therefore not part of a combined group.

TAB 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.

BT Files Solar, LLC (BT Files Solar) is requesting an appraised value limitation from Itasca Independent School District (ISD) for the BT Files Solar Project (the “Project”), a proposed solar powered electric generating facility in Hill County. The proposed Itasca ISD Project (this application) will be constructed within the County Reinvestment Zone No. 005 that was established by Hill County on August 20, 2019. A map showing the location of the project is included in TAB 11.

The proposed Project is anticipated to have a capacity of approximately 150 MW located in Itasca ISD. The exact number and location of panels and inverters will vary depending upon ongoing siting analysis, manufacturer’s availability, prices, and the megawatt generating capacity of the Project when completed. Current estimated plans are to install approximately 451,546 PV modules and 64 inverters with all improvements located in Itasca ISD. The Applicant requests a value limitation for all facilities and equipment installed for the Project, including; solar modules/panels, racking and mounting structures, O&M building, substation, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, collection system, interconnection facilities and all eligible ancillary and necessary equipment.

Full construction of the Project is anticipated to begin in the Q3 2020 with completion by December 31, 2021.

**NOTE:* The map in TAB 11 shows the potential locations of improvements within Itasca ISD boundaries; however, the final number of panels and inverters and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

TAB 5

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

Belltown Power was founded in the UK in 2013 by Michael Kaplan, Tom Hill-Norton and Andy Black as a fully integrated renewable energy power company. With a small team of dedicated investment and engineering professionals, Belltown delivered over 200MW of onshore wind, solar PV and hydro projects in under 4 years through employing a proven, disciplined process to project delivery.

In early 2017, Belltown entered a new phase of growth as we target the development and operation of large-scale renewable energy projects globally. Belltown now has five offices on two continents and a rapidly growing team targeting opportunities in developed and emerging markets.

Belltown Power is keen to develop and build the proposed BT Files Solar Project as per this application, but since this Project is still in the early stages of development, further investment could be, if necessary, redeployed to other counties and states competing for similar solar projects. Belltown Power is active in in other states and countries and each project individually competes for a finite pool of capital investment. State and local tax incentives contribute to the lowering of the cost of power sold to our customers and making our investment more viable and marketable. Belltown Power has various projects in and continually compare investment opportunities, rate of return, and market viability of each project based upon project financial metrics. For example, Belltown Power currently has ongoing project developments in many states, including but not limited to, Pennsylvania and the U.K..

Due to the extremely competitive power market in Texas all Power Purchase Agreement's (PPA's) economic model assumptions are based on the Project securing this Chapter 313 appraised value limitation and other local tax incentives. The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates under a PPA. A signed PPA in the Texas market is at a much lower rate than other states because of competitively low electricity prices. Both parties of the PPA have an escape clause if the terms of the PPA cannot be met. Without the tax incentives in Texas, a project with a PPA becomes non-financeable. Therefore, this appraised value limitation is critical to the ability of the proposed Project to move forward as currently sited.

TAB 6

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

- | | |
|--------------------------------|--------|
| 1) Hill County | - 100% |
| 2) Itasca ISD | - 100% |
| 3) Hill County ESD District #1 | - 100% |
| 4) Hill College | - 100% |

TAB 7

Description of Qualified Investment

BT Files Solar, LLC plans to construct a 150 MW solar farm in Hill County.

This application covers all qualified property in the reinvestment zone and project boundary within Itasca ISD necessary for the commercial operations of the proposed solar farm described in Tab 4. One hundred and fifty megawatts (150 MW) will be located in Itasca ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 451,546 PV modules or equivalent and 64 inverters.

This application covers all qualified investment and qualified property necessary for the commercial operations of the solar farm.

Qualified Investment and qualified property includes; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, O&M Building, substation, collection system, interconnection facilities, control systems necessary for commercial generation of electricity and all eligible ancillary and necessary equipment.

**NOTE:* The map in TAB 11 shows the potential locations of improvements within Itasca ISD boundaries; however, the final number of panels and inverters and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

TAB 8

Description of Qualified Property

BT Files Solar, LLC plans to construct a 150 MW solar farm in Hill County.

This application covers all qualified property in the reinvestment zone and project boundary within Itasca ISD necessary for the commercial operations of the proposed solar farm described in Tab 4. One hundred and fifty megawatts (150 MW) will be located in Itasca ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 451,546 PV modules or equivalent and 64 inverters.

This application covers all qualified investment and qualified property necessary for the commercial operations of the solar farm.

Qualified Investment and qualified property includes; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, O&M Building, substation, collection system, interconnection facilities, control systems necessary for commercial generation of electricity and all eligible ancillary and necessary equipment.

**NOTE:* The map in TAB 11 shows the potential locations of improvements within Itasca ISD boundaries; however, the final number of panels and inverters and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

TAB 9

Description of Land

Not Applicable

TAB 10

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

Not Applicable

TAB 11

Maps that clearly show:

- a) Project vicinity
- b) Qualified investment including location of new building or new improvements
- c) Qualified property including location of new building 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

VICINITY MAP



JOHNSON

ELLIS

Itasca ISD

HILL

BOSQUE

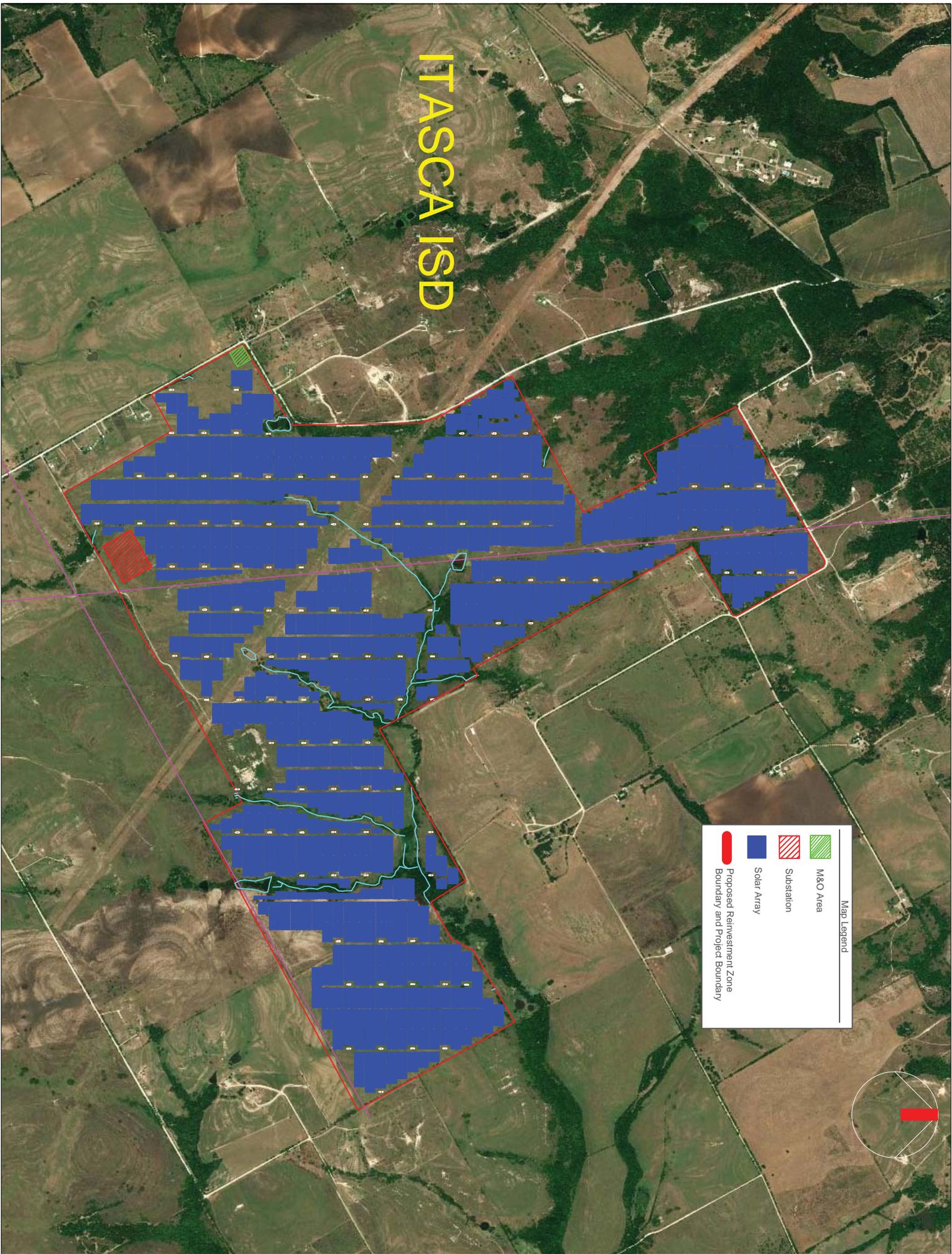
McLENNAN

Files Solar Farm

Vicinity Map
Situated in
Itasca Independent School District

-  Proposed Project Boundary/
Proposed Reinvestment Zone
-  School District Line
-  County Line

ITASCA ISD



Map Legend

-  M&O Area
-  Substation
-  Solar Array
-  Proposed Reinvestment Zone Boundary and Project Boundary



TAB 12

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

See Attached



CUMMINGS WESTLAKE
PROPERTY TAX ADVISORS

February 10, 2020

Mr. Mark Parsons, Superintendent
Itasca Independent School District
123 N College
Itasca, TX 76055

Re: Chapter 313 Job Waiver Request

Dear Mr. Parsons,

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

BT Files Solar, LLC requests that the Itasca ISD makes such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, BT Files Solar, LLC has committed to create one qualified job in Itasca ISD.

Solar projects create a large number of full and part-time, but temporary, jobs during the construction phase of the project, but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences. The number of jobs committed to in this application is in line with the industry standards for a solar project this size. This is evidenced by previously certified limitation agreement applications by solar developers who also requested a waiver of the job requirements. In addition, there are educational materials and other documentation that also suggest that BT Files Solar, LLC has met the industry standard of jobs for this project at one permanent job per 250MW of installed capacity.

12837 Louetta Road, Suite 201 | Cypress, Texas 77429-5611

P: 713.266.4456 W: cwlp.net

The permanent employees of a solar project maintain and service PV panels, and inverters, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition to the onsite employees, there may be managers or technicians who support the project from offsite locations.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Westlake', with a long horizontal line extending to the right.

Brandon Westlake
Senior Tax Consultant

TAB 13

Calculation of three possible wage requirements with TWC documentation

- Hill County average weekly wage for all jobs (all industries)
- Hill County average weekly wage for all jobs (manufacturing)
- See attached Council of Governments Regional Wage Calculation and Documentation

BT FILES SOLAR, LLC
TAB 13 TO CHAPTER 313 APPLICATION

HILL COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2019	\$ 790	\$ 41,080
SECOND	2019	\$ 803	\$ 41,756
THIRD	2018	\$ 781	\$ 40,612
FOURTH	2018	\$ 838	\$ 43,576
AVERAGE		\$ 803.00	\$ 41,756

HILL COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2019	\$ 931	\$ 48,412
SECOND	2019	\$ 920	\$ 47,840
THIRD	2018	\$ 937	\$ 48,724
FOURTH	2018	\$ 973	\$ 50,596
AVERAGE		\$ 940	\$ 48,893
X		110%	110%
		\$ 1,034.28	\$ 53,782

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
Heart of Texas	2018	\$ 909	\$ 47,245
X		110%	110%
		\$ 999.41	\$ 51,970

* SEE ATTACHED TWC DOCUMENTATION

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

Year ↓	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2019	01	Hill	Total All	10	Total, All Industries	790
2019	02	Hill	Total All	10	Total, All Industries	803
2018	01	Hill	Total All	10	Total, All Industries	769
2018	02	Hill	Total All	10	Total, All Industries	767
2018	03	Hill	Total All	10	Total, All Industries	781
2018	04	Hill	Total All	10	Total, All Industries	838

Showing 6 items



Follow the Texas Workforce Commission

Enter your email address

Submit

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

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2019	01	Hill	Private	31-33	Manufacturing	931
2019	02	Hill	Private	31-33	Manufacturing	920
2018	01	Hill	Private	31-33	Manufacturing	810
2018	02	Hill	Private	31-33	Manufacturing	910
2018	03	Hill	Private	31-33	Manufacturing	937
2018	04	Hill	Private	31-33	Manufacturing	973

Showing 6 items



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Submit

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

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

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

Data published: July 2019

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

Annual wage figure assumes a 40-hour work week.

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

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

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

TAB 14

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

See attached Schedules A1, A2, B, C and D

Item	Tax Code	County	Year	Duration	Value	Notes
Tax Code Chapter 311	N/A	N/A	N/A	N/A	N/A	N/A
Tax Code Chapter 312	N/A	N/A	2022	10 Years	Annual Avg. of \$235,000	Annual Avg. of \$108,700
Local Government Code Chapters 380/381	N/A	N/A	N/A	N/A	N/A	N/A
Freepport 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/P Project	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development Corporation	N/A	N/A	N/A	N/A	N/A	N/A
Texas Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A
Employee Recruitment	N/A	N/A	N/A	N/A	N/A	N/A
Skills Development Fund	N/A	N/A	N/A	N/A	N/A	N/A
Training Facility Space and Equipment	N/A	N/A	N/A	N/A	N/A	N/A
Infrastructure Incentives	N/A	N/A	N/A	N/A	N/A	N/A
Permitting Assistance	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
Other:	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL					235,000	108,700

Additional information on incentives for this project:

TAB 15

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

None

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

- 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 established the reinvestment zone**
- d) Guidelines and criteria for creating the zone**

16a) Not Applicable

16b) See attached

16c) See attached

16d) See attached

Reinvestment Zone & Premises

Parcel ID	Size (approximate acreage)	Owner	Legal Description	Property Coordinates
353140	168.98	WARREN DAVID P & CAROL C	A WILLET A- 943 TR 9A 168.977 AC	32.179302, - 97.055826
353956	31.44	WARREN DAVID P & CAROL C	A WILLET A- 943 TR 9H 31.441 AC	32.183009, - 97.053768
353959	9.81	WARREN DAVID P & CAROL C	DOSSEY A-240 TR 6A 9.807 AC	32.185321, - 97.054878
118142	13.34	WARREN DAVID P & CAROL C	DOSSEY A-240 TR 6 13.338 AC	32.186307, - 97.052753
118983	27.92	WARREN DAVID P & CAROL C	A WILLET A- 943 TR 9 27.916 AC	32.183545, - 97.051098
118977	150.80	NEELEY LINDA	A WILLET A- 943 TR 1 150.797 AC	32.186272, - 97.069206
118978	209.08	STOKES JEANETTE	A WILLET A- 943 TR 2 209.08 AC	32.188783, - 97.065006
118030	153.78	NEELEY LINDA	WM CYRUS A- 180 TR 3 153.785 AC	32.197765, - 97.068072
118031	41.93	STOKES JEANETTE	WM CYRUS A- 180 TR 4 41.928 AC	32.192979, - 97.066126
118141	290.80	STOKES JEANETTE	DOSSEY A-240 TR 5 290.80 AC	32.190419, - 97.052821
133132	93.67	BOWMAN DAVID L	DOSSEY A-240 TR 3A 93.672 AC	32.193521, - 97.045516
118140	150.90	BOWMAN DAVID L	DOSSEY A-240 TR 1 150.90 AC	32.195279, - 97.041399
118982	106.28	SHEPHERD WILLIAM M & HEIDI L	A WILLET A- 943 TR 8 & 9K 106.2758 AC	32.174612, - 97.068175
118297	235.28	SHEPHERD WILLIAM M &	M HARDIN A- 368 TR 2	32.180767, - 97.076046

		HEIDI L	235.2758 AC	
		CYNTHIA A	J D	
118009	100	FORTNER ET AL	COUCHMAN A-164 TR 1 100.00 AC	32.200588, - 97.063381
118032	70.83	CYNTHIA A FORTNER ET AL	WM CYRUS A- 180 TR 5 70.83 AC	32.207039, - 97.067613
119090	29.18	CYNTHIA A FORTNER ET AL	HODGE A-1034 TR 1 29.181 AC	32.208938, - 97.063892
118994	37.67	GOFF WALLACE E & SANDRA J REV LIV TR	A WILLETT A- 943 TR 22 37.668 AC	32.175715, - 97.074639
118995	37.67	GOFF WALLACE E & SANDRA J REV LIV TR	A WILLETT A- 943 TR 23 37.671 AC	32.173096, - 97.072401
118980	34.44	GOFF WALLACE E & SANDRA J REV LIV TR	A WILLETT A- 943 TR 4 34.443 AC	32.170750, - 97.070922

The boundary of the proposed Reinvestment Zone is delineated by the outside boundary lines of the outermost parcels forming the approximately 1,993.8 acre unit intended for production of solar energy. All of the above is designated as the Reinvestment Zone, however, not all of the land will necessarily be part of the Project.

ORDER OF THE COMMISSIONERS COURT OF HILL COUNTY, TEXAS
DESIGNATING, CREATING AND ESTABLISHING COUNTY
REINVESTMENT ZONE NO. 005

WHEREAS, pursuant to Chapter 312, Subchapter C of the *Texas Property Tax Code* and the Second Amended and Restated Hill County Tax Abatement Guidelines, the Hill County Commissioners Court is authorized to create county reinvestment zones for purposes of allowing for tax abatements to encourage the expansion and/or retention of primary employment, attract major investment to the zone, and contribute to the economic development of Hill County;

WHEREAS, BT Files Solar, LLC, an affiliate of Belltown Power Texas, is proposing to develop and construct/install facilities and equipment for, and the operation of an approximately 140 MW AC / 182.5 MW DC -solar electric generating system/facility, photovoltaic panels, central inverters, and other equipment and appurtenances in an unincorporated area of Hill County (hereinafter "Project") on the property described in Exhibit "A" and on Exhibit "B" hereto which are attached hereto and incorporated herein by reference;

WHEREAS, notice of the consideration by the Commissioners Court of the creation of a County Reinvestment Zone having the same boundaries as the property boundaries set forth in Exhibit "A" and the public hearing thereon was given in accordance with Section 312.401 of the *Texas Property Tax Code*;

WHEREAS, a public hearing was held in accordance with Section 312.401 of the *Texas Property Tax Code*; and

WHEREAS, after considering the information before it, including input from the public hearing, the Commissioners Court finds that creation of the Reinvestment Zone is in the best interest of the County and its citizens.

NOW, THEREFORE, BE IT ORDERED BY THE COMMISSIONERS COURT OF HILL COUNTY, TEXAS THAT:

1. the above recitals are incorporated herein for all purposes;
2. the Commissioners Court hereby finds that the creation and establishment of a County Reinvestment Zone having the boundaries set forth in Exhibit "A" and Exhibit "B" and located in unincorporated Hill County near the City of Itasca would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property to be included in the zone, would be a benefit to the taxing units with jurisdiction over the land after expiration of the Zone or any abatement agreements entered into for property within the Zone, would contribute to the economic development and tax base of Hill County; and would support the Texas economy and the environment by providing clean energy; and

3. County Reinvestment Zone No. 005 having the boundaries set forth in Exhibit "A" is hereby created, designated and established, which Zone shall be eligible for tax abatement subject to the *Texas Property Tax Code*, the Second Amended and Restated Hill County Tax Abatement Guidelines, and approval of any applicable Tax Abatement Agreements by this Commissioners Court.

PASSED and APPROVED at a meeting of the Hill County Commissioners Court noticed and held in accordance with Chapter 551 of the *Government Code* on 8/20, 2019.


Justin Lewis, County Judge

Attest:


County Clerk

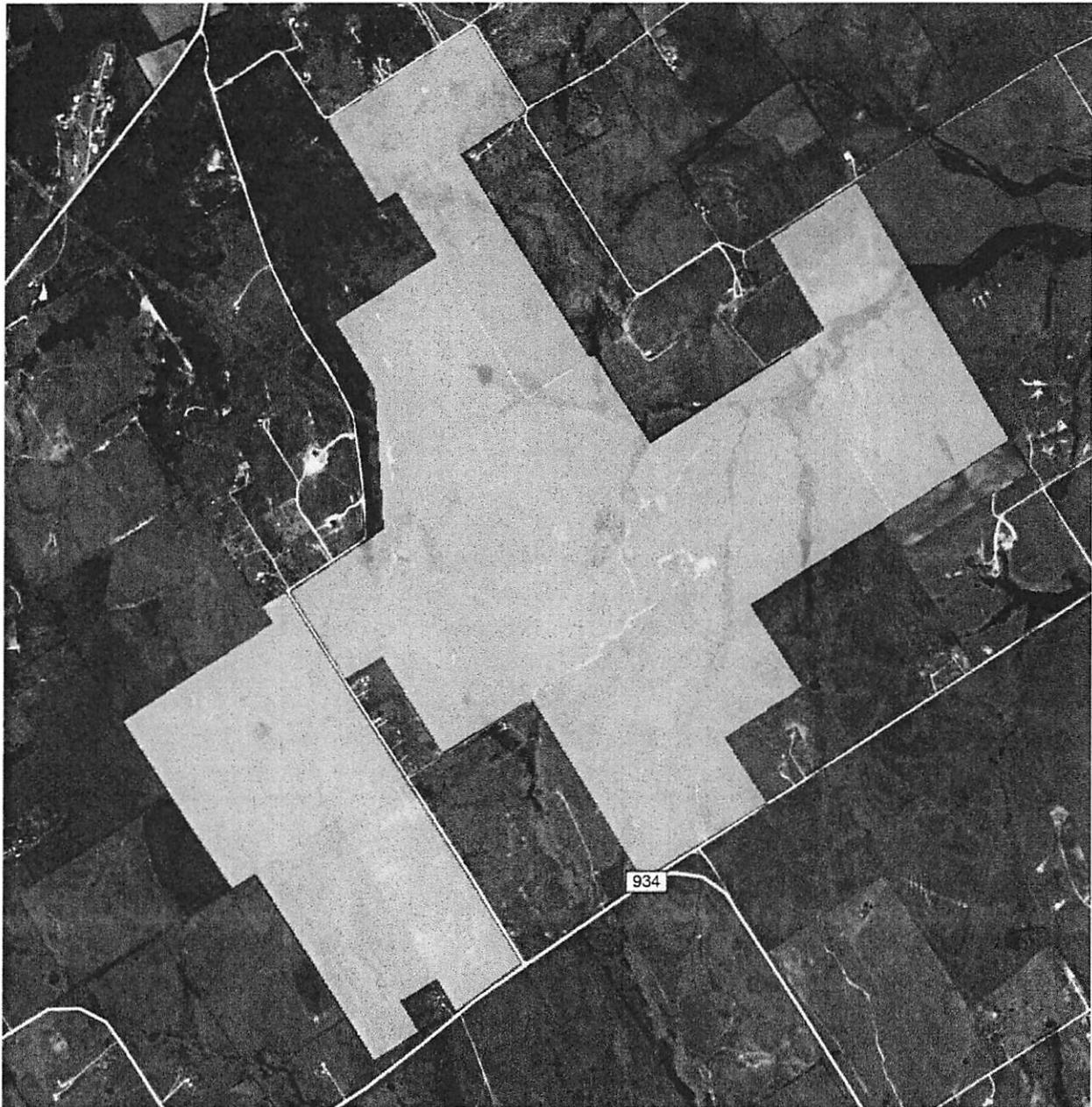
Exhibit A

Parcel ID	Size (approximate acreage)	Owner	Legal Description	Property Coordinates
353140	168.98	WARREN DAVID P & CAROL C	A WILLETT A- 943 TR 9A 168.977 AC	32.179302, - 97.055826
353956	31.44	WARREN DAVID P & CAROL C	A WILLETT A- 943 TR 9H 31.441 AC	32.183009, - 97.053768
353959	9.81	WARREN DAVID P & CAROL C	DOSSEY A-240 TR 6A 9.807 AC	32.185321, - 97.054878
118142	13.34	WARREN DAVID P & CAROL C	DOSSEY A-240 TR 6 13.338 AC	32.186307, - 97.052753
118983	27.92	WARREN DAVID P & CAROL C	A WILLETT A- 943 TR 9 27.916 AC	32.183545, - 97.051098
118977	150.80	NEELEY LINDA	A WILLETT A- 943 TR 1 150.797 AC	32.186272, - 97.069206
118978	209.08	STOKES JEANETTE	A WILLETT A- 943 TR 2 209.08 AC	32.188783, - 97.065006
118030	153.78	NEELEY LINDA	WM CYRUS A- 180 TR 3 153.785 AC	32.197765, - 97.068072
118031	41.93	STOKES JEANETTE	WM CYRUS A- 180 TR 4 41.928 AC	32.192979, - 97.066126
118141	290.80	STOKES JEANETTE	DOSSEY A-240 TR 5 290.80 AC	32.190419, - 97.052821
133132	93.67	BOWMAN DAVID L	DOSSEY A-240 TR 3A 93.672 AC	32.193521, - 97.045516
118140	150.90	BOWMAN DAVID L	DOSSEY A-240 TR 1 150.90 AC	32.195279, - 97.041399
118982	106.28	SHEPHERD WILLIAM M & HEIDI L	A WILLETT A- 943 TR 8 & 9K 106.2758 AC	32.174612, - 97.068175
118297	235.28	SHEPHERD WILLIAM M & HEIDI L	M HARDIN A- 368 TR 2 235.2758 AC	32.180767, - 97.076046
118009	100	CYNTHIA A	JD	32.200588, -

		FORTNER ET AL	COUCHMAN A-164 TR 1 100.00 AC	97.063381
118032	70.83	CYNTHIA A FORTNER ET AL	WM CYRUS A- 180 TR 5 70.83 AC	32.207039, - 97.067613
119090	29.18	CYNTHIA A FORTNER ET AL	HODGE A-1034 TR 1 29.181 AC	32.208938, - 97.063892
118994	37.67	GOFF WALLACE E & SANDRA J REV LIV TR	A WILLETT A- 943 TR 22 37.668 AC	32.175715, - 97.074639
118995	37.67	GOFF WALLACE E & SANDRA J REV LIV TR	A WILLETT A- 943 TR 23 37.671 AC	32.173096, - 97.072401
118980	34.44	GOFF WALLACE E & SANDRA J REV LIV TR	A WILLETT A- 943 TR 4 34.443 AC	32.170750, - 97.070922

The boundary of the proposed Reinvestment Zone is delineated by the outside boundary lines of the outermost parcels forming the approximately 1,993.8 acre unit intended for production of solar energy. All of the above is designated as the Reinvestment Zone, however, not all of the land will necessarily be part of the Project.

Exhibit B



Proposed Reinvestment

SECOND AMENDED AND RESTATED HILL COUNTY TAX ABATEMENT GUIDELINES

1. Purpose

These Second Amended and Restated Tax Abatement Guidelines amend and replace the Restated and Amended Hill County Tax Abatement Guidelines previously adopted.

The purpose of these Guidelines is to comply with §312.002 of the Tax Code, and to adopt guidelines and criteria governing tax abatement agreements entered into or participated in by Hill County. Tax abatement under these Guidelines will be considered for both new structures and facilities and the expansion and modernization of existing structures or facilities.

2. Participation in Tax Abatement in Municipal Reinvestment or Enterprise Zones

2.1 Municipalities may create reinvestment zones in accordance with §312.201 of the Tax Code. Municipalities may enter into tax abatement agreements with the owner(s) of taxable real property within the reinvestment zone to exempt a portion of the taxable value of the real property, and personal property located on the real property. The term “municipal reinvestment zone” includes an “enterprise zone” designated under Chapter 2303 of the Government Code.

2.2 Pursuant to §312.206 of the Tax Code, the County may enter into a tax abatement agreement with the owner of real property within a municipal reinvestment zone when a municipality is entering into a tax abatement agreement with the owner. The terms of the County Agreement are not required to be identical to those in the municipal agreement, however, the duration and percentages of tax abatement are generally the same.

2.3 The duration of any tax abatement may not exceed a period of ten (10) years, or the period allowed by applicable law.

3. County Reinvestment Zones

3.1 In accordance with Chapter 312, Subchapter C of the Tax Code, Hill County may create its own reinvestment zones in the unincorporated areas of the County, including within the ETJ of a municipality. The term “county reinvestment zone” includes an “enterprise zone” designated under Chapter 2303 of the Government Code.

3.2 A County Reinvestment Zone shall only be created in accordance with §312.401 of the Tax Code.

3.3 A tax abatement agreement entered into in a County Reinvestment Zone must comply with §312.402 of the Tax Code.

3.4 The duration of any tax abatement may not exceed a period of ten (10) years, or the period allowed by applicable law.

3.5 Any abatement of County taxes does NOT apply to Farm-to-Market-Lateral Road taxes.

4. Application for Tax Abatement

4.1 The property owner must generally file an application for tax abatement with the County Judge for a tax abatement to be considered by the Commissioners Court. Exceptions to this requirement are:

4.1.1 For tax abatement in a municipal reinvestment zone, the Commissioners Court agrees to accept the application submitted to the municipality as compliance with the application requirement of these Guidelines if it is provided with a copy of the application submitted to the municipality at least ten (10) business days before the abatement is to be considered by the Commissioners Court on behalf of the County. Hill County reserves the right to require additional information which is reasonably necessary to guide its consideration of whether or not to grant tax abatement.

4.1.2 The Commissioners Court may consider as a tax abatement application a submittal which contains a description of the property, the proposed improvements and additions, any employment positions to be created or maintained, abatement terms, percentages and conditions, and other information included therein based on negotiations by County officials and legal counsel with the business, in lieu of requiring an application.

4.1.3 An Application for Tax Abatement must include the following:

a. a legal description and common description of the real property for which tax abatement is sought;

b. a description of any personal property for which tax abatement is sought;

c. the proposed capital improvements to the property and any proposed additions of personal property thereon over and above what exists on the property at the date of the Application and any proposed increases in employment or retention of jobs which the Applicant is proposing as incentive for the grant of the tax abatement. This shall include the number of jobs, average wage of jobs, employment benefits to be provided, and a commitment to retain the jobs throughout the abatement period;

d. Plans and Specifications for the proposed improvements and additions, and a proposed schedule for such to be completed;

e. the name, address, and telephone number of the applicant;

f. if the applicant is other than a natural person, identification of the form of the entity and a copy of the articles of incorporation, partnership agreement, or other document establishing the entity must be provided. Where the applicant is other than a natural person, a

certificate of good standing from the State Comptroller shall be provided, and a verification of the entity's status from the State Secretary of State shall be provided where applicable;

g. the applicant must provide a current tax certificate showing that all property taxes due on the property have been paid;

h. the applicant must provide a statement of the taxable value of the property and personal property thereon as shown on the assessment for the year of the application, and must state the estimated increase in the taxable value;

i. the Application must disclose any discharges of pollutants which are expected to accompany the Applicant's operations on the property; and

j. the applicant shall provide a map showing the property, and the location of proposed improvements.

4.2. Except as otherwise provided herein, before Hill County enters into a tax abatement agreement for a property located within a reinvestment or enterprise zone, the following requirements must be shown to have been met:

4.2.1 The reinvestment zone or enterprise zone must have been created in compliance with the requirements of the Tax Code.

4.2.2 The term of the proposed abatement cannot exceed 10 years, or the period allowed by applicable law.

4.2.3 The application requirements of these Guidelines have been complied with by the property owner, unless exempted as set forth above.

4.2.4 The terms and conditions of the proposed abatement are found acceptable to the County and its legal counsel.

4.2.5 Sufficient public benefit in the form of improvements/additions to the property, and, if applicable, creation/retention of jobs in the County, is to be generated by the property for which tax abatement is granted.

4.2.6 The terms of the proposed tax abatement agreement must specify the obligations of the property owner to meet certain capital investment and, if applicable, employment standards, and must provide methods to audit compliance of the property owner, and to recover abated taxes, and/or penalties, interest, and/or attorney's fees from the property owner if the property owner fails to meet the obligations.

4.2.7 The property owner must not be currently delinquent on any County taxes.

5. Tax Abatement Agreements

5.1 Tax Abatement Agreements must, by statute, contain the following terms and conditions:

- (a) list the kind, number, and location of all proposed improvements of the property;
- (b) provide access to and authorize inspection of the property by County employees to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement;
- (c) limit the uses of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect;
- (d) provide for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement;
- (e) contain each term agreed to by the owner of the property;
- (f) require the owner of the property to certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the agreement; and
- (g) provide that the governing body of the County may cancel or modify the agreement if the property owner fails to comply with the agreement.

See §§312.205 and 312.206, Tax Code. *See Also* §312.402, Tax Code.

5.2 The Tax Abatement Agreement may contain other provisions as required by the County or its legal counsel.

5.3 The duration of a tax abatement shall not exceed ten (10) years.

5.4 The Base Year Value of the property, the percentage of abatement, and the length of abatement shall be clearly set forth in the Agreement.

5.5 The “Base Year Value” is the taxable value of the property for the tax year in which the Agreement is executed.

5.6 The abatement provided by a Tax Abatement Agreement is only for the increase of the taxable value over the Base Year Value caused by the improvements and additions made by the property owner to the property which are specifically set forth in the Agreement. The abatement shall not be applied to improvements or personal property located on the property before the Tax Abatement Agreement is executed, or which are not included in the

improvements or additions expressly described in the Tax Abatement Agreement. The abatement provided by the Tax Abatement Agreement shall not apply to inventory or supplies.

5.7 A Tax Abatement Agreement will generally take effect on January 1 of the next year after the improvements and/or additions are completed. A certificate of completion must be provided to the County Judge upon (or the entity administering compliance) completion of the improvements/additions. "Completion" is subject to independent verification of completion by the County (and the municipality if in a municipal reinvestment zone).

5.8 For participation in municipal reinvestment zone tax abatement, the County may choose to use an abbreviated tax abatement agreement that adopts the terms of the municipal tax abatement agreement except as otherwise stated.

5.9 The Abatement Period may be started during construction if the parties so agree in the Tax Abatement Agreement.

5.10 The start of the Abatement Period may be deferred to a later year if the parties agree to such in the Tax Abatement Agreement.

5.11 Tax abatement compliance for a municipal reinvestment zone is generally monitored and administered by the city.

6. Guidelines of General Application

6.1 No member of the County Commissioners Court may have an interest in property to be included in a reinvestment zone, or property for which a tax abatement is granted by the County.

6.2 No tax abatement agreement is effective until formally approved by the Commissioners Court and fully executed by all parties. NO TAX ABATEMENT CAN BE GRANTED FOR PROPERTY THAT IS NOT LOCATED WITHIN A PROPERLY ESTABLISHED REINVESTMENT ZONE.

6.3 Tax abatement will only be granted for increases in the taxable value of the property over the Base Year Value as defined in these Guidelines, and only for increases in value caused by improvements/additions identified in the applicable tax abatement agreement. The term improvements/additions includes both new structures and facilities and the expansion and modernization of existing structures or facilities. In some situations, involving leases—the applicable Base Year value may be zero, or may be the value of the leasehold, if any. According to Section 312.402 (a-3) of the Tax Code the value of fixtures and personal property placed on the leased property is what is considered for abatement.

6.4 There can be no implied promise to grant tax abatement, and tax abatement may only be granted by the Commissioners Court by formal action, taken by the Commissioners Court as a body, which approves the same.

6.5 Meetings at which a tax abatement is considered by the Commissioners Court must be posted and held in accordance with the Open Meetings Act (Chapter 551 of the Government Code).

6.6 The conflict of interest provisions of Chapter 171 of the Local Government Code apply to actions taken by the Commissioners Court on any tax abatement.

6.7 For tax abatement in a municipal reinvestment zone, the term and percentages of the abatement are the same as those provided for in the municipal tax abatement agreement, except that the County does not recognize or provide additional premium opportunities or additional abatement provided by a municipality (ex. Added % abatement if x number or percentage of employees reside within the municipality, etc.). If the Commissioners Court does not agree with the term or percentages contained in the municipal agreement, it can choose not to participate in the abatement. In determining whether to participate in tax abatement in a municipal reinvestment zone the County will apply a rational review of the proposed term and percentages versus the development and/or employment being provided to determine whether such adequately serves the public purpose of tax abatement and is in the public interest.

For County Reinvestment Zones, rational review of the proposed length and percentages of tax abatement shall be applied. The proposed term/percentages should primarily be a function of the level of improvements/additions and job creation/retention. Proposals which include job creation/retention shall generally have priority over those which involve only improvements/additions to property. Another factor shall be the quality of the jobs proposed. Generally, a proposed abatement involving creation of near minimum wage jobs should be accorded less favorable abatement than one involving provision of jobs having more attractive wages and benefits. Greater consideration may be given to an applicant that commits to use contractors, vendors and suppliers located in Hill County for a substantial portion of its construction expenditures and annual supplies and service needs, and presents the County with a plan to do so as part of its application. Greater consideration may be given to an applicant that commits to fill at least 2/3rds of the new employment positions created with persons who reside in Hill County, and presents the County with a plan to do so as part of its application. In addition, businesses having a regional or national impact will be given greater consideration. These are businesses that ship most of their production outside of the County. Other businesses may be given greater consideration because they draw consumers into the County to make purchases.

When a project provides for little job creation but significant capital investment, care must be taken to properly analyze the possible impacts to the tax valuation in the future from factors such as depreciation, market changes, regulatory changes, appraisal methodologies, tax exemptions, and other relevant matters. The percentage and length of tax abatement must be carefully considered in view of the diminishing or fluctuating future value of the project. Rapid depreciation and unpredictable future valuations are factors that will be considered in setting abatement percentages and length on such projects. The Green Energy Abatement opportunity granted hereby is one of these areas. However, beyond the capital investment, the provision of green energy creates more energy to power Texas industry while reducing pollution in creating

that energy—which also makes Texas a better place to live and work. Standard abatement periods and percentages are set. *See* Appendix 1.

Other factors such as the infrastructure and utility requirements of the development, community impacts, direct and indirect economic impacts, environmental impacts, and the potential for future expansion may also be considered as part of the analysis.

6.8 In accordance with §312.002(d) of the Tax Code, Hill County’s adoption of these Guidelines does not:

- (1) limit the discretion of the governing body to decide whether to enter into a specific tax abatement agreement;
- (2) limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for tax abatement; or
- (3) create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application or request for tax abatement.

6.9 Sale, Lease or Allocation to Tax Exempt Entity. If a sale, lease, or allocation of the Project or its output is made to an entity exempt from property taxation, and such results in a portion of the Project being exempt from property taxation, the County may terminate the Tax Abatement Agreement and the Abatement granted thereunder. If this occurs, the owner must repay any taxes abated related to the portion of the property that has become exempt from year 1 to when the portion of the property became tax exempt.

6.10 Alternatively, to keep the tax abatement agreement in place for the rest of the property, the Owner shall pay in a lump sum the present value of taxes that will be lost to the County with regard to the exempt portion of the property over the next 20 years using a calculation agreed to by the parties in writing, but if unable to be agreed to, resolved by binding mediation to take place in Hill County, Texas before a mediator selected by the County from the approved list of mediators maintained by the Federal District Court in Waco..

6.11 In the event of conflict between these Guidelines and a provision of Chapter 312 of the Tax Code, Chapter 312 of the Tax Code shall control.

6.12 These Guidelines must be re-evaluated and re-approved every two years.

Approved and adopted by the Hill County Commissioners Court on this the ____ day of _____, 2019.

Justin Lewis, County Judge

Attest:

County Clerk

Appendix 1.

Clean Energy. This category generally provides limited job creation and involves rapid depreciation in value for property tax purposes. Therefore, standard Abatement Periods and Percentages are set. The minimum Capital Investment to be considered for Green Energy Abatement is \$20,000,000.

Between \$20,000,000 and \$50,000,000 of Capital Investment

Abatement Year	Abatement Percentage
1	50%
2	50%
3	40%
4	40%
5	35%
6	20%

Between \$50,000,000 and \$100,000,000 of Capital Investment

Abatement Year	Abatement Percentage
1	50%
2	50%
3	50%
4	45%
5	40%
6	40%
7	30%

Between \$100,000,000 and \$200,000,000

Abatement Year	Abatement Percentage
1	60%
2	60%
3	55%
4	55%

5	50%
6	50%
7	50%
8	40%
9	40%
10	30%

Greater than \$200,000,000 of Capital Investment

Abatement Year	Abatement Percentage
1	60%
2	60%
3	60%
4	60%
5	60%
6	55%
7	50%
8	45%
9	45%
10	30%

TAB 17

Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative (applicant)

See 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 ▶ Mark Parsons Superintendent
Print Name (Authorized School District Representative) Title

sign here ▶ [Signature] 2/10/2020
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.

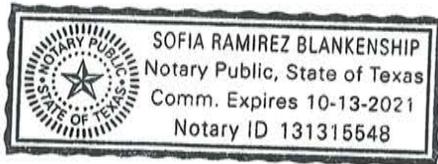
I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here ▶ Lloyd Pope COO
Print Name (Authorized Company Representative (Applicant)) Title

sign here ▶ [Signature] 2/10/20
Signature (Authorized Company Representative (Applicant)) Date

GIVEN under my hand and seal of office this, the

10th day of FEBRUARY, 2020



(Notary Seal)

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

My Commission expires: 10-13-2021

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.

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

Date **2/5/2020**
 Applicant Name **BT Files Solar, LLC**
 ISD Name **Itasca ISD**

Form 50-296A

Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district				Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	0
Investment made after filing complete application with district, but before final board approval of application	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2020	0	0	0	0	0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period			40,500,000	0	0	0	40,500,000	
Complete tax years of qualifying time period	QTP1		2021	2021	94,100,000	400,000	0	0
	QTP2	2022	2022	0	0	0	0	0
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				134,600,000	400,000	0	0	135,000,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				94,500,000				

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.

Applicant Name BT Files Solar, LLC

ISD Name Itasca ISD

Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		134,600,000	400,000	0	0	135,000,000
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	2021-2022	2021	0	0	0	0	0
Value limitation period***	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	0	0	0
	7	2028-2029	2028	0	0	0	0	0
	8	2029-2030	2029	0	0	0	0	0
	9	2030-2031	2030	0	0	0	0	0
	10	2031-2032	2031	0	0	0	0	0
Total Investment made through limitation				134,600,000	400,000	0	0	135,000,000
Continue to maintain viable presence	11	2032-2033	2032			0		0
	12	2033-2034	2033			0		0
	13	2034-2035	2034			0		0
	14	2035-2036	2035			0		0
	15	2036-2037	2036			0		0
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037			0		0
	17	2038-2039	2038			0		0
	18	2039-2040	2039			0		0
	19	2040-2041	2040			0		0
	20	2041-2042	2041			0		0
	21	2042-2043	2042			0		0
	22	2043-2044	2043			0		0
	23	2044-2045	2044			0		0
	24	2045-2046	2045			0		0
	25	2046-2047	2046			0		0

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row**.

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.

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

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

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; 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.

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

Date **2/5/2020**
 Applicant Name **BT Files Solar, LLC**
 ISD Name Itasca ISD

Form 50-296A
 Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021	0	0	3,645,000	3,645,000	3,645,000	3,645,000
Value Limitation Period	1	2022-2023	2022	0	388,000	86,682,400	87,070,400	87,070,400	20,000,000
	2	2023-2024	2023	0	378,300	79,144,800	79,523,100	79,523,100	20,000,000
	3	2024-2025	2024	0	368,800	71,607,200	71,976,000	71,976,000	20,000,000
	4	2025-2026	2025	0	359,600	63,127,400	63,487,000	63,487,000	20,000,000
	5	2026-2027	2026	0	350,600	54,647,600	54,998,200	54,998,200	20,000,000
	6	2027-2028	2027	0	341,800	46,167,800	46,509,600	46,509,600	20,000,000
	7	2028-2029	2028	0	333,300	36,745,800	37,079,100	37,079,100	20,000,000
	8	2029-2030	2029	0	325,000	28,266,000	28,591,000	28,591,000	20,000,000
	9	2030-2031	2030	0	316,900	22,612,800	22,929,700	22,929,700	20,000,000
	10	2031-2032	2031	0	309,000	19,786,200	20,095,200	20,095,200	20,000,000
Continue to maintain viable presence	11	2032-2033	2032	0	301,300	19,786,200	20,087,500	20,087,500	20,087,500
	12	2033-2034	2033	0	293,800	19,786,200	20,080,000	20,080,000	20,080,000
	13	2034-2035	2034	0	286,500	19,786,200	20,072,700	20,072,700	20,072,700
	14	2035-2036	2035	0	279,300	19,786,200	20,065,500	20,065,500	20,065,500
	15	2036-2037	2036	0	272,300	19,786,200	20,058,500	20,058,500	20,058,500
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037	0	265,500	19,786,200	20,051,700	20,051,700	20,051,700
	17	2038-2039	2038	0	258,900	19,786,200	20,045,100	20,045,100	20,045,100
	18	2039-2040	2039	0	252,400	19,786,200	20,038,600	20,038,600	20,038,600
	19	2040-2041	2040	0	246,100	19,786,200	20,032,300	20,032,300	20,032,300
	20	2041-2042	2041	0	239,900	19,786,200	20,026,100	20,026,100	20,026,100
	21	2042-2043	2042	0	233,900	19,786,200	20,020,100	20,020,100	20,020,100
	22	2043-2044	2043	0	228,100	19,786,200	20,014,300	20,014,300	20,014,300
	23	2044-2045	2044	0	222,400	19,786,200	20,008,600	20,008,600	20,008,600
	24	2045-2046	2045	0	216,800	19,786,200	20,003,000	20,003,000	20,003,000
	25	2046-2047	2046	0	211,400	19,786,200	19,997,600	19,997,600	19,997,600

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 2/5/2020
 Applicant Name BT Files Solar, LLC
 ISD Name Itasca ISD

Form 50-296A

Revised May 2014

	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 <i>Insert as many rows as necessary</i>	0	2020-2021	2020	50 FTE	50,000	0	0	0
	0	2021-2022	2021	150 FTE	50,000	0	0	0
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2022-2023	2022	N/A	N/A	0	1	51,970
	2	2023-2024	2023	N/A	N/A	0	1	51,970
	3	2024-2025	2024	N/A	N/A	0	1	51,970
	4	2025-2026	2025	N/A	N/A	0	1	51,970
	5	2026-2027	2026	N/A	N/A	0	1	51,970
	6	2027-2028	2027	N/A	N/A	0	1	51,970
	7	2028-2029	2028	N/A	N/A	0	1	51,970
	8	2029-2030	2029	N/A	N/A	0	1	51,970
	9	2030-2031	2030	N/A	N/A	0	1	51,970
10	2031-2032	2031	N/A	N/A	0	1	51,970	
Years Following Value Limitation Period	11 through 25	2032-2047	2032-2046	N/A	N/A	0	1	51,970

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

- C1.** Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 Yes No
 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)? Yes No
- C1b.** Will the applicant avail itself of the provision in 313.021(3)(F)? Yes No

Schedule D: Other Incentives (Estimated)

Date 2/5/2020
 Applicant Name BT Files Solar, LLC
 ISD Name Itasca 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: Hill County	2022	10 Years	Annual Avg. of \$235,000	Scaled	Annual Avg. of \$108,700
	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				235,000		108,700

Additional information on incentives for this project:

EXHIBIT A-1

Amendment to Application



WALSH GALLEGOS
TREVIÑO RUSSO & KYLE P.C

April 7, 2020

via email: Michelle.Luera@cpa.texas.gov
Michelle Luera, CTCM
Senior Research Analyst
Data Analysis and Transparency Division
Texas Comptroller of Public Accounts
111 East 17th Street
Austin, TX 78774

Re: Application #1465 —Application for Appraised Value Limitation on Qualified Property by BT Files Solar, LLC to the Itasca Independent School District

Dear Ms. Luera:

Enclosed please find an amendment to the above-referenced appraised value limitation application forwarded to your office on February 13, 2020. The attached amendment addresses your questions and requests for additional information in your e-mail correspondence on March 4, 2020.

As noted in the amendment, the Itasca ISD Board of Trustees received BT Files Solar LLC's application, deemed it complete and approved its consideration at its meeting on February 10, 2020. The presentation by Cumming Westlake to the Board on January 13, 2020 was an introductory meeting to describe BT Files Solar, LLC's potential project and express its interest in a possible value limitation application.

Please let us know if any additional information is required to complete your review of this application or amendment.

Sincerely,

Oscar G. Treviño

Enclosure

cc: Mr. Mark Parsons, Superintendent
Itasca Independent School District
123 N. College
Itasca, TX 76055
via email: mparsons@itascaisd.net

Mr. Lloyd Pope, Chief Operations Officer
Belltown Power
13612 Midway Rd., Suite 200
Farmers Branch, TX 75244
via email: lpope@belltownpower.com

Mr. Austin Willis, Project Manager
Belltown Power
13612 Midway Rd., Suite 200
Farmers Branch, TX 75244
via email: awillis@belltownpower.com

Mr. Brandon Westlake, Senior Consultant
Cummings Westlake LLC
16410 N. Eldridge Parkway
Tomball, TX 77377
via email: bwestlake@cwlp.net

Mr. Randy McDowell, President
McDowell School Finance Consulting
6 Wolf Trail
Heath, TX 75032
via email: randy@mcdowellsf.com

Mr. Mike McKibben, Chief Appraiser
Hill County Appraisal District
P O Box 416
Hillsboro, TX 76645-0416
via email: mikem@hillcad.org & hcad@hillcad.org

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, as indicated on page 9 of this application, separating each section of the documents in addition to an electronic copy. 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, and has determined that all assertions of confidentiality are appropriate, the Comptroller will publish all submitted non-confidential 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

February 10, 2020		
Date Application Received by District		
Mark	Parsons	
First Name	Last Name	
Superintendent		
Title		
Itasca ISD		
School District Name		
123 N. College		
Street Address		
123 N. College		
Mailing Address		
Itasca	TX	76055
City	State	ZIP
(254) 687-2922	(254) 687-2637	
Phone Number	Fax Number	
	mparsons@itascaisd.net	
Mobile Number (optional)	Email Address	
2. Does the district authorize the consultant to provide and obtain information related to this application?		
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Oscar	Trevino
First Name	Last Name
Attorney	
Title	
Walsh Gallegos Trevino Russo & Kyle, P.C.	
Firm Name	
512-454-6864	512-467-9318
Phone Number	Fax Number
	otrevino@wabsa.com
	Email Address
Mobile Number (optional)	

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)

Lloyd	Pope
First Name	Last Name
Chief Operations Officer	Belltown Power
Title	Organization
13612 Midway Rd., Suite 200	
Street Address	
13612 Midway Rd., Suite 200	
Mailing Address	
Farmers Branch	TX
City	State
214-729-4142	75244
Phone Number	ZIP
	Fax Number
	Lpope@belltownpower.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.

Austin	Willis
First Name	Last Name
Project Manager	Belltown Power
Title	Organization
13612 Midway Rd., Suite 200	
Street Address	
13612 Midway Rd., Suite 200	
Mailing Address	
Farmers Branch	TX
City	State
214-729-4142	75244
Phone Number	ZIP
	Fax Number
	awillis@belltownpower.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)

Brandon	Westlake
First Name	Last Name
Senior Consultant	
Title	
Cummings Westlake, LLC	
Firm Name	
(713) 266-4456	(713) 266-2333
Phone Number	Fax Number
bwestlake@cwlp.net	
Business Email Address	

SECTION 3: Fees and Payments

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

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

1a. If yes, include all transaction information below. Include proof of application fee paid to the school district in **Tab 2**. Any confidential banking information provided will not be publicly posted.

\$75,000	Check
Payment Amount	Transaction Type
Belltown Power	Itasca ISD
Payor	Payee
February 10, 2020	
Date transaction was processed	

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

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A

3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? BT Files Solar, LLC

2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32069901232

3. Parent Company Name Belltown Power Texas, LLC

4. Parent Company Tax ID 82-0935899

5. List the NAICS code 221114

6. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No

6a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Corporation

2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No

2a. If yes, attach in **Tab 3 a** 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.

SECTION 5: Applicant Business Structure (continued)

2b. List the Texas Franchise Tax Reporting Entity Taxpayer Name

2c. List the Reporting Entity Taxpayer Number

3. Is the applicant current on all tax payments due to the State of Texas? Yes No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A

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

***Note:** Applicants requesting eligibility under this category should note that there are additional application and reporting data submission requirements.

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. If the project is an amendment or a reapplication please specify and provide details regarding the original project.
2. Check the project characteristics that apply to the proposed project:
- Land has no existing improvements
 - Land has existing improvements (complete Section 13)
 - Expansion of existing operation on the land (complete Section 13)
 - Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
Company has 312 agreement with the County
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
Company has 312 agreement with the County
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

NOTE: Only construction beginning after the application review start date (the date the Texas Comptroller of Public Accounts deems the application complete) can be considered qualified property and/or qualified investment.

1. Estimated school board ratification of final agreement August 2020
 2. Estimated commencement of construction Q4 - 2020
 3. Beginning of qualifying time period (MM/DD/YYYY) 01/01/2021
 4. First year of limitation (MM/DD/YYYY) 01/01/2022
- 4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):
- A. January 1 following the application date B. January 1 following the end of QTP
- C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations December 2021

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Hill County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property 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:

M&O (ISD): <u>Itasca ISD; \$1.0683, 100%</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>Itasca ISD; \$0.3569, 100%</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Hill County, \$0.539882, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Hill County ESD #1, \$0.03, 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>Hill College, 100%; 0.091935</u> <small>(Name, tax rate and percent of project)</small>

SECTION 10: The Property (continued)

5. List all state and local incentives as an annual percentage. Include the estimated start and end year of the incentive:

County: Tax Abatement, Varies, 2022 - 2031
(Incentive type, percentage, start and end year)

City: _____
(Incentive type, percentage, start and end year)

Hospital District: _____
(Incentive type, percentage, start and end year)

Water District: _____
(Incentive type, percentage, start and end year)

Other (describe): _____
(Incentive type, percentage, start and end year)

Other (describe): _____
(Incentive type, percentage, start and end year)

6. Is the project located entirely within the ISD listed in Section 1? Yes No

6a. If no, attach in **Tab 6** maps of the entire project (depicting all other relevant school districts) and additional information on the project scope and size. Please note that only the qualified property within the ISD listed in Section 1 is eligible for the limitation from this application. Please verify that all information in **Tabs 7** and **8**, Section 11, 12 and 13, and map project boundaries pertain to only the property within the ISD listed in Section 1.

7. 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

7a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Texas Tax Code 313.021(1) Qualified 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

2. What is the amount of appraised value limitation for which you are applying? 20,000,000

Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.

3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No

4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
- a. a specific and detailed description of the qualified investment you propose to make within the project boundary 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: Texas Tax Code 313.021(2) Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] 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**);
 - 1c. a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and RZ boundaries (**Tab 11**); and
 - 1d. Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? Yes No

Note: Property used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area cannot be considered qualified property and will not be eligible for a limitation. See TAC §9.1051(16).

SECTION 12: Texas Tax Code 313.021(2) Qualified Property (continued)

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? _____

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 within the project boundary**. 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 within the project boundary 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 within the project boundary 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 within the project boundary (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 number of new qualifying jobs you are committing to create? 1
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) 0
3. 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) and TAC 9.1051(b)(1)? Yes No
 - 3a. If yes, attach evidence of industry standard 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.
4. 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). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
 - a. Non-qualified job wages
- average weekly wage for all jobs (all industries) in the county is 810.25
 - b. Qualifying job wage minimum option §313.021(5)(A)
-110% of the average weekly wage for manufacturing jobs in the county is 1,036.20
 - c. Qualifying job wage minimum option §313.021(5)(B)
-110% of the average weekly wage for manufacturing jobs in the region is 999.41
5. 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)
6. What is the minimum required annual wage for each qualifying job based on the qualified property? 51,970.00
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 51,970.00
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
9. 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
 - 9a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. 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
 - 10a. 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, and C 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

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.

BT Files Solar, LLC (BT Files Solar) is requesting an appraised value limitation from Itasca Independent School District (ISD) for the BT Files Solar Project (the "Project"), a proposed solar powered electric generating facility in Hill County. The proposed Itasca ISD Project (this application) will be constructed within the County Reinvestment Zone No. 005 that was established by Hill County on August 20, 2019 that is approximately 2,000 acres. A map showing the location of the project is included in TAB 11.

The proposed Project is anticipated to have a capacity of approximately 150 MW located in Itasca ISD. The exact number and location of panels and inverters will vary depending upon ongoing siting analysis, manufacturer's availability, prices, and the megawatt generating capacity of the Project when completed. Current estimated plans are to install approximately 451,546 PV modules and 64 inverters with all improvements located in Itasca ISD. The Applicant requests a value limitation for all facilities and equipment installed for the Project, including; solar modules/panels, racking and mounting structures, O&M building, substation, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, collection system and interconnection facilities.

Full construction of the Project is anticipated to begin in the Q4 2020 with completion by December 31, 2021.

**NOTE:* The map in TAB 11 shows the potential locations of improvements within Itasca ISD boundaries; however, the final number of panels and inverters and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

TAB 7

Description of Qualified Investment

BT Files Solar, LLC plans to construct a 150 MW solar farm in Hill County.

This application covers all qualified property in the reinvestment zone and project boundary within Itasca ISD necessary for the commercial operations of the proposed solar farm described in Tab 4. One hundred and fifty megawatts (150 MW) will be located in Itasca ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 451,546 PV modules or equivalent and 64 inverters.

This application covers all qualified investment and qualified property necessary for the commercial operations of the solar farm.

Qualified Investment and qualified property includes; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, O&M Building, substation, collection system, interconnection facilities and control systems necessary for commercial generation of electricity.

**NOTE:* The map in TAB 11 shows the potential locations of improvements within Itasca ISD boundaries; however, the final number of panels and inverters and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

TAB 8

Description of Qualified Property

BT Files Solar, LLC plans to construct a 150 MW solar farm in Hill County.

This application covers all qualified property in the reinvestment zone and project boundary within Itasca ISD necessary for the commercial operations of the proposed solar farm described in Tab 4. One hundred and fifty megawatts (150 MW) will be located in Itasca ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 451,546 PV modules or equivalent and 64 inverters.

This application covers all qualified investment and qualified property necessary for the commercial operations of the solar farm.

Qualified Investment and qualified property includes; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, paving, fencing, O&M Building, substation, collection system, interconnection facilities and control systems necessary for commercial generation of electricity.

**NOTE:* The map in TAB 11 shows the potential locations of improvements within Itasca ISD boundaries; however, the final number of panels and inverters and the location of each of these facilities is dependent upon ongoing negotiations with power purchasers and other factors.

TAB 9

VICINITY MAP



JOHNSON

ELLIS

Itasca ISD

HILL

BOSQUE

McLENNAN

Files Solar Farm

Vicinity Map
Situated in
Itasca Independent School District

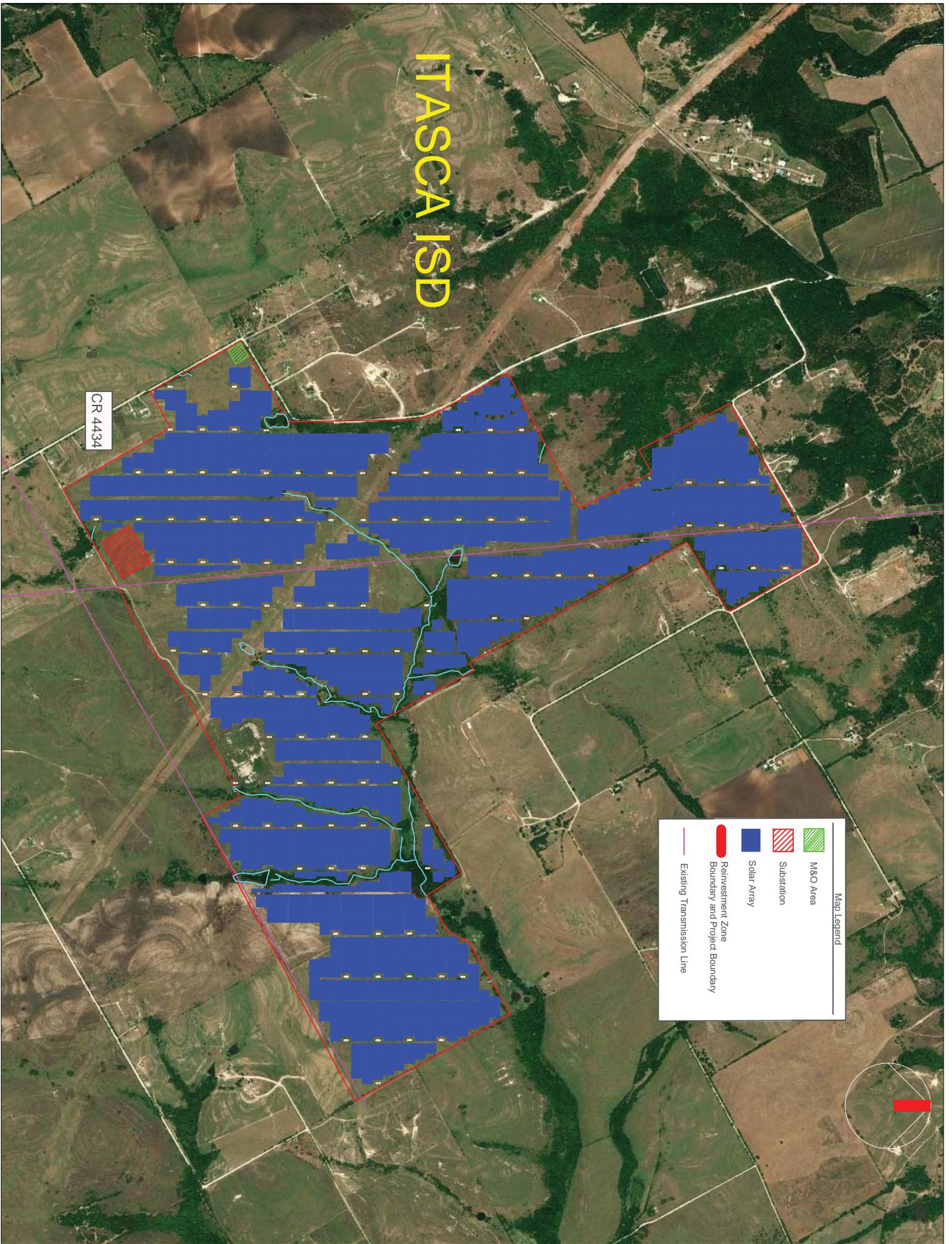
-  Project Boundary/
Reinvestment Zone
-  School District Line
-  County Line

ITASCA ISD

CR 4434

Map Legend

- M&O Area
- Substation
- Solar Array
- Reinvestment Zone Boundary and Project Boundary
- Existing Transmission Line



BT FILES SOLAR, LLC
TAB 13 TO CHAPTER 313 APPLICATION

HILL COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2019	\$ 790	\$ 41,080
SECOND	2019	\$ 804	\$ 41,808
THIRD	2019	\$ 809	\$ 42,068
FOURTH	2018	\$ 838	\$ 43,576
AVERAGE		\$ 810.25	\$ 42,133

HILL COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2019	\$ 931	\$ 48,412
SECOND	2019	\$ 920	\$ 47,840
THIRD	2019	\$ 944	\$ 49,088
FOURTH	2018	\$ 973	\$ 50,596
AVERAGE		\$ 942	\$ 48,984
X		110%	110%
		\$ 1,036.20	\$ 53,882

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
Heart of Texas	2018	\$ 909	\$ 47,245
X		110%	110%
		\$ 999.41	\$ 51,970

* SEE ATTACHED TWC DOCUMENTATION

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	Hill	Total All	10	Total, All Industries	769
2018	02	Hill	Total All	10	Total, All Industries	767
2018	03	Hill	Total All	10	Total, All Industries	781
2018	04	Hill	Total All	10	Total, All Industries	838
2019	01	Hill	Total All	10	Total, All Industries	790
2019	02	Hill	Total All	10	Total, All Industries	804
2019	03	Hill	Total All	10	Total, All Industries	809

Showing 7 items

Follow the Texas Workforce Commission
 Enter your email address



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	Hill	Private	31-33	Manufacturing	810
2018	02	Hill	Private	31-33	Manufacturing	910
2018	03	Hill	Private	31-33	Manufacturing	937
2018	04	Hill	Private	31-33	Manufacturing	973
2019	01	Hill	Private	31-33	Manufacturing	931
2019	02	Hill	Private	31-33	Manufacturing	920
2019	03	Hill	Private	31-33	Manufacturing	944

Showing 7 items



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 Enter your email address

**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.

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BT Files Solar, LLC
Itasca ISD

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Revised February 2020

Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0 0	2020-2021 2021-2022	2020 2021	Number of Construction FTEs	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)	Annual wage of new qualifying jobs
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	2	2023-2024	2023	N/A	N/A	0	1	51,970
	3	2024-2025	2024	N/A	N/A	0	1	51,970
	4	2025-2026	2025	N/A	N/A	0	1	51,970
	5	2026-2027	2026	N/A	N/A	0	1	51,970
	6	2027-2028	2027	N/A	N/A	0	1	51,970
	7	2028-2029	2028	N/A	N/A	0	1	51,970
	8	2029-2030	2029	N/A	N/A	0	1	51,970
	9	2030-2031	2030	N/A	N/A	0	1	51,970
	10	2031-2032	2031	N/A	N/A	0	1	51,970
	Years Following Value Limitation Period	11 through 25	2032-2047	2032-2046	N/A	N/A	0	1

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

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

Mark Parsons
Print Name (Authorized School District Representative)

Superintendent

Title

sign here

[Handwritten Signature of Mark Parsons]
Signature (Authorized School District Representative)

Date

4/3/2020

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

Lloyd Pope
Print Name (Authorized Company Representative (Applicant))

COO

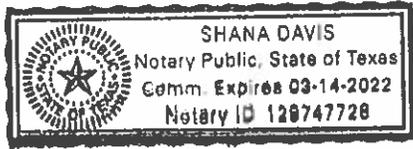
Title

sign here

[Handwritten Signature of Lloyd Pope]
Signature (Authorized Company Representative (Applicant))

Date

3/17/20



(Notary Seal)

GIVEN under my hand and seal of office this, the

17th day of March, 2020

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

My Commission expires: 3/14/2022

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.

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
				Column A	Column B	Column C	Column D	Column E	
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district		Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2020	Not eligible to become Qualified Property				[The only other investment made before filing complete application with district that may become Qualified Property is land.]	0
Investment made after filing complete application with district, but before final board approval of application	--								0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				40,500,000	0	0	0	40,500,000	
Complete tax years of qualifying time period	QTP1	2021-2022	2021	94,100,000	400,000	0	0	94,500,000	
	QTP2	2022-2023	2022	0	0	0	0	0	
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				134,600,000	400,000	0	0	135,000,000	
				Enter amounts from TOTAL row above in Schedule A2					
Total Qualified Investment (sum of green cells)				94,500,000					

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.

PROPERTY INVESTMENT AMOUNTS								
(Estimated investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in intangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will not become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		134,600,000	400,000	0	0	135,000,000
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	2021-2022	2021					
Value limitation period***	1	2022-2023	2022					
	2	2023-2024	2023					
	3	2024-2025	2024					
	4	2025-2026	2025					
	5	2026-2027	2026					
	6	2027-2028	2027					
	7	2028-2029	2028					
	8	2029-2030	2029					
	9	2030-2031	2030					
	10	2031-2032	2031					
Total Investment made through limitation								
Continue to maintain viable presence	11	2032-2033	2032					
	12	2033-2034	2033					
	13	2034-2035	2034					
	14	2035-2036	2035					
	15	2036-2037	2036					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037					
	17	2038-2039	2038					
	18	2039-2040	2039					
	19	2040-2041	2040					
	20	2041-2042	2041					
	21	2042-2043	2042					
	22	2043-2044	2043					
	23	2044-2045	2044					
	24	2045-2046	2045					
	25	2046-2047	2046					

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row**.

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 Only tangible personal property that is specifically described in the application can become qualified property.

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

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; 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.

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

Date
Applicant Name
ISD Name

3/17/2020
BT Files Solar, LLC
Itasca ISD

Form 50-296A
Revised February 2020

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021	0	0	3,645,000	3,645,000	3,645,000	3,645,000
Value Limitation Period	1	2022-2023	2022	0	388,000	86,682,400	87,070,400	87,070,400	20,000,000
	2	2023-2024	2023	0	378,300	79,144,800	79,523,100	79,523,100	20,000,000
	3	2024-2025	2024	0	368,800	71,607,200	71,976,000	71,976,000	20,000,000
	4	2025-2026	2025	0	359,600	63,127,400	63,487,000	63,487,000	20,000,000
	5	2026-2027	2026	0	350,600	54,647,600	54,998,200	54,998,200	20,000,000
	6	2027-2028	2027	0	341,800	46,167,800	46,509,600	46,509,600	20,000,000
	7	2028-2029	2028	0	333,300	36,745,800	37,079,100	37,079,100	20,000,000
	8	2029-2030	2029	0	325,000	28,266,000	28,591,000	28,591,000	20,000,000
	9	2030-2031	2030	0	316,900	22,612,800	22,929,700	22,929,700	20,000,000
	10	2031-2032	2031	0	309,000	19,786,200	20,095,200	20,095,200	20,000,000
Continue to maintain viable presence	11	2032-2033	2032	0	301,300	19,786,200	20,087,500	20,087,500	20,087,500
	12	2033-2034	2033	0	293,800	19,786,200	20,080,000	20,080,000	20,080,000
	13	2034-2035	2034	0	286,500	19,786,200	20,072,700	20,072,700	20,072,700
	14	2035-2036	2035	0	279,300	19,786,200	20,065,500	20,065,500	20,065,500
	15	2036-2037	2036	0	272,300	19,786,200	20,058,500	20,058,500	20,058,500
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037	0	265,500	19,786,200	20,051,700	20,051,700	20,051,700
	17	2038-2039	2038	0	258,900	19,786,200	20,045,100	20,045,100	20,045,100
	18	2039-2040	2039	0	252,400	19,786,200	20,038,600	20,038,600	20,038,600
	19	2040-2041	2040	0	246,100	19,786,200	20,032,300	20,032,300	20,032,300
	20	2041-2042	2041	0	239,900	19,786,200	20,026,100	20,026,100	20,026,100
	21	2042-2043	2042	0	233,900	19,786,200	20,020,100	20,020,100	20,020,100
	22	2043-2044	2043	0	228,100	19,786,200	20,014,300	20,014,300	20,014,300
	23	2044-2045	2044	0	222,400	19,786,200	20,008,600	20,008,600	20,008,600
	24	2045-2046	2045	0	216,800	19,786,200	20,003,000	20,003,000	20,003,000
	25	2046-2047	2046	0	211,400	19,786,200	19,997,600	19,997,600	19,997,600

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

#####

Applicant Name

BT Files Solar, LLC

Form 50-296A

ISD Name

Itasca ISD

Revised February 2020

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A Number of Construction FTE's	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 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	50 FTE	50,000	0	0	0
	0	2021-2022	2021	150 FTE	50,000	0	0	0
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2022-2023	2022	N/A	N/A	0	1	51,970
	2	2023-2024	2023	N/A	N/A	0	1	51,970
	3	2024-2025	2024	N/A	N/A	0	1	51,970
	4	2025-2026	2025	N/A	N/A	0	1	51,970
	5	2026-2027	2026	N/A	N/A	0	1	51,970
	6	2027-2028	2027	N/A	N/A	0	1	51,970
	7	2028-2029	2028	N/A	N/A	0	1	51,970
	8	2029-2030	2029	N/A	N/A	0	1	51,970
	9	2030-2031	2030	N/A	N/A	0	1	51,970
	10	2031-2032	2031	N/A	N/A	0	1	51,970
Years Following Value Limitation Period	11 through 25	2032-2047	2032-2046	N/A	N/A	0	1	51,970

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

EXHIBIT A-2

Supplement to Application

Doug Brock

From: Michelle Luera <Michelle.Luera@cpa.texas.gov>
Sent: Wednesday, May 13, 2020 11:40 AM
To: Brandon Westlake (bwestlake@cwlp.net); Oscar Trevino
Cc: Stephanie Jones; Michelle Luera
Subject: App#1465 Itasca ISD - BT Files Solar, LLC - Section 10

Dear Brandon,

I need your assistance. When the amendment 1 was submitted the newest version of application was used. The new version of the application no longer contains Schedule D – those questions are included in Section 10.

Page 6, Section 10, Question 5

The information listed for county abatement – the answer is listed as “varies.” Since Schedule D is no longer part of the application we need more answer to question – annual percentage (100% for 10 years or something else)

Please submit a revised Page 6, Section 10 as Supplement 1 and I will forego a signature page due to timing. Please submit by COB, Friday, May 15. If this is not easy to turn around please let me know and we can work out a deadline. Thanks for your attentions to this matter.

Kind regards,

Michelle Luera, CTCM
Senior Research Analyst
Data Analysis and Transparency Division
Texas Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774
(512)463-6053
(800)531-5441 ext.3-6053
fax (512)475-0664

IMPORTANT NOTICE: This communication and any attachments may contain privileged or confidential information under the Texas Public Information Act and/or applicable state and federal laws. If you have received this message in error, please notify the sender immediately.

SECTION 10: The Property (continued)

5. List all state and local incentives as an annual percentage. Include the estimated start and end year of the incentive:

County: see Tab 6 (Incentive type, percentage, start and end year)

City: (Incentive type, percentage, start and end year)

Hospital District: (Incentive type, percentage, start and end year)

Water District: (Incentive type, percentage, start and end year)

Other (describe): (Incentive type, percentage, start and end year)

Other (describe): (Incentive type, percentage, start and end year)

6. Is the project located entirely within the ISD listed in Section 1? [X] Yes [] No

6a. If no, attach in Tab 6 maps of the entire project (depicting all other relevant school districts) and additional information on the project scope and size. Please note that only the qualified property within the ISD listed in Section 1 is eligible for the limitation from this application. Please verify that all information in Tabs 7 and 8, Section 11, 12 and 13, and map project boundaries pertain to only the property within the ISD listed in Section 1.

7. 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 [X] No

7a. If yes, attach in Tab 6 supporting documentation from the Office of the Governor.

SECTION 11: Texas Tax Code 313.021(1) Qualified 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

2. What is the amount of appraised value limitation for which you are applying? 20,000,000

Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.

3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? [X] 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 within the project boundary 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? [X] Yes [] No

SECTION 12: Texas Tax Code 313.021(2) Qualified Property

- 1. Attach a detailed description of the qualified property. [See §313.021(2)] 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);
1c. a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and RZ boundaries (Tab 11); and
1d. Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? [] Yes [X] No

Note: Property used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area cannot be considered qualified property and will not be eligible for a limitation. See TAC §9.1051(16).

BT Files Solar, LLC

Chapter 313 Application to Itasca ISD

Cummings Westlake, LLC

TAB 6

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

- | | |
|--------------------------------|--------|
| 1) Hill County | - 100% |
| 2) Itasca ISD | - 100% |
| 3) Hill County ESD District #1 | - 100% |
| 4) Hill College | - 100% |

The 312 Tax Abatement Agreement with the County has the following terms

- Year 1 – 50%
- Year 2 – 50%
- Year 3 – 40%
- Year 4 – 40%
- Year 5 – 35%
- Year 6 – 20%

EXHIBIT B

Comptroller's "Completeness" Letter



EXHIBIT B

GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

April 15, 2020

Mark Parsons
Superintendent
Itasca Independent School District
123 N. College
Itasca, TX 76055

Re: Application for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Itasca Independent School District and BT Files Solar, LLC, Application 1465

Dear Superintendent Parsons:

On February 13, 2020, the Comptroller's office received BT Files Solar, LLC's (applicant) application for a limitation on appraised value (Application 1465) from Itasca Independent School District (school district).

The purpose of this letter is to inform you that the Comptroller's office has reviewed the submitted application and determined that it includes the information necessary to be determined as complete on April 15, 2020.

Texas Tax Code §313.025(d) directs the Comptroller's office to issue a certificate for a limitation on the appraised value of the property, or provide the governing body of the school district with a written explanation of the Comptroller's decision to not issue a certificate no later than the 90th day after receiving the completed application. The requirements to determine eligibility and to issue a certificate for a limitation do not begin until an application is complete as determined by this agency. The Comptroller's office will move forward with our economic impact evaluation and will send a letter of determination to the school district and the applicant.

This letter does not constitute a review of the application under Section 313.025(h) to determine if the project meets the requirements of Section 313.024 for eligibility for a limitation on appraised value. Likewise, this letter does not address the determinations required under Section 313.026(c).

Should you have any questions, please contact Michelle Luera with our office. She can be reached by email at michelle.luera@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 3- 6053 or at 512-463- 6053.

Sincerely,

DocuSigned by:

Will Counihan

45D47260A6AB46C...
Will Counihan

Director

Data Analysis & Transparency Division

cc: Oscar Treviño, Walsh Gallegos Treviño Russo & Kyle, P.C.
Lloyd Pope, Belltown Power
Austin Willis, Belltown Power
Brandon Westlake, Cummings Westlake, LLC

EXHIBIT C

Comptroller's Certification and Economic Impact Analysis



EXHIBIT □

GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

May 29, 2020

Mark Parsons
Superintendent
Itasca Independent School District
123 N. College
Itasca, TX 76055

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Itasca Independent School District and BT Files Solar, LLC, Application 1465

Dear Superintendent Parsons:

On April 15, 2020, the Comptroller issued written notice that BT Files Solar, LLC (applicant) submitted a completed application (Application 1465) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on February 10, 2020, to the Itasca Independent School District (school district) by the applicant.

This presents the results of the Comptroller's review of the application and determinations required:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

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

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

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

Sec. 313.024(d-2) Not applicable to Application 1465.

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem tax* revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state, see Attachment C.

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

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement by December 31, 2020.

Note that any building or improvement existing as of the application review start date of April 15, 2020, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

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

Sincerely,

DocuSigned by:

11EA6DEF0EC441E...

Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of BT Files Solar, LLC (project) applying to Itasca Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of BT Files Solar, LLC.

Applicant	BT Files Solar, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Solar
School District	Itasca ISD
2018-2019 Average Daily Attendance	639
County	Hill
Proposed Total Investment in District	\$135,000,000
Proposed Qualified Investment	\$94,500,000
Limitation Amount	\$20,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	1*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$999.41
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$999.41
Minimum annual wage committed to by applicant for qualified jobs	\$51,970
Minimum weekly wage required for non-qualifying jobs	\$810.25
Minimum annual wage required for non-qualifying jobs	\$42,133
Investment per Qualifying Job	\$135,000,000
Estimated M&O levy without any limit (15 years)	\$6,544,657
Estimated M&O levy with Limitation (15 years)	\$3,208,791
Estimated gross M&O tax benefit (15 years)	\$3,335,866

* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).

Table 2 is the estimated statewide economic impact of BT Files Solar, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2020	50	(50)	0	\$2,500,000	-\$2,500,000	\$0
2021	150	(150)	0	\$7,500,000	-\$7,500,000	\$0
2022	1	(1)	0	\$51,970	-\$51,970	\$0
2023	1	(1)	0	\$51,970	-\$51,970	\$0
2024	1	(1)	0	\$51,970	-\$51,970	\$0
2025	1	(1)	0	\$51,970	-\$51,970	\$0
2026	1	(1)	0	\$51,970	-\$51,970	\$0
2027	1	(1)	0	\$51,970	-\$51,970	\$0
2028	1	(1)	0	\$51,970	-\$51,970	\$0
2029	1	(1)	0	\$51,970	-\$51,970	\$0
2030	1	(1)	0	\$51,970	-\$51,970	\$0
2031	1	(1)	0	\$51,970	-\$51,970	\$0
2032	1	(1)	0	\$51,970	-\$51,970	\$0
2033	1	(1)	0	\$51,970	-\$51,970	\$0
2034	1	(1)	0	\$51,970	-\$51,970	\$0
2035	1	(1)	0	\$51,970	-\$51,970	\$0
2036	1	(1)	0	\$51,970	-\$51,970	\$0

Source: CPA REMI, BT Files Solar, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Itasca ISD I&S Tax Levy	Itasca ISD M&O Tax Levy	Itasca ISD M&O and I&S Tax Levies	Hill County Tax Levy	Hill College Tax Levy	Hill County ESD#1 Tax Levy	Estimated Total Property Taxes
				0.3569	1.0683		0.5399	0.0919	0.0300	
2022	\$87,070,400	\$87,070,400		\$310,754	\$930,173	\$1,240,927	\$470,077	\$80,048	\$26,121	\$1,791,053
2023	\$79,523,100	\$79,523,100		\$283,818	\$849,545	\$1,133,363	\$429,331	\$73,110	\$23,857	\$1,635,804
2024	\$71,976,000	\$71,976,000		\$256,882	\$768,920	\$1,025,802	\$388,585	\$66,171	\$21,593	\$1,480,559
2025	\$63,487,000	\$63,487,000		\$226,585	\$678,232	\$904,817	\$342,755	\$58,367	\$19,046	\$1,305,938
2026	\$54,998,200	\$54,998,200		\$196,289	\$587,546	\$783,834	\$296,925	\$50,563	\$16,499	\$1,131,322
2027	\$46,509,600	\$46,509,600		\$165,993	\$496,862	\$662,855	\$251,097	\$42,759	\$13,953	\$956,710
2028	\$37,079,100	\$37,079,100		\$132,335	\$396,116	\$528,451	\$200,183	\$34,089	\$11,124	\$762,723
2029	\$28,591,000	\$28,591,000		\$102,041	\$305,438	\$407,479	\$154,358	\$26,285	\$8,577	\$588,122
2030	\$22,929,700	\$22,929,700		\$81,836	\$244,958	\$326,794	\$123,793	\$21,080	\$6,879	\$471,668
2031	\$20,095,200	\$20,095,200		\$71,720	\$214,677	\$286,397	\$108,490	\$18,475	\$6,029	\$413,362
2032	\$20,087,500	\$20,087,500		\$71,692	\$214,595	\$286,287	\$108,449	\$18,467	\$6,026	\$413,203
2033	\$20,080,000	\$20,080,000		\$71,666	\$214,515	\$286,180	\$108,408	\$18,461	\$6,024	\$413,049
2034	\$20,072,700	\$20,072,700		\$71,639	\$214,437	\$286,076	\$108,369	\$18,454	\$6,022	\$412,899
2035	\$20,065,500	\$20,065,500		\$71,614	\$214,360	\$285,974	\$108,330	\$18,447	\$6,020	\$412,751
2036	\$20,058,500	\$20,058,500		\$71,589	\$214,285	\$285,874	\$108,292	\$18,441	\$6,018	\$412,607
			Total	\$2,186,453	\$6,544,657	\$8,731,110	\$3,307,444	\$563,215	\$183,787	\$12,601,770

Source: CPA, BT Files Solar, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district, Hill County, Hill County Emergency Services District #1 and Hill College, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Itasca ISD I&S Tax Levy	Itasca ISD M&O Tax Levy	Itasca ISD M&O and I&S Tax Levies	Hill County Tax Levy	Hill College Tax Levy	Hill County ESD#1 Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.35690	1.06830		0.53988	0.09194	0.03000	
2022	\$87,070,400	\$20,000,000		\$310,754	\$213,660	\$524,414	\$225,637	\$80,048	\$26,121	\$830,100
2023	\$79,523,100	\$20,000,000		\$283,818	\$213,660	\$497,478	\$206,079	\$73,110	\$23,857	\$776,666
2024	\$71,976,000	\$20,000,000		\$256,882	\$213,660	\$470,542	\$186,521	\$66,171	\$21,593	\$723,235
2025	\$63,487,000	\$20,000,000		\$226,585	\$213,660	\$440,245	\$164,522	\$58,367	\$19,046	\$663,134
2026	\$54,998,200	\$20,000,000		\$196,289	\$213,660	\$409,949	\$142,524	\$50,563	\$16,499	\$603,035
2027	\$46,509,600	\$20,000,000		\$165,993	\$213,660	\$379,653	\$120,527	\$42,759	\$13,953	\$542,938
2028	\$37,079,100	\$20,000,000		\$132,335	\$213,660	\$345,995	\$96,088	\$34,089	\$11,124	\$476,172
2029	\$28,591,000	\$20,000,000		\$102,041	\$213,660	\$315,701	\$74,092	\$26,285	\$8,577	\$416,078
2030	\$22,929,700	\$20,000,000		\$81,836	\$213,660	\$295,496	\$59,421	\$21,080	\$6,879	\$375,997
2031	\$20,095,200	\$20,000,000		\$71,720	\$213,660	\$285,380	\$52,075	\$18,475	\$6,029	\$355,930
2032	\$20,087,500	\$20,087,500		\$71,692	\$214,595	\$286,287	\$108,449	\$18,467	\$6,026	\$413,203
2033	\$20,080,000	\$20,080,000		\$71,666	\$214,515	\$286,180	\$108,408	\$18,461	\$6,024	\$413,049
2034	\$20,072,700	\$20,072,700		\$71,639	\$214,437	\$286,076	\$108,369	\$18,454	\$6,022	\$412,899
2035	\$20,065,500	\$20,065,500		\$71,614	\$214,360	\$285,974	\$108,330	\$18,447	\$6,020	\$412,751
2036	\$20,058,500	\$20,058,500		\$71,589	\$214,285	\$285,874	\$108,292	\$18,441	\$6,018	\$412,607
			Total	\$2,186,453	\$3,208,791	\$5,395,244	\$1,869,334	\$563,215	\$183,787	\$7,827,794
			Diff	\$0	\$3,335,866	\$3,335,866	\$1,438,110	\$0	\$0	\$4,773,976
Assumes School Value Limitation and Tax Abatement with the County.										

Source: CPA, BT Files Solar, LLC

*Tax Rate per \$100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

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

This represents the Comptroller’s determination that BT Files Solar, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2019	\$0	\$0	\$0	\$0
	2020	\$0	\$0	\$0	\$0
	2021	\$38,940	\$38,940	\$0	\$0
Limitation Period (10 Years)	2022	\$213,660	\$252,600	\$716,513	\$716,513
	2023	\$213,660	\$466,260	\$635,885	\$1,352,398
	2024	\$213,660	\$679,920	\$555,260	\$1,907,658
	2025	\$213,660	\$893,580	\$464,572	\$2,372,230
	2026	\$213,660	\$1,107,240	\$373,886	\$2,746,115
	2027	\$213,660	\$1,320,900	\$283,202	\$3,029,317
	2028	\$213,660	\$1,534,560	\$182,456	\$3,211,773
	2029	\$213,660	\$1,748,220	\$91,778	\$3,303,551
	2030	\$213,660	\$1,961,880	\$31,298	\$3,334,849
	2031	\$213,660	\$2,175,540	\$1,017	\$3,335,866
Maintain Viable Presence (5 Years)	2032	\$214,595	\$2,390,134	\$0	\$3,335,866
	2033	\$214,515	\$2,604,649	\$0	\$3,335,866
	2034	\$214,437	\$2,819,086	\$0	\$3,335,866
	2035	\$214,360	\$3,033,445	\$0	\$3,335,866
	2036	\$214,285	\$3,247,730	\$0	\$3,335,866
Additional Years as Required by 313.026(c)(1) (10 Years)	2037	\$214,212	\$3,461,943	\$0	\$3,335,866
	2038	\$214,142	\$3,676,084	\$0	\$3,335,866
	2039	\$214,072	\$3,890,157	\$0	\$3,335,866
	2040	\$214,005	\$4,104,162	\$0	\$3,335,866
	2041	\$213,939	\$4,318,101	\$0	\$3,335,866
	2042	\$213,875	\$4,531,975	\$0	\$3,335,866
	2043	\$213,813	\$4,745,788	\$0	\$3,335,866
	2044	\$213,752	\$4,959,540	\$0	\$3,335,866
	2045	\$213,692	\$5,173,232	\$0	\$3,335,866
	2046	\$213,634	\$5,386,866	\$0	\$3,335,866
		\$5,386,866	is greater than	\$3,335,866	
Analysis Summary					
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?					Yes

NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, BT Files Solar, LLC

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that “the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.” This represents the basis for the Comptroller's determination.

Methodology

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

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

Determination

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

- Per BT Files Solar, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “Belltown Power is active in in other states and countries and each project individually competes for a finite pool of capital investment. State and local tax incentives contribute to the lowering of the cost of power sold to our customers and making our investment more viable and marketable. Belltown Power has various projects in and continually compare investment opportunities, rate of return, and market viability of each project based upon project financial metrics.”
 - B. “Due to the extremely competitive power market in Texas all Power Purchase Agreement's (PPA's) economic model assumptions are based on the Project securing this Chapter 313 appraised value limitation and other local tax incentives. The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates under a PPA. A signed PPA in the Texas market is at a much lower rate than other states because of competitively low electricity prices. Both parties of the PPA have an escape clause if the terms of the PPA cannot be met. Without the tax incentives in Texas, a project with a PPA becomes non-financeable. Therefore, this appraised value limitation is critical to the ability of the proposed Project to move forward as currently sited.”
- An August 26, 2019 Hillsboro Reporter article reported:
 - A. “The Hill County Commissioners' Court heard public comments on two proposed solar panel farms and the preliminary county budget in a special session held Tuesday, August 20. Two new solar panel farm projects are being proposed by Belltown Power, and the county has been in economic development negotiations with the company. Belltown is proposing placing its solar panels ... on around 1,993 acres near Itasca in the Itasca ISD.”
 - B. “While the projects will dramatically increase funding for those school districts—the court noted that revenue for the ISDs could triple— residents near at least one of the proposed projects expressed concerns about their property values, safety and the loss of farmland.”

- C. "A property owner on HCR 4434 near Itasca who said that he lives right in the middle of the proposed farm said that most of the landowners reaching agreements with the company do not live in Hill County. He said that around 50 of the property owners who make their homes in the area have signed a petition expressing their opposition to the project. He said that the project would reduce property values, impact wildlife and prevent property owners from raising cattle or farming on their land."
- D. "Several citizens asked for an explanation of the benefits of the projects for the county. County Judge Justin Lewis said that taking the land out of ag valuation and taxing it for commercial production results in a five-year rollback in taxes and the company would have to pay five years of back taxes at the corporate rate. He explained that even with the companies receiving tax breaks for the first 10 years under the county's green energy tax abatement guidelines, the contracts run for at least 25 years and possibly up to 40 years, which would result in significant tax revenue for the county and help reduce taxes for homeowners."
- A September 2, 2019 Hillsboro Reporter article reported the following:
 - A. "Belltown Power is moving forward with two local solar energy projects after the Hill County Commissioners' Court approved tax abatement agreements for the company Tuesday, August 27. The company intends to place solar panels on just under 2,000 acres near Itasca and over 1,000 acres near Malone. County Judge Justin Lewis said that he had only received positive commentary on the project near Malone, but several concerned citizens from the Itasca area spoke out against the project at the court's previous meeting."
 - B. "The court ultimately voted to approve the tax incentives, noting that the projects will benefit the majority of Hill County residents. The agreement averages out to a tax break of about 52 percent for the company over a 10-year period. The county does not negotiate on the FM lateral, or road and bridge, portion of the tax rate, so the project will provide full benefits to that fund immediately."
 - C. "Valued at approximately \$200 million each, the solar panel farms are expected to dramatically increase revenue for the school districts where they are located and result in additional tax revenue for the county over the life of the projects. Since the land is currently taxed as agricultural, the county will also get five years of back taxes from the company when the projects begin."
- According to a February 10, 2020 Board of Trustees Itasca Independent School District Meeting Agenda an item taken up by the trustees was, "Consider/Approve appraised value limitation application by BT Files Solar for construction of a solar powered electric generating facility under Chapter 313, Tax Code, including request for waiver of new qualifying job creation requirement.
- Supplemental Information provided by the applicant indicated the following:
 - A. Is this project known by any specific names not otherwise mentioned in this application? *No, the project is currently known as BT Files Solar.*
 - B. Please also list any other names by which this project may have been known in the past--in media reports, investor presentations, or any listings with any federal or state agency. *It has been known as Files Solar, Neeley Solar, BT Neeley Solar, and 20INR0164.*
 - C. Has this project applied to ERCOT at this time? If so, please provide the project's GINR number and when was it assigned. *Yes, 20INR0164 and was assigned in November 2018.*

Supporting Information

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

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Supporting Information

Section 8 of the Application for
a Limitation on Appraised Value

SECTION 5: Applicant Business Structure (continued)

2b. List the Texas Franchise Tax Reporting Entity Taxpayer Name

2c. List the Reporting Entity Taxpayer Number

3. Is the applicant current on all tax payments due to the State of Texas? Yes No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A

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

***Note:** Applicants requesting eligibility under this category should note that there are additional application and reporting data submission requirements.

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. If the project is an amendment or a reapplication please specify and provide details regarding the original project.
2. Check the project characteristics that apply to the proposed project:
- Land has no existing improvements
 - Land has existing improvements (complete Section 13)
 - Expansion of existing operation on the land (complete Section 13)
 - Relocation within Texas

Supporting Information

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

TAB 5

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

Belltown Power was founded in the UK in 2013 by Michael Kaplan, Tom Hill-Norton and Andy Black as a fully integrated renewable energy power company. With a small team of dedicated investment and engineering professionals, Belltown delivered over 200MW of onshore wind, solar PV and hydro projects in under 4 years through employing a proven, disciplined process to project delivery.

In early 2017, Belltown entered a new phase of growth as we target the development and operation of large-scale renewable energy projects globally. Belltown now has five offices on two continents and a rapidly growing team targeting opportunities in developed and emerging markets.

Belltown Power is keen to develop and build the proposed BT Files Solar Project as per this application, but since this Project is still in the early stages of development, further investment could be, if necessary, redeployed to other counties and states competing for similar solar projects. Belltown Power is active in in other states and countries and each project individually competes for a finite pool of capital investment. State and local tax incentives contribute to the lowering of the cost of power sold to our customers and making our investment more viable and marketable. Belltown Power has various projects in and continually compare investment opportunities, rate of return, and market viability of each project based upon project financial metrics. For example, Belltown Power currently has ongoing project developments in many states, including but not limited to, Pennsylvania and the U.K..

Due to the extremely competitive power market in Texas all Power Purchase Agreement's (PPA's) economic model assumptions are based on the Project securing this Chapter 313 appraised value limitation and other local tax incentives. The property tax liabilities of a project without tax incentives in Texas lowers the return to investors and financiers to an unacceptable level at today's contracted power rates under a PPA. A signed PPA in the Texas market is at a much lower rate than other states because of competitively low electricity prices. Both parties of the PPA have an escape clause if the terms of the PPA cannot be met. Without the tax incentives in Texas, a project with a PPA becomes non-financeable. Therefore, this appraised value limitation is critical to the ability of the proposed Project to move forward as currently sited.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller


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County Receives Public Input On Budget, Solar Panel Projects

Mon, Aug 26, 2019

The Hill County Commissioners' Court heard public comments on two proposed solar panel farms and the preliminary county budget in a special session held Tuesday, August 20.

Two new solar panel farm projects are being proposed by Belltown Power, and the county has been in economic development negotiations with the company.

The county also recently granted a tax abatement to Sun Valley Solar LLC for a project involving over 2,000 acres and valued at around \$200 million south of Abbott.

Belltown is proposing placing its solar panels on around 1,051 acres near Malone in the Malone ISD and on around 1,993 acres near Itasca in the Itasca ISD.

While the projects will dramatically increase funding for those school districts—the court noted that revenue for the ISDs could triple—residents near at least one of the proposed projects expressed concerns about their property values, safety and the loss of farmland.

A property owner on HCR 4434 near Itasca who said that he lives right in the middle of the proposed farm said that most of the landowners reaching agreements with the company do not live in Hill County. He said that around 50 of the property owners who make their homes in the area have signed a petition expressing their opposition to the project.

He said that the project would reduce property values, impact wildlife and prevent property owners from raising cattle or farming on their land. He also cited increased vehicle traffic and concerns about increased temperatures surrounding the project.

Several citizens asked for an explanation of the benefits of the projects for the county. County Judge Justin Lewis said that taking the land out of ag valuation and taxing it for commercial production results in a five-year rollback in taxes and the company would have to pay five years of back taxes at the corporate rate.

He explained that even with the companies receiving tax breaks for the first 10 years under the county's green energy tax abatement guidelines, the contracts run for at least 25 years and possibly up to 40 years, which would result in significant tax revenue for the county and help reduce taxes for homeowners.

The benefit to the school districts and potentially lower school tax rates for citizens in those districts was cited as another advantage.

Another Hill County farmer spoke, saying that the impact on farm production will increase the costs of food he purchases from local farmers and asked if the purchase of electricity directly from the companies would be made available at a reduced cost to offset the increased food cost.

He added that he is an electrical engineer and has concerns about spikes that he said occur with solar energy that can result in damage to electrical appliances.

Lloyd Pope of Belltown Power spoke and said that while there are pros and cons to everything, the company believes its projects are good for Hill County.

"This is a win for Hill County from the standpoint of what we bring to the county," Pope said.

He said that the project brings a lot of money into the county and schools and brings less expensive power to the grid as coal plants are retired.

Top Stories

- HISD Board Reviews Plans For New Elementary School
- Hill County Grand Jury Hands Down Indictments
- Hubbard Chamber Selling Tickets For Annual Banquet
- Spring Break Activities Set At Local Library
- Itasca Farmer Wins First Place In National Corn Yield Contest

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Pope called solar a safe and regulated form of energy and said that not everything found on the internet is true. "Those are the pros," he said. "There are cons. People like yourself have to live nearby."

A concerned resident commented, "I don't want to have to walk out in my backyard and see that beautiful pasture covered in black panels. I understand it's good for the county, but I'm just going to come out and be selfish and say it."

Lewis said that he did understand the concerns of residents who do not want to have projects near their homes. "We wanted to hear from the community, and we appreciate it," he said.

The creation of the reinvestment zone is the first step that the county must take before approving a tax abatement. Lewis explained that the reinvestment zone simply identifies the geographical boundaries of the proposed project and does not mean that the tax incentives are approved yet.

The court voted to approve the creation of both reinvestment zones in the Malone and Itasca areas.

A public hearing was also held on the proposed budget and tax rate.

The court voted to propose a total tax rate of \$0.539882 per \$100 valuation, which is unchanged from last year, earlier this month.

Although the tax rate would not increase under the proposal, the rate is higher than the effective rate and will result in more revenue for the county due to increased property values.

A concerned citizen approached the court about the proposed raise for elected officials this year.

The county has proposed a \$7,500 salary increase for officials this budget cycle, with the judge noting that the longtime lack of pay raises has resulted in the county not keeping up with inflation.

Commissioners and the judge have pointed out that in some departments, the employee directly below the elected official is making almost as much as the official, limiting how much employees in the department can earn and making it difficult to retain employees.

"My contention is that a 13-percent raise in one year is exorbitant," the citizen said. He added that he is pleased with the way the county is running and his opposition is not because he thinks officials do not deserve the raise.

He suggested that the county stretch the increase out over at least two years.

Lewis said that while the raises are not a politically popular move, he believes it is the right thing to do.

"Instead of taking the easy road and just kicking the can down another year and being a politician who wants to get re-elected, I think the right thing to do is to work for you guys (the citizens) and keep the good people you've given me to work with in the county," the judge said. "I appreciate that everybody has different opinions on this."

The judge added that it is his responsibility to file the proposed budget. "My proposal is based on some pretty good science about where we're at and what we need to do," he said. Lewis pointed out that it is ultimately up to the commissioners if they want to approve the proposal.

The citizen asked what guarantee there would be that the court would not impose another such raise next year.

The judge pointed to his past performance. "In 13 years, I've never proposed a raise above the cost of living, but I've got to pay people what they're worth," he said. "The biggest single expense and investment we have is our employees here," the judge said. "We have to have good people."

He added that he appreciates feedback from citizens who inform themselves about county business and encouraged more citizens to provide feedback.

The judge said that while the public is often concerned with federal and state government, what happens at the county level has an immediate impact locally and the court wants to hear input.

The next public hearing on the budget and tax rate will be Tuesday, August 27, at 8:30 a.m.

Further discussing the budget, Lewis said that the factor driving this year's budget is the large increase in sales tax revenue.

The court anticipated \$1.6 million in sales tax revenue last year, but the comptroller's formula indicates that the county should expect \$2.3 million this year. Pipeline projects and truck stops are some of the factors contributing to the increase, the judge said.

The county will also take in approximately \$320,000 more in tax revenue due to increased property values.

The entire proposed budget is available on the county's website at www.co.hill.tx.us for citizens to review.

In other business, commissioners voted to reappoint Deanna Eubank to the Hill County Child Protective Services Board, approved an amendment to the county's subdivision rules and regulations and approved a \$30,000 fee for consulting services between the county and Insurers of Texas.

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Itasca, Malone Solar Projects Move Forward

Mon, Sep 02, 2019

Belltown Power is moving forward with two local solar energy projects after the Hill County Commissioners' Court approved tax abatement agreements for the company Tuesday, August 27.

The company intends to place solar panels on just under 2,000 acres near Itasca and over 1,000 acres near Malone.

County Judge Justin Lewis said that he had only received positive commentary on the project near Malone, but several concerned citizens from the Itasca area spoke out against the project at the court's previous meeting.

The court ultimately voted to approve the tax incentives, noting that the projects will benefit the majority of Hill County residents.

The agreement averages out to a tax break of about 52 percent for the company over a 10-year period. The county does not negotiate on the FM lateral, or road and bridge, portion of the tax rate, so the project will provide full benefits to that fund immediately.

Valued at approximately \$200 million each, the solar panel farms are expected to dramatically increase revenue for the school districts where they are located and result in additional tax revenue for the county over the life of the projects.

Since the land is currently taxed as agricultural, the county will also get five years of back taxes from the company when the projects begin.

The projects have also proven to be a lucrative deal for some Hill County landowners who will lease their property to the company.

A previous agreement with another company, Sun Valley Solar, will bring that company's \$225 million project to the Abbott area.

In other business, the court also approved the purchase of additional licenses for the Cartegraph software being utilized by county commissioners.

Cartegraph was launched as a pilot project in the county in January 2018, and commissioners are now using it to track assets, equipment, labor and materials for work performed on any given road in Hill County.

The court approved the purchase of five additional Cartegraph licenses at a cost of \$1,250 to allow additional county offices to be able to access the data and run reports.

A grant contract in the amount of \$42,000 was approved with the Texas Office of the Attorney General to fund the county's crime victim coordinator position and expenses. Coordinator Katie Cole assists local crime victims as they go through the judicial system.

Hill County's quarterly investment report for the quarter ending June 30 was approved by the court. The report showed cash management earnings of \$5,682,89, certificates of deposit interest earnings of \$80,948.42 and a total Hill County investment funds balance of \$17,367,341.36.

Annual contracts and interagency agreements were approved for the Hill County Juvenile Probation Department, which contracts with providers to provide residential and other services for the rehabilitation of juvenile offenders.

The July treasurer's report for the Hill County Child Protective Services Board was observed and recorded by the court. Lewis said that the board is doing an incredible job of raising money and pointed out that total July income to benefit Hill County foster children came to \$15,975.

Commissioners also approved selling two 40'x7' culverts through Kaddatz Auctioneering, approved agreements related to the county's new insurance with Insurors of Texas, and approved an interlocal

Top Stories

- HISD Board Reviews Plans For New Elementary School
- Hill County Grand Jury Hands Down Indictments
- Hubbard Chamber Selling Tickets For Annual Banquet
- Spring Break Activities Set At Local Library
- Itasca Farmer Wins First Place In National Corn Yield Contest

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agreement with the Heart of Texas Council of Governments for the county's reverse 9-1-1 emergency notification system.



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Agenda of Regular Meeting

The Board of Trustees Itasca Independent School District

A Regular Meeting of the Board of Trustees of Itasca Independent School District will be held February 10, 2020, beginning at 7:00 PM in the Itasca ISD Library, 123 N. College, Itasca, TX.

The subjects to be discussed or considered or upon which any formal action may be taken are listed below. Items do not have to be taken in the same order as shown on this meeting notice. Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

- A. Call to Order and Establish Quorum
- B. Invocation
- C. Pledge of Allegiance
- D. Public Forum-Any Registered Individual(s) Wishing to Address the Board
 - 1. General comments to come before the board
 - 2. Agenda related comments to come before the board
- E. Public Hearing on Itasca ISD Texas Academic Performance Report 2018-19
- F. District Academic Data Report - Amy Reyna
- G. CONSENT AGENDA
 - 1. Approval of Minutes from January 13, 2020 Regular Meeting
 - 2. Approve 2019-2020 Transfer Students
- H. Executive Session: Texas Govt Code 551.071 and 551.087
 - 1. Consultation with legal counsel regarding appraised value limitation application by BT Files Solar, LLC for construction of a solar powered electric generating facility under Chapter 313, Tax Code, and related matters.
- I. ACTION ITEMS
 - 1. Consider/Approve TASB Policy CCGB (LOCAL)
 - 2. Consider/Approve appraised value limitation application by BT Files Solar for construction of a solar powered electric generating facility under Chapter 313, Tax Code, including request for waiver of new qualifying job creation requirement.
 - 3. Consider/Approve financial consulting agreement with McDowell School Finance Consulting, LLC related to appraised value limitation application by BT Files Solar, LLC.
 - 4. Consider/Approve engagement of Walsh Gallegos Trevino Kyle and Russo as a

legal counsel related to appraised value limitation application by BT Files Solar.

5. Review District Investment Report

6. Discuss/ Approve December Financial Reports

J. Superintendent's Report

K. Executive Session: Texas Govt Code 551.074 and 551.072

1. Personnel

a. District Administrative Contracts

1. Principals' Contracts

2. Athletic Director Contract

3. Executive Director of Curriculum, Instruction, and Accountability Contract

b. Superintendent Evaluation Process/Timeline

2. Purchase, exchange, lease or value of real property

a. 27 Acres deeded from the J.A. Martin Trust

L. Open Session-Action Relative to Executive Session

M. Adjournment

Executive Session: The Board may retire to executive session any time between the meeting's opening and adjournment for purposes of deliberating business authorized by the Texas Open Meetings Act, Texas Government Code Section 551.001 et seq. Action, if any, will be taken in open session.

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
– Itasca ISD – BT Files Solar, LLC App. #1465 –

Comptroller Questions (via email on April 6, 2020):

- 1) Is this project known by any specific names not otherwise mentioned in this application?
- 2) Please also list any other names by which this project may have been known in the past-- in media reports, investor presentations, or any listings with any federal or state agency.
- 3) Has this project applied to ERCOT at this time? If so, please provide the project's GINR number and when was it assigned.

Consultant Response (via email on April 6, 2020):

- 1) *No, the project is currently known as BT Files Solar.*
- 2) *It has been known as Files Solar, Neeley Solar, BT Neeley Solar, and 20INR0164.*
- 3) *Yes, 20INR0164 and was assigned in November 2018.*

EXHIBIT D

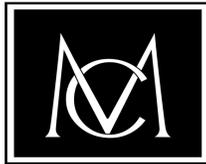
Independent Economic Impact Report

EXHIBIT D

Itasca ISD Financial Impact of Chapter 313 Agreement

**Summary of the District's Financial Impact
of Chapter 313 Agreement
with BT Files Solar, LLC**

June 8, 2020



MCDOWELL
School Finance
CONSULTING

**Summary of Itasca ISD Financial Impact
of the
Limited Appraised Value Application
from
BT Files Solar, LLC**

Introduction

BT Files Solar, LLC applied for a property value limitation from Itasca Independent School District under Chapter 313 of the Tax Code. The application was submitted February 10, 2020 and subsequently approved for consideration by the Itasca ISD Board of Trustees. BT Files Solar, LLC (“BT Files Solar”), is requesting the property value limitation as a “renewable energy electric generation” project as listed in Sec. 313.024.(b) of the Tax Code.

“The Economic Development Act”, Tax Code Chapter 313, was created by House Bill 1200 of the 77th Texas Legislature in 2001. Further amendments were made to Chapter 313 as a result of House Bill 1470 from the 80th Texas Legislative Session in 2007 and additionally House Bill 3390 from the 83rd Legislative Session.

The Economic Development Act was created to attract qualifying businesses to Texas by allowing school districts the option of approving a property value limitation to these qualifying entities. The purpose of the property value limitation is to reduce the maintenance and operations taxes paid by the company, to a school district during the applicable years as displayed below:

Itasca ISD Financial Impact of Chapter 313 Agreement

The company must file an application with the school district to qualify for consideration of a Limited Appraised Value Agreement (“LAVA” or “Agreement”) to begin the following tax year or a later year if agreed upon by the District and the Company.

Years Prior to Start of Value Limitation Period:

The tax years prior to the start of the value limitation period are considered the “Prior to Start of Value Limitation Period” and the company’s school district taxes will be levied at one-hundred percent of the appraised value. The applicant has requested that tax year 2021 is the year that is Prior to the Start of Value Limitation Period.

Value Limitation Period:

During the ten years of the Value Limitation Period, the qualifying entity’s taxable value will be reduced to the Minimum Limitation Amount for the applicable school district as determined by the State Comptroller’s Office. Itasca ISD is considered a Rural category 3 District as categorized with total taxable value of industrial property of at least \$1 million but less than \$90 million. Thus, Itasca ISD has a Minimum Qualified Investment amount of \$10 million and a Minimum Limitation Amount of \$20 million. A qualifying entity’s taxable value would be reduced to \$20 million during this ten year period of the agreement for the purposes of computing the tax levy for the maintenance and operations (M&O) tax of Itasca ISD. The entire appraised value will be used for computing the interest and sinking (I&S) tax levy. The applicant has requested that the Value Limitation Period to begin in tax year 2022 and continue through tax year 2031.

Final Five Years of the Agreement – Continue to Maintain a Viable Presence:

Tax years 2032 through 2036 will be the final five years of the agreement and the applicant agrees to maintain a viable presence with this project during this time.

Itasca ISD Financial Impact of Chapter 313 Agreement

Taxable Value Projections from Application

The following data shows the projected taxable values that BT Files Solar reported in the application to the District:

	Year	School Year	Tax Year	Projected Taxable Value	Actual Taxable Value with Agreement
Each Year Prior to Start of Value Limitation Period	0	2020-2021	2020	\$0	\$0
	0	2021-2022	2021	\$3,645,000	\$3,645,000
Value Limitation Period	1	2022-2023	2022	\$87,070,400	\$20,000,000
	2	2023-2024	2023	\$79,523,100	\$20,000,000
	3	2024-2025	2024	\$71,976,000	\$20,000,000
	4	2025-2026	2025	\$63,487,000	\$20,000,000
	5	2026-2027	2026	\$54,998,200	\$20,000,000
	6	2027-2028	2027	\$46,509,600	\$20,000,000
	7	2028-2029	2028	\$37,079,100	\$20,000,000
	8	2029-2030	2029	\$28,591,000	\$20,000,000
	9	2030-2031	2030	\$22,929,700	\$20,000,000
Continue to Maintain Viable Presence	10	2031-2032	2031	\$20,095,200	\$20,000,000
	11	2032-2033	2032	\$20,087,500	\$20,087,500
	12	2033-2034	2033	\$20,080,000	\$20,080,000
	13	2034-2035	2034	\$20,072,700	\$20,072,700
	14	2035-2036	2035	\$20,065,500	\$20,065,500
Additional Years for 25 Year Economic Impact Study	15	2036-2037	2036	\$20,058,500	\$20,058,500
	16	2037-2038	2037	\$20,051,700	\$20,051,700
	17	2038-2039	2038	\$20,045,100	\$20,045,100
	18	2039-2040	2039	\$20,038,600	\$20,038,600
	19	2040-2041	2040	\$20,032,300	\$20,032,300
	20	2041-2042	2041	\$20,026,100	\$20,026,100
	21	2042-2043	2042	\$20,020,100	\$20,020,100
	22	2043-2044	2043	\$20,014,300	\$20,014,300
	23	2044-2045	2044	\$20,008,600	\$20,008,600
24	2045-2046	2045	\$20,003,000	\$20,003,000	
25	2046-2047	2046	\$19,997,600	\$19,997,600	

Itasca ISD Financial Impact of Chapter 313 Agreement

Taxable Value Impact from LAVA

The “Additional Value from BT Files Solar” represents the values that the company estimated as their taxable values in the application that was filed with the district. During tax years 2022 through 2031, the company’s taxable value will be limited to the \$20,000,000 Minimum Limitation Amount of Itasca ISD.

TABLE I- Calculation of Taxable Value:

Tax Year	Additional Value From BT Files Solar	Minimum Limitation Amount	Abated Value	Taxable Value
Jan. 1, 2020	0	n/a	0	0
Jan. 1, 2021	3,645,000	n/a	0	3,645,000
Jan. 1, 2022	87,070,400	(20,000,000)	67,070,400	20,000,000
Jan. 1, 2023	79,523,100	(20,000,000)	59,523,100	20,000,000
Jan. 1, 2024	71,976,000	(20,000,000)	51,976,000	20,000,000
Jan. 1, 2025	63,487,000	(20,000,000)	43,487,000	20,000,000
Jan. 1, 2026	54,998,200	(20,000,000)	34,998,200	20,000,000
Jan. 1, 2027	46,509,600	(20,000,000)	26,509,600	20,000,000
Jan. 1, 2028	37,079,100	(20,000,000)	17,079,100	20,000,000
Jan. 1, 2029	28,591,000	(20,000,000)	8,591,000	20,000,000
Jan. 1, 2030	22,929,700	(20,000,000)	2,929,700	20,000,000
Jan. 1, 2031	20,095,200	(20,000,000)	95,200	20,000,000
Jan. 1, 2032	20,087,500	n/a	0	20,087,500
Jan. 1, 2033	20,080,000	n/a	0	20,080,000
Jan. 1, 2034	20,072,700	n/a	0	20,072,700
Jan. 1, 2035	20,065,500	n/a	0	20,065,500
Jan. 1, 2036	20,058,500	n/a	0	20,058,500

Itasca ISD Financial Impact of Chapter 313 Agreement

BT Files Solar's Tax Benefit from Agreement

The projected amount of the net tax savings for BT Files Solar is \$2.263 million over the life of the Agreement. This net savings is after all tax savings and after estimated payments have been made to the district to offset their revenue losses that were a direct result of entering into this Agreement.

Itasca ISD projected tax rates for maintenance & operations (M&O) and interest & sinking (I&S) are based on the following assumptions:

- The District has previously held a tax ratification election and the study projects that it will maintain the maximum M&O tax rate allowable that doesn't require an additional voter election for the life of this agreement.
- The district has outstanding bonds that are scheduled to payoff in 2040 and currently have a \$.357 I&S tax rate. This district's annual debt payment is approximately \$775,000 per year and the debt rates below are calculated rates using the projected taxable values with the addition of BT Files Solar estimated taxable values. The district could pursue a bond election and issue additional bonded debt during the life of this agreement.

TABLE II- Computation of Net Tax Savings:

Fiscal Year	Projected M&O Tax Rate	Projected I&S Tax Rate	Taxes w/o Agreement	Tax Savings with Agreement	Payment of District's Revenue Losses	Net Tax Savings
2019-2020	1.0683	0.357	0	0	0	0
2020-2021	1.0548	0.390	0	0	0	0
2021-2022	1.0415	0.363	37,964	0	0	0
2022-2023	0.9473	0.253	903,058	695,627	(942,252)	(246,625)
2023-2024	0.9473	0.255	821,311	614,752	0	614,752
2024-2025	0.9473	0.259	740,240	534,549	0	534,549
2025-2026	0.9473	0.262	650,191	445,365	0	445,365
2026-2027	0.9473	0.267	560,890	356,923	0	356,923
2027-2028	0.9473	0.270	472,330	269,219	0	269,219
2028-2029	0.9473	0.275	374,979	172,720	0	172,720
2029-2030	0.9473	0.278	287,928	86,516	0	86,516
2030-2031	0.9473	0.279	229,948	29,380	0	29,380
2031-2032	0.9473	0.278	200,680	951	0	951
2032-2033	0.9473	0.272	199,764	0	0	0
2033-2034	0.9473	0.268	198,855	0	0	0
2034-2035	0.9473	0.264	197,952	0	0	0
2035-2036	0.9473	0.259	197,055	0	0	0
2036-2037	0.9473	0.252	196,165	0	0	0
Totals			6,269,312	3,206,003	(942,252)	2,263,751

Itasca ISD Financial Impact of Chapter 313 Agreement

Financial Impact Study

This Financial Impact Study was performed to determine the financial impact of the Limited Appraised Value Agreement on Itasca ISD. First, a seventeen year financial forecast was prepared to establish a baseline without the added values of the renewable energy electric generation company. Second, a seventeen year financial forecast was prepared that incorporated the additional taxable value of the company without a LAVA in effect. Third, a seventeen year financial forecast was prepared that incorporates the additional taxable value of the company with an approved LAVA. These three forecasts are detailed in the “Calculation of LAVA Impact on District’s Finances” section. The following assumptions were used to compare the financial impact of the LAVA:

- The current state funding formulas (in effect for 2019-2020 fiscal year) were used for state aid and recapture calculation purposes
 - Tier I - Basic Allotment of \$6,160 multiplied by the number of students in average daily attendance (ADA).
 - Level 1 of Tier II yield - \$98.56 - per weighted student in average daily attendance (WADA) per penny of tax effort
 - Level 2 of Tier II yield - \$49.28 – per WADA per penny of tax effort
- Use of current year property values for state funding calculations.
- Use of prior year property values for revenue protection payment calculations in accordance with Article IV of the Agreement.
- The district’s tax rate for maintenance & operations (M&O) for 2018-19 of \$1.17 will be compressed to \$1.0683 for 2019-20 and is projected to decrease based on estimated statewide property tax growth. No future tax ratification elections are projected in the calculations.
- An annual taxable value increase of 2.0% was used to project the district’s taxable value, except as it related to the requested LAVA. The district’s 2019 taxable value was used as a baseline for all projections.
- The district’s enrollment is projected to increase; therefore, the projected ADA and WADA for school year 2019-2020 was increased by 1.0% per year for the life of the agreement.

Although these assumptions were used to develop a baseline scenario for comparison purposes, many of these factors will not remain constant for the years of this proposed agreement. Also, Legislative changes to the school finance formulas are almost certain during the life of this agreement.

Itasca ISD Financial Impact of Chapter 313 Agreement

Calculation of LAVA Impact on District's Finances

The tables displayed below (Table III, IV, V) show the different impacts on the school district's finances. These scenarios were computed to compare the District's revenue without the additional taxable value of BT Files Solar (Table III), the addition of BT Files Solar's taxable values without a Chapter 313 Agreement (Table IV), and the addition of BT Files Solar's taxable values with a Chapter 313 Agreement (Table V).

TABLE III – District Revenues *without* BT Files Solar, LLC:

Fiscal Year	Total Taxable Value	Total M&O Taxes	State	State	Total State Revenue	Recapture Payment	Total District Revenue
			Revenue Tier I	Revenue Tier II			
2020-2021	204,194,869	2,173,847	5,322,157	982,708	6,304,865	0	8,478,712
2021-2022	208,278,766	2,189,223	5,379,818	989,219	6,369,037	0	8,558,260
2022-2023	212,444,342	2,223,473	5,425,541	996,821	6,422,362	0	8,645,835
2023-2024	216,693,229	2,258,008	5,468,298	1,003,476	6,471,774	0	8,729,782
2024-2025	221,027,093	2,293,264	5,511,697	1,009,178	6,520,875	0	8,814,139
2025-2026	225,447,635	2,328,809	5,558,340	1,016,791	6,575,131	0	8,903,940
2026-2027	229,956,588	2,365,097	5,605,510	1,024,106	6,629,616	0	8,994,713
2027-2028	234,555,719	2,402,148	5,650,649	1,031,389	6,682,038	0	9,084,186
2028-2029	239,246,834	2,439,503	5,697,226	1,038,489	6,735,715	0	9,175,218
2029-2030	244,031,770	2,477,644	5,741,260	1,044,398	6,785,658	0	9,263,302
2030-2031	248,912,406	2,516,094	5,789,974	1,051,119	6,841,093	0	9,357,187
2031-2032	253,890,654	2,555,352	5,837,773	1,058,291	6,896,064	0	9,451,416
2032-2033	258,968,467	2,595,441	5,884,895	1,065,669	6,950,564	0	9,546,005
2033-2034	264,147,836	2,635,856	5,934,742	1,072,686	7,007,428	0	9,643,284
2034-2035	269,430,793	2,677,126	5,977,593	1,078,104	7,055,697	0	9,732,823
2035-2036	274,819,409	2,719,001	6,029,156	1,086,460	7,115,616	0	9,834,617
2036-2037	280,315,797	2,761,488	6,074,560	1,092,928	7,167,488	0	9,928,976

Itasca ISD Financial Impact of Chapter 313 Agreement

TABLE IV- District Revenues with BT Files Solar, LLC without Chapter 313 Agreement:

Fiscal Year	Total Taxable Value	Total M&O Taxes	State Revenue		Total State Revenue	Recapture Payment	Total District Revenue
			Tier I	Tier II			
2020-2021	204,194,869	2,173,847	5,322,157	982,708	6,304,865	0	8,478,712
2021-2022	211,923,766	2,227,186	5,346,903	984,127	6,331,030	0	8,558,216
2022-2023	299,514,742	2,857,303	4,912,270	873,935	5,786,205	0	8,643,508
2023-2024	296,216,329	2,826,057	5,010,468	891,117	5,901,585	0	8,727,642
2024-2025	293,003,093	2,795,618	5,108,957	907,563	6,016,520	0	8,812,138
2025-2026	288,934,635	2,757,078	5,217,937	926,928	6,144,865	0	8,901,943
2026-2027	284,954,788	2,719,377	5,327,348	946,066	6,273,414	0	8,992,791
2027-2028	281,065,319	2,682,532	5,434,400	964,792	6,399,192	0	9,081,724
2028-2029	276,325,934	2,637,636	5,550,172	985,027	6,535,199	0	9,172,835
2029-2030	272,622,770	2,602,556	5,655,918	1,003,529	6,659,447	0	9,262,003
2030-2031	271,842,106	2,595,160	5,742,642	1,019,132	6,761,774	0	9,356,934
2031-2032	273,985,854	2,615,468	5,805,469	1,030,258	6,835,727	0	9,451,195
2032-2033	279,055,967	2,663,497	5,844,382	1,036,889	6,881,271	0	9,544,768
2033-2034	284,227,836	2,712,490	5,885,635	1,044,303	6,929,938	0	9,642,428
2034-2035	289,503,493	2,762,467	5,920,033	1,050,142	6,970,175	0	9,732,642
2035-2036	294,884,909	2,813,445	5,962,209	1,058,097	7,020,306	0	9,833,751
2036-2037	300,374,297	2,865,446	5,998,083	1,064,573	7,062,656	0	9,928,102

TABLE V – District Revenues with BT Files Solar, LLC with Chapter 313 Agreement:

Fiscal Year	Total Taxable Value	Total M&O Taxes	State Revenue		Total State Revenue	Payment		Total District Revenue
			Tier I	Tier II		Recapture Payment	for District Losses	
2020-2021	204,194,869	2,173,847	5,322,157	982,708	6,304,865	0	0	8,478,712
2021-2022	211,923,766	2,227,186	5,346,903	984,127	6,331,030	0	0	8,558,216
2022-2023	232,444,342	2,303,533	5,373,052	968,506	6,341,558	0	942,252	9,587,343
2023-2024	236,693,229	2,345,274	5,408,515	975,160	6,383,675	0	0	8,728,949
2024-2025	241,027,093	2,387,850	5,444,790	981,278	6,426,068	0	0	8,813,918
2025-2026	245,447,635	2,431,278	5,483,552	988,871	6,472,423	0	0	8,903,701
2026-2027	249,956,588	2,475,574	5,522,714	996,186	6,518,900	0	0	8,994,474
2027-2028	254,555,719	2,520,755	5,559,487	1,002,109	6,561,596	0	0	9,082,351
2028-2029	259,246,834	2,566,841	5,597,330	1,009,199	6,606,529	0	0	9,173,370
2029-2030	264,031,770	2,613,848	5,632,736	1,015,140	6,647,876	0	0	9,261,724
2030-2031	268,912,406	2,661,795	5,671,952	1,022,853	6,694,805	0	0	9,356,600
2031-2032	273,890,654	2,710,702	5,710,104	1,030,023	6,740,127	0	0	9,450,829
2032-2033	279,055,967	2,761,446	5,746,433	1,036,889	6,783,322	0	0	9,544,768
2033-2034	284,227,836	2,812,254	5,785,871	1,044,303	6,830,174	0	0	9,642,428
2034-2035	289,503,493	2,864,082	5,818,417	1,050,142	6,868,559	0	0	9,732,641
2035-2036	294,884,909	2,916,065	5,859,884	1,058,470	6,918,354	0	0	9,834,419
2036-2037	300,374,297	2,957,661	5,906,168	1,063,899	6,970,067	0	0	9,927,728

Itasca ISD Financial Impact of Chapter 313 Agreement

Current School Finance Law

A major overhaul of the school finance formulas was implemented as a result of House Bill 3 of the 86th Legislative Session and became effective for the 2019-2020 school year. The primary intent of the new legislation is to reduce maintenance & operations “M&O” tax rate and cooperatively reduce district’s recapture payments; thus, increasing the State’s share of school district funding. The maximum M&O tax rate prior to the Legislative Session was \$1.17 and that rate was reduced to a maximum rate of \$1.06835 for the 2019-2020 school year. The maximum tax rate is expected to continue to be compressed lower when statewide property values increase at a rate greater than 2.5% per year or also when a school district’s property values increase by more than 2.5%. However, a school district’s M&O tax rate can’t be reduced to a rate lower than 90% of the maximum allowable Tier I rate for the respective year.

Prior to the 86th Legislative Session and the passage of House Bill 3, school finance law required the use of a district’s prior year property values for the calculation of property wealth. House Bill 3 changed school finance law and now requires a district’s current year property values for the property wealth calculation; however, it also contains language for the calculation of revenue protection payments for Chapter 313 Agreements using prior year values in Section 48.256(d) as follows:

(d) This subsection applies to a school district in which the board of trustees entered into a written agreement with a property owner under Section 313.027, Tax Code, for the implementation of a limitation on appraised value under Subchapter B or C, Chapter 313, Tax Code. For purposes of determining "DPV" under Subsection (a) for a school district to which this subsection applies, the commissioner shall exclude a portion of the market value of property not otherwise fully taxable by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter. The comptroller shall provide information to the agency necessary for this subsection. A revenue protection payment required as part of an agreement for a limitation on appraised value shall be based on the district's taxable value of property for the preceding tax year.

Itasca ISD Financial Impact of Chapter 313 Agreement

Supplemental Payments

Assuming that the District and BT Files Solar, LLC mutually agree in the LAVA that the greater of \$100 per student in average daily attendance (ADA) or \$50,000, the projected amount of these payments over the life of the agreement is \$894,306 of the \$2.263 million net tax savings amount. This amount will be computed annually according to Section VI of the Agreement.

TABLE VI - Calculation of the Supplemental Payments:

Fiscal Year	Net Tax Savings	Itasca ISD Supplemental	BT Files Solar Share
2020-2021	0	0	0
2021-2022	0	63,879	(63,879)
2022-2023	(246,625)	63,879	(310,504)
2023-2024	614,752	63,879	550,873
2024-2025	534,549	63,879	470,670
2025-2026	445,365	63,879	381,486
2026-2027	356,923	63,879	293,044
2027-2028	269,219	63,879	205,340
2028-2029	172,720	63,879	108,841
2029-2030	86,516	63,879	22,637
2030-2031	29,380	63,879	(34,499)
2031-2032	951	63,879	(62,928)
2032-2033	0	63,879	(63,879)
2033-2034	0	63,879	(63,879)
2034-2035	0	63,879	(63,879)
2035-2036	0	0	0
2036-2037	0	0	0
Totals	2,263,751	894,306	1,369,445

Itasca ISD Financial Impact of Chapter 313 Agreement

Impact of Projected Student Growth On District Facilities

TABLE VII – Campus Capacity and Available Growth

Campus Name	Grade Level	# of Regular Classrooms	Building Capacity	Current Enrollment	Enrollment Growth Available
Itasca Elementary	EE-5	22	484	301	183
Itasca Middle School	6-8	12	264	149	115
Itasca High School	9-12	18	396	200	196
	Total	52	1,144	650	494

The building capacities are based on 22 students per classroom for early education through 12th grade. Itasca ISD is an early-education through 12th grade district.

BT Files Solar, LLC provided supplemental information with their application that projected the number of full-time employees that are expected for permanent employment after construction of the project is completed. They projected that one employee is expected. It is not known whether these would be new employees to the Itasca ISD, or if current residents would occupy these positions; however, it is assumed that these employees would be new residents to the district.

Based on average statewide figures provided by a demographer, it is projected that each new household would produce .5 students. Thus, the new one position equates to 1 new student.

This projected student growth can be accommodated with the current facilities of Itasca ISD as displayed in Table VII above.

Itasca ISD Financial Impact of Chapter 313 Agreement

Conclusion

This Financial Impact Study displays that entering into a Limited Appraised Value Agreement with BT Files Solar, LLC, would be beneficial to both BT Files and Itasca ISD under the current school finance system.

BT Files Solar, LLC would benefit from reduced property taxes during the ten years of the Value Limitation Period. Although some of the tax savings would be used to offset district's revenue losses and supplemental payments to the District, BT Files is projected to benefit from a 61% tax savings during that ten year period of this Agreement. BT Files also has the option of terminating the Agreement if the amount paid to the District during a tax year following the first year of the Limitation Period is greater than the amount of taxes that would have been paid without the Agreement; therefore, there is limited risk for the company from entering into the Agreement.

Itasca ISD would also have no inherent risk under the current school finance system and with the provisions in the LAVA that require BT Files to offset any district losses caused by the LAVA. An annual calculation will be performed each year to determine if a loss to the District has been incurred. The revenue impact to the District will be computed by comparing the District's revenues with and without the LAVA in effect.

EXHIBIT E

Comptroller's Approval of Agreement



EXHIBIT E

GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

September 11, 2020

Mark Parsons
Superintendent
Itasca Independent School District
123 N. College
Itasca, TX 76055

Re: Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Itasca Independent School District and BT Files Solar, LLC, Application 1465

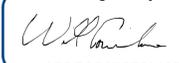
Dear Superintendent Parsons:

This office has been provided with the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Itasca Independent School District and BT Files Solar, LLC (Agreement). As requested, the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1).

Based on our review, this office concludes that the Agreement complies with the provisions of Tax Code, Chapter 313 and 34 TAC Chapter 9, Subchapter F.

Should you have any questions, please contact Michelle Luera with our office. She can be reached by email at michelle.luera@cpa.texas.gov or by phone at 1-800-531-5441, ext. 3-6053, or at 512-463-6053.

Sincerely,

DocuSigned by:

8EFD70F5753487...

Will Counihan

Director

Data Analysis & Transparency Division

cc: Oscar Treviño, Walsh Gallegos Treviño Russo & Kyle, P.C.
Lloyd Pope, Belltown Power
Austin Willis, Belltown Power
Brandon Westlake, Cummings Westlake, LLC

EXHIBIT F

Applicant's Taxable Entity Status



EXHIBIT G

Franchise Tax Account Status

As of : 09/09/2020 16:09:32

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

BT FILES SOLAR, LLC	
Texas Taxpayer Number	32069901232
Mailing Address	13612 MIDWAY RD STE 200 FARMERS BRNCH, TX 75244-3404
Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	02/27/2019
Texas SOS File Number	0803249544
Registered Agent Name	JEFF CLAY
Registered Office Street Address	13612 MIDWAY ROAD, SUITE 200 FARMERS BRANCH, TX 75244