



Danish Fields Solar, LLC

***Application for Appraised Value Limitation on Qualified
Property with Tidehaven Independent School District***



February 25, 2020

Tidehaven Independent School District
ATT: Dr. Andrew Seigrist
P.O. Box 129
El Maton, Texas 77440

RE: Danish Fields Solar, LLC Application for Appraised Value Limitation on Qualified Property

Dr. Andrew Seigrist:

In accordance with Section 313 of the Texas Property Tax Code, please find attached an application for an appraised value limitation on qualified property between Danish Fields Solar, LLC and Tidehaven Independent School District.

Danish Fields Solar, LLC is a solar energy generation facility with a capacity of at least 350 MW/AC. The project will be located across a proposed reinvestment zone in northeastern Matagorda County and Tidehaven Independent School District.

Enclosed are additional details and further information regarding the description, location, qualified investment, and job creation associated with the development of Danish Fields Solar, LLC

If you have any questions or would like to request further information, please do not hesitate to contact us.

Sincerely,

Mike Fry-Director, Energy Services
mfry@keatax.com



Tab 1: Pages 1 through 11 of Application

Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller, as indicated on page 9 of this application, separating each section of the documents. 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

March 2, 2020

Date Application Received by District

Andrew

First Name

Superintendent

Title

Tidehaven Independent School District

School District Name

P.O. Box 129 El Maton, Texas 77440

Street Address

P.O. Box 129

Mailing Address

N/A

City

979-843-4303

Phone Number

Mobile Number (optional)

Seigrist

Last Name

Texas

State

N/A

Fax Number

aseigrist@tidehavenisd.com

Email Address

77440

ZIP

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)

<u>Rick</u> First Name	<u>Lambert</u> Last Name
<u>Partner, Dallas Office</u> Title	
<u>Powell, Youngblood, & Taylor, LLP</u> Firm Name	
<u>512-494-9949</u> Phone Number	<u>512-494-9919</u> Fax Number
	<u>rlambert@pyt-law.com; cc: sleung@pyt-law.com</u> Email Address
<u>Mobile Number (optional)</u>	

4. On what date did the district determine this application complete? March 5, 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)

<u>Heather</u> First Name	<u>Otten</u> Last Name
<u>Manager</u> Title	<u>SunChase Power LLC</u> Organization
<u>4300 Speedway, #4617, Austin, Texas 78765</u> Street Address	
<u>4300 Speedway, #4617</u> Mailing Address	
<u>Austin</u> City	<u>TX</u> State
<u>512-963-6181</u> Phone Number	<u>78765</u> ZIP
	<u>N/A</u> Fax Number
<u>Mobile Number (optional)</u>	<u>heather@sunchasepower.com</u> 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.

<u>First Name</u>	<u>Last Name</u>
<u>Title</u>	<u>Organization</u>
<u>Street Address</u>	
<u>Mailing Address</u>	
<u>City</u>	<u>State</u>
<u>Phone Number</u>	<u>ZIP</u>
	<u>Fax Number</u>
<u>Mobile Number (optional)</u>	<u>Business Email Address</u>

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)

Mike	Fry
First Name	Last Name
Director-Energy Services	
Title	
KE Andrews	
Firm Name	
469-298-1618	469-298-1617
Phone Number	Fax Number
mfry@keatax.com	
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.

75000	Check
Payment Amount	Transaction Type
SunChase Power LLC	Tidehaven Independent School District
Payor	Payee
75000	
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? Danish Fields Solar, LLC

2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32066769681

3. Parent Company Name Brazos Renewable Energy, LLC

4. Parent Company Tax ID 832847031

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

Applicant plans to apply for a VLA with El Campo ISD

SECTION 5: Applicant Business Structure

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

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

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

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

Brazos Renewable Energy, LLC

2c. List the Reporting Entity Taxpayer Number

832847031

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

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

SECTION 9: Projected Timeline

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 1, 2020
- 2. Estimated commencement of construction December 1, 2021
- 3. Beginning of qualifying time period(MM/DD/YYYY)..... 01/01/2022
- 4. First year of limitation(MM/DD/YYYY) 01/01/2023
- 4a. For the beginning of the limitation period, notate which one of the following will apply according to provision of 313.027(2): "A" "B" or "C":
 - 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 1, 2022

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Matagorda County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Matagorda 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>Tidehaven ISD, .97 100%</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>Tidehaven ISD, .20 100%</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Matagorda County .433420 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>Matagorda Co. Hosp. Dist.32159 100%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Coastal Plains GCD .0047 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Drainage District #2 .04606 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>Drainage District #2 .04606 100%</u> <small>(Name, tax rate and percent of project)</small>

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? 68,099.90
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 68,099.90
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

- 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.
- Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in Tab 15. (not required)
- If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in Tab 15.

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here ➔

Print Name (Authorized School District Representative)

Title

sign here ➔

Signature (Authorized School District Representative)

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here ➔

Print Name (Authorized Company Representative (Applicant))

Title

sign here ➔

Signature (Authorized Company Representative (Applicant))

Date

GIVEN under my hand and seal of office this, the

_____ day of _____, _____

Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires: _____

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

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



Tab 2: Proof of Payment Application Fee

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

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



Tab 3: Documentation of Combined Group Membership Under Texas Tax Code 171.0001 (7), history of tax default, delinquencies and/or material litigation (if applicable)

Franchise Tax

2019 Annual No Tax Due Report

Confirmation

You Have Filed Successfully

Please do NOT send a paper form

[Print this page for your records](#)

Submission ID: 46253742

Date and Time of Filing: 05/15/2019 02:51:05 PM

Taxpayer ID: 32067632250

Taxpayer Name: GOOSENECK SOLAR, LLC

Taxpayer Address: 3000 EL CAMINO REAL STE 5-700 PALO ALTO, CA 94306 - 2116

Entered By: Susan Wylie

Email Address: swylie@maproyalty.com

Telephone Number: (303) 895-3095

IP Address: 147.92.95.121

Additional Reports	
Is this the reporting entity of a combined group?	Yes
Do any of the entities in the combined group have a temporary business loss preserved?	No
Will your total revenue be adjusted for the Tiered Partnership Election?	No

No Tax Due Report	
SIC Code:	NAICS Code: 531390
Accounting Year Begin Date: 12/27/2018	Accounting Year End Date: 12/31/2018
Is this a passive entity as defined in Chapter 171 of the Texas Tax Code?	No
Is this entity's annualized total revenue below the no tax due threshold?	Yes
Does the entity have zero Texas Gross Receipts?	Yes
Is this entity a Real Estate Investment Trust (REIT) that meets the qualifications specified in section 171.0002(c)(4)?	No
Is this entity a New Veteran-Owned Business as defined in Texas Tax Code Sec. 171.0005?	No
Total Revenue:	\$0

Mailing Address	
Street Address: 3000 EL CAMINO REAL STE 5-700	
City: PALO ALTO	
State: CA	
Zip Code: 94306 - 2116	
Country: USA	

Affiliate 1	
Legal Name of Affiliate: GOOSENECK SOLAR, LLC	
Affiliate Taxpayer Number: 32067632250	
SOS File Number or Comptroller File Number: 0803055273	
Affiliate NAICS Code: 531390	
Is this affiliate disregarded for Franchise Tax? No	
Does this affiliate have nexus? Yes	
Affiliate Reporting Begin Date: 12/27/2018	
Affiliate Reporting End Date: 12/31/2018	
Gross receipts subject to throwback in other states: 0	
Gross receipts everywhere: 0	
Gross receipts in Texas: 0	
Cost of goods sold or compensation: 0	

Is this affiliate a corporation, limited liability company, professional association, limited partnership or financial institution? Yes
 Will you be filing an information report for this affiliate? Yes

Public Information Report			
Mailing Address: 3000 EL CAMINO REAL STE 5-700 PALO ALTO, CA 94306-2116			
Principal Office: 4300 Speedway, #4617, Austin, TX 78765			
Principal Place Of Business: 4300 Speedway, #4617, Austin, TX 78765			
Changes from previous year?: Yes			
Officers, Directors, Managers, Member or General Partner			
Name: Aaron Zubaty			
Title: Manager	Director? No	Term Expiration Date:	
Mailing Address: 3000 El Camino Real Ste 5-700 Palo Alto, CA 94306			
Name: Peter J. Blum			
Title: Manager	Director? No	Term Expiration Date:	
Mailing Address: 3000 El Camino Real Ste 5-700 Palo Alto, CA 94306			
Name: Heather Otten			
Title: Manager	Director? No	Term Expiration Date:	
Mailing Address: 4300 Speedway, #4617 Austin, TX 78765			
Name: David Groberg			
Title: Manager	Director? No	Term Expiration Date:	
Mailing Address: 4300 Speedway, #4617 Austin, TX 78765			
Owned Entity(s)			
Owned Entity(s)	State of Formation	TX SOS File #	Percentage of Ownership
None entered.			
Owners			
Owned Entity(s)	State of Formation	TX SOS File #	Percentage of Ownership
Brazos Renewable Energy, LLC	DE		100.0
Registered Agent and Office			
Agent: AARON ZUBATY			
Office: 4300 SPEEDWAY #4617 AUSTIN, TX 78765-2116			
Declaration Statement			
I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the submission date, and that a copy of this information has been mailed to each person named in this section who is an officer, director or manager and who is not currently employed by this, or a related, corporation or limited liability company.			

Affiliate 2
Legal Name of Affiliate: Brazos Renewable Energy, LLC
Affiliate Taxpayer Number: 832847031
SOS File Number or Comptroller File Number:
Affiliate NAICS Code: 531390
Is this affiliate disregarded for Franchise Tax? No
Does this affiliate have nexus? No
Affiliate Reporting Begin Date: 12/27/2018
Affiliate Reporting End Date: 12/31/2018
Gross receipts subject to throwback in other states: 0
Gross receipts everywhere: 0
Gross receipts in Texas: 0
Cost of goods sold or compensation: 0
Is this affiliate a corporation, limited liability company, professional association, limited partnership or financial institution? Yes
Will you be filing an information report for this affiliate? No

Affiliate 3
Legal Name of Affiliate: Blue Cut Solar, LLC

Affiliate Taxpayer Number: 000000000

SOS File Number or Comptroller File Number:
 Affiliate NAICS Code: 531390

Is this affiliate disregarded for Franchise Tax? No
 Does this affiliate have nexus? No
 Affiliate Reporting Begin Date: 12/27/2018
 Affiliate Reporting End Date: 12/31/2018

Gross receipts subject to throwback in other states: 0
 Gross receipts everywhere: 0
 Gross receipts in Texas: 0
 Cost of goods sold or compensation: 0

Is this affiliate a corporation, limited liability company, professional association, limited partnership or financial institution? Yes
 Will you be filing an information report for this affiliate? No

Affiliate 4

Legal Name of Affiliate: Brush Solar, LLC

Affiliate Taxpayer Number: 32066769764

SOS File Number or Comptroller File Number: 0802982289
 Affiliate NAICS Code: 531390

Is this affiliate disregarded for Franchise Tax? No
 Does this affiliate have nexus? Yes
 Affiliate Reporting Begin Date: 12/27/2018
 Affiliate Reporting End Date: 12/31/2018

Gross receipts subject to throwback in other states: 0
 Gross receipts everywhere: 0
 Gross receipts in Texas: 0
 Cost of goods sold or compensation: 0

Is this affiliate a corporation, limited liability company, professional association, limited partnership or financial institution? Yes
 Will you be filing an information report for this affiliate? Yes

Public Information Report

Mailing Address: 3000 EL CAMINO REAL STE 5-700
 PALO ALTO, CA 94306

Principal Office: 4300 Speedway, #4617, Austin, TX 78765
 Principal Place Of Business: 4300 Speedway, #4617, Austin, TX 78765

Changes from previous year?: Yes

Officers, Directors, Managers, Member or General Partner

Name: Aaron Zubaty	Director? No	Term Expiration Date:
Title: Manager		
Mailing Address: El Camino Real Ste 5-700 Palo Alto, CA 94306		
Name: Peter J. Blum	Director? No	Term Expiration Date:
Title: Manager		
Mailing Address: El Camino Real Ste 5-700 Palo Alto, CA 94306		
Name: Heather Otten	Director? No	Term Expiration Date:
Title: Manager		
Mailing Address: 4300 Speedway, #4617 Austin, TX 78765		
Name: David Groberg	Director? No	Term Expiration Date:
Title: Manager		
Mailing Address: 4300 Speedway, #4617 Austin, TX 78765		

Owned Entity(s)			
Owned Entity(s)	State of Formation	TX SOS File #	Percentage of Ownership
None entered.			

Owners			
Owned Entity(s)	State of Formation	TX SOS File #	Percentage of Ownership
Brazos Renewable Energy, LLC	DE		100.0

Registered Agent and Office

Agent: CORPORATION SERVICE COMPANY DBA CSC - LAWYERS
 INCO
 Office: 211 E. 7TH STREET, SUITE 620
 AUSTIN, TX 78701-3218

Declaration Statement

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the submission date, and that a copy of this information has been mailed to each person named in this section who is an officer, director or manager and who is not currently employed by this, or a related, corporation or limited liability company.

Affiliate 5

Legal Name of Affiliate: Buffalo Creek Solar, LLC
 Affiliate Taxpayer Number: 32066769723
 SOS File Number or Comptroller File Number: 0802982295
 Affiliate NAICS Code: 531390
 Is this affiliate disregarded for Franchise Tax? No
 Does this affiliate have nexus? Yes
 Affiliate Reporting Begin Date: 12/27/2018
 Affiliate Reporting End Date: 12/31/2018
 Gross receipts subject to throwback in other states: 0
 Gross receipts everywhere: 0
 Gross receipts in Texas: 0
 Cost of goods sold or compensation: 0
 Is this affiliate a corporation, limited liability company, professional association, limited partnership or financial institution? Yes
 Will you be filing an information report for this affiliate? Yes

Public Information Report

Mailing Address: 3000 EL CAMINO REAL STE 5-700
 PALO ALTO, CA 94306
 Principal Office: 4300 Speedway, #4617, Austin, TX 78765
 Principal Place Of Business: 4300 Speedway, #4617, Austin, TX 78765
 Changes from previous year?: Yes

Officers, Directors, Managers, Member or General Partner

Name: Aaron Zubaty
 Title: Manager Director? No Term Expiration Date:
 Mailing Address: 3000 El Camino Real, Suite 5-700
 Palo Alto, CA 94306

Name: Peter J. Blum
 Title: Manager Director? No Term Expiration Date:
 Mailing Address: 3000 El Camino Real, Suite 5-700
 Palo Alto, CA 94306

Name: Heather Otten
 Title: Manager Director? No Term Expiration Date:
 Mailing Address: 4300 Speedway, #4617
 Austin, TX 78765

Name: David Groberg
 Title: Manager Director? No Term Expiration Date:
 Mailing Address: 4300 Speedway, #4617
 Austin, TX 78765

Owned Entity(s)

Owned Entity(s)	State of Formation	TX SOS File #	Percentage of Ownership
None entered.			

Owners

Owned Entity(s)	State of Formation	TX SOS File #	Percentage of Ownership
Brazos Renewable Energy, LLC	DE		100.0

Registered Agent and Office

Agent: CORPORATION SERVICE COMPANY DBA CSC - LAWYERS
 INCO
 Office:

211 E. 7TH STREET, SUITE 620
AUSTIN, TX 78701-3218

Declaration Statement

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the submission date, and that a copy of this information has been mailed to each person named in this section who is an officer, director or manager and who is not currently employed by this, or a related, corporation or limited liability company.

Affiliate 6

Legal Name of Affiliate: Cottonwood Bayou Solar II, LLC

Affiliate Taxpayer Number: 000000000

SOS File Number or Comptroller File Number:

Affiliate NAICS Code: 531390

Is this affiliate disregarded for Franchise Tax? No

Does this affiliate have nexus? No

Affiliate Reporting Begin Date: 12/27/2018

Affiliate Reporting End Date: 12/31/2018

Gross receipts subject to throwback in other states: 0

Gross receipts everywhere: 0

Gross receipts in Texas: 0

Cost of goods sold or compensation: 0

Is this affiliate a corporation, limited liability company, professional association, limited partnership or financial institution? Yes

Will you be filing an information report for this affiliate? No

Affiliate 7

Legal Name of Affiliate: Danish Fields Solar, LLC

Affiliate Taxpayer Number: 32066769681

SOS File Number or Comptroller File Number: 0802982301

Affiliate NAICS Code: 531390

Is this affiliate disregarded for Franchise Tax? No

Does this affiliate have nexus? Yes

Affiliate Reporting Begin Date: 12/27/2018

Affiliate Reporting End Date: 12/31/2018

Gross receipts subject to throwback in other states: 0

Gross receipts everywhere: 0

Gross receipts in Texas: 0

Cost of goods sold or compensation: 0

Is this affiliate a corporation, limited liability company, professional association, limited partnership or financial institution? Yes

Will you be filing an information report for this affiliate? Yes

Public Information Report

Mailing Address: 3000 EL CAMINO REAL STE 5-700
PALO ALTO, CA 94306

Principal Office: 4300 Speedway, #4617, Austin, TX 78765

Principal Place Of Business: 4300 Speedway, #4617, Austin, TX 78765

Changes from previous year?: Yes

Officers, Directors, Managers, Member or General Partner

Name: Aaron Zubaty

Title: Manager

Director? No

Term Expiration Date:

Mailing Address: 3000 El Camino Real Ste 5-700

Palo Alto, CA 94306

Name: Peter J. Blum

Title: Manager

Director? No

Term Expiration Date:

Mailing Address: 3000 El Camino Real Ste 5-700

Palo Alto, CA 94306

Name: Heather Otten

Title: Manager

Director? No

Term Expiration Date:

Mailing Address: 4300 Speedway, #4617

Austin, TX 78765

Name: David Groberg

Title: Manager	Director? No	Term Expiration Date:	
Mailing Address: 4300 Speedway, #4617 Austin, TX 78765			
Owned Entity(s)			
Owned Entity(s)	State of Formation	TX SOS File #	Percentage of Ownership
None entered.			
Owners			
Owned Entity(s)	State of Formation	TX SOS File #	Percentage of Ownership
Brazos Renewable Energy, LLC	DE		100.0
Registered Agent and Office			
Agent: CORPORATION SERVICE COMPANY DBA CSC - LAWYERS INCO			
Office: 211 E. 7TH STREET, SUITE 620 AUSTIN, TX 78701-3218			
Declaration Statement			
I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the submission date, and that a copy of this information has been mailed to each person named in this section who is an officer, director or manager and who is not currently employed by this, or a related, corporation or limited liability company.			

Affiliate 8		
Legal Name of Affiliate: Danish Fields Solar II, LLC		
Affiliate Taxpayer Number: 32067186380		
SOS File Number or Comptroller File Number: 0803017787		
Affiliate NAICS Code: 531390		
Is this affiliate disregarded for Franchise Tax? No		
Does this affiliate have nexus? Yes		
Affiliate Reporting Begin Date: 12/27/2018		
Affiliate Reporting End Date: 12/31/2018		
Gross receipts subject to throwback in other states: 0		
Gross receipts everywhere: 0		
Gross receipts in Texas: 0		
Cost of goods sold or compensation: 0		
Is this affiliate a corporation, limited liability company, professional association, limited partnership or financial institution? Yes		
Will you be filing an information report for this affiliate? Yes		
Public Information Report		
Mailing Address: 3000 EL CAMINO REAL STE 5-700 PALO ALTO, CA 94306		
Principal Office: 4300 Speedway, #4617, Austin, TX 78765		
Principal Place Of Business: 4300 Speedway, #4617, Austin, TX 78765		
Changes from previous year?: Yes		
Officers, Directors, Managers, Member or General Partner		
Name: Aaron Zubaty		
Title: Manager	Director? No	Term Expiration Date:
Mailing Address: 3000 El Camino Real Ste 5-700 Palo Alto, CA 94306		
Name: Peter J. Blum		
Title: Manager	Director? No	Term Expiration Date:
Mailing Address: 3000 El Camino Real Ste 5-700 Palo Alto, CA 94306		
Name: Heather Otten		
Title: Manager	Director? No	Term Expiration Date:
Mailing Address: 4300 Speedway, #4617 Austin, TX 78765		
Name: David Groberg		
Title: Manager	Director? No	Term Expiration Date:
Mailing Address: 4300 Speedway, #4617 Austin, TX 78765		
Owned Entity(s)		

Brazos Renewable Energy, LLC	DE	100.0
Registered Agent and Office		
Agent: CORPORATION SERVICE COMPANY DBA CSC - LAWYERS INCO		
Office: 211 E. 7TH STREET, SUITE 620 AUSTIN, TX 78701-3218		
Declaration Statement		
I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the submission date, and that a copy of this information has been mailed to each person named in this section who is an officer, director or manager and who is not currently employed by this, or a related, corporation or limited liability company.		

Affiliate 10
Legal Name of Affiliate: Schoolhouse Solar, LLC
Affiliate Taxpayer Number: 000000000
SOS File Number or Comptroller File Number:
Affiliate NAICS Code: 531390
Is this affiliate disregarded for Franchise Tax? No
Does this affiliate have nexus? No
Affiliate Reporting Begin Date: 12/27/2018
Affiliate Reporting End Date: 12/31/2018
Gross receipts subject to throwback in other states: 0
Gross receipts everywhere: 0
Gross receipts in Texas: 0
Cost of goods sold or compensation: 0
Is this affiliate a corporation, limited liability company, professional association, limited partnership or financial institution? Yes
Will you be filing an information report for this affiliate? No

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Glenn Hegar, Texas Comptroller • [Home](#) • [Contact Us](#)
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Tab 4: Detailed Description of the Project

Danish Fields Solar, LLC is a solar electric facility with a capacity of at least 350 MW-AC that will be located in northeastern Matagorda County in Tidehaven Independent School District.

The project will be comprised of approximately 1,023,568 photovoltaic panels and 117 central inverters and is being developed by Brazos Renewable Energy LLC.

Brazos Renewable Energy LLC is a renewable energy company focused on developing utility-scale and large industrial behind-the-meter solar energy projects. They work with landowners and large industrial electricity users to identify promising locations for profitable solar energy projects and bring those projects to market.

The management team played key roles in the development of more than 4,000 megawatts of operating renewable energy projects. They bring decades of experience to the development process, including in-depth expertise managing: site selection and acquisition; permitting and environmental due diligence; interconnection analysis and applications; and power purchase agreement negotiations.

Please Note: The portion of Danish Fields Solar, LLC located in Tidehaven ISD is part of a total 600MW-AC project. The project will be located approximately two-thirds in Tidehaven ISD and one-third in El Campo ISD, in which a value limitation agreement will also be pursued. We expect the portion of the project in Tidehaven ISD to be at least 350MW-AC.



Tab 5: Documentation to Assist in Determining if Limitation is a Determining Factor

Throughout the United States the production of renewable energy has been increasing as the cost of these systems has decreased and technological advancements have improved efficiency. In 2019, Texas ranked 4th in installed solar capacity.¹ The state's geographic position and containment of several large population centers has made Texas a favorable location for renewable energy development.

Renewable energy developers face many challenges in the determination of project location—one of these factors being the selection of an area where the greatest return on investment can be achieved. There are several factors that contribute to Texas favorability for development, one however that does not is the state's notoriously high property tax burden—ranking in the top 10 across the United States.

An appraised value limitation on qualified property allows developers to significantly diminish the property tax liability that composes a substantial ongoing cost of operation that directly impacts the economic rate of return for the project. In the absence of an appraised value limitation, the development of renewable energy facilities becomes financially uncertain as the rate of return often fails to meet the minimum return required to proceed. In the event an appraised value limitation agreement is not received by Danish Fields Solar, LLC, it is rather certain that that capital allotted for the development of this project will be reallocated for use on a competing development in another state where economic incentives can be secured, including Oklahoma, Arkansas, Louisiana, Mississippi, Tennessee, or Florida. Thus, an appraised value limitation agreement between Danish Fields Solar, LLC and Tidehaven Independent School District is the determining factor in the decision to locate this facility within the state of Texas.

¹ U.S. Energy Information Administration



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)

Danish Fields Solar, LLC is located within the following jurisdictions:

<i>Jurisdiction</i>	<i>Tax Rate</i>	<i>Percentage of Project Located in Jurisdiction</i>
<i>Matagorda County</i>	<i>.43342</i>	<i>67%</i>
<i>Wharton County</i>	<i>.4146</i>	<i>33%</i>
<i>Coastal Plains Groundwater Conservation District</i>	<i>.0047</i>	<i>67%</i>
<i>Wharton Conservation Groundwater Conservation District</i>	<i>.0008</i>	<i>33%</i>
<i>Tidehaven Independent School District</i>	<i>1.17</i>	<i>67%</i>
<i>El Campo Independent School District</i>	<i>1.12640</i>	<i>33%</i>
<i>Matagorda Hospital District</i>	<i>.32159</i>	<i>67%</i>
<i>Wharton Hospital District</i>	<i>.2216</i>	<i>33%</i>
<i>Port of Bay City</i>	<i>.05477</i>	<i>67%</i>
<i>Drainage District #2</i>	<i>.04606</i>	<i>33%</i>
<i>Conservation & Reclamation District</i>	<i>.00776</i>	<i>67%</i>
<i>FM & Lateral Road District</i>	<i>.04774</i>	<i>33%</i>
<i>Wharton County Junior College</i>	<i>.13934</i>	<i>67%</i>
<i>Wharton County Emergency Services District #1</i>	<i>.05</i>	<i>33%</i>



Tab 7: Description of Qualified Investment

Danish Fields Solar, LLC requests that the limitation covers all qualified investment and qualified property located within Tidehaven ISD. It is our request that the limitation includes all eligible and ancillary equipment including the following:

- Substation
- Transmission Line
- Inverter Boxes
- Foundations
- Roadways, Paving, & Fencing
- Racking & Mounting Structures
- Meteorological Towers & Equipment
- Interconnection Facilities
- Solar Modules & Panels
- Associated Towers
- Combiner Boxes
- Operation & Maintenance Buildings
- Underground Electrical Collection Cables
- Access Roads



Tab 8: Description of Qualified Property

Danish Fields Solar, LLC requests that the limitation covers all qualified investment and qualified property located within Tidehaven ISD. It is our request that the limitation includes all eligible and ancillary equipment including the following:

- Substation
- Transmission Line
- Inverter Boxes
- Foundations
- Roadways, Paving, & Fencing
- Racking & Mounting Structures
- Meteorological Towers & Equipment
- Interconnection Facilities
- Solar Modules & Panels
- Associated Towers
- Combiner Boxes
- Operation & Maintenance Buildings
- Underground Electrical Collection Cables
- Access Roads



Tab 9: Description of Land

Not Applicable.



*Tab 10: Description of All Property Not Eligible to Become
Qualified Property (if applicable)*

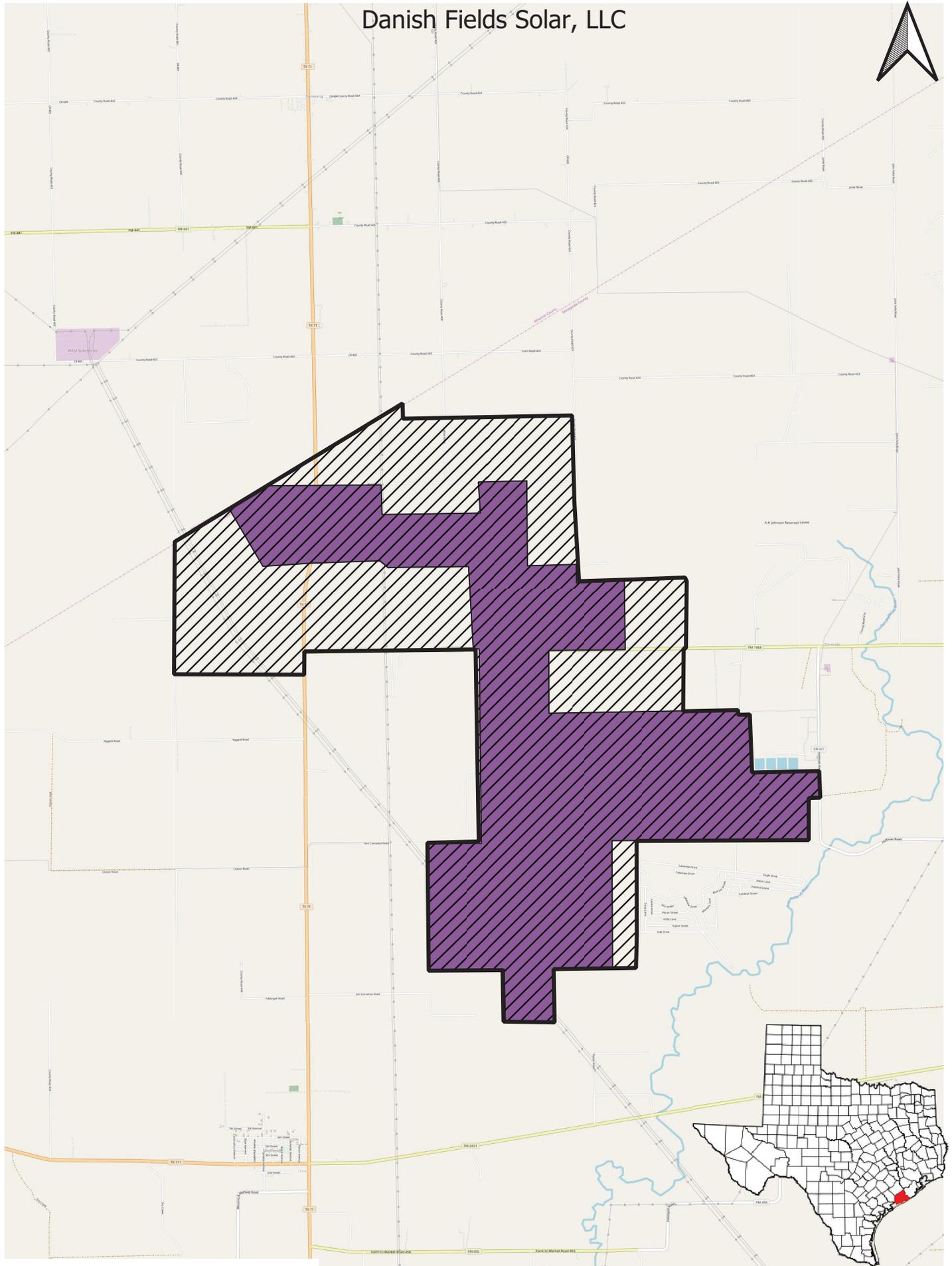
Not Applicable.



Tab 11: Maps

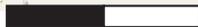
Please See Attached.

Danish Fields Solar, LLC



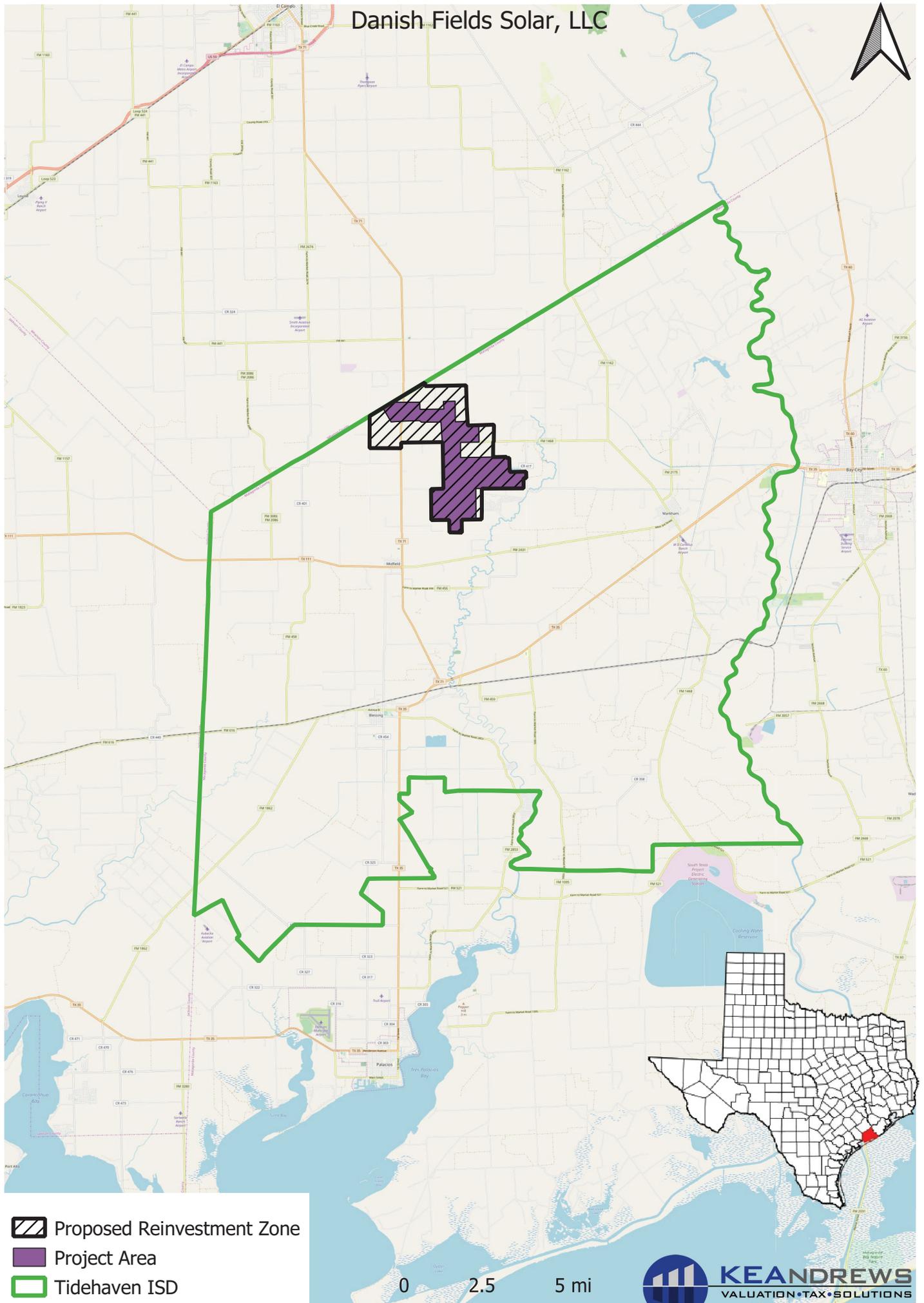
-  Proposed Reinvestment Zone
-  Project Area

0 0.5 1 mi



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Danish Fields Solar, LLC



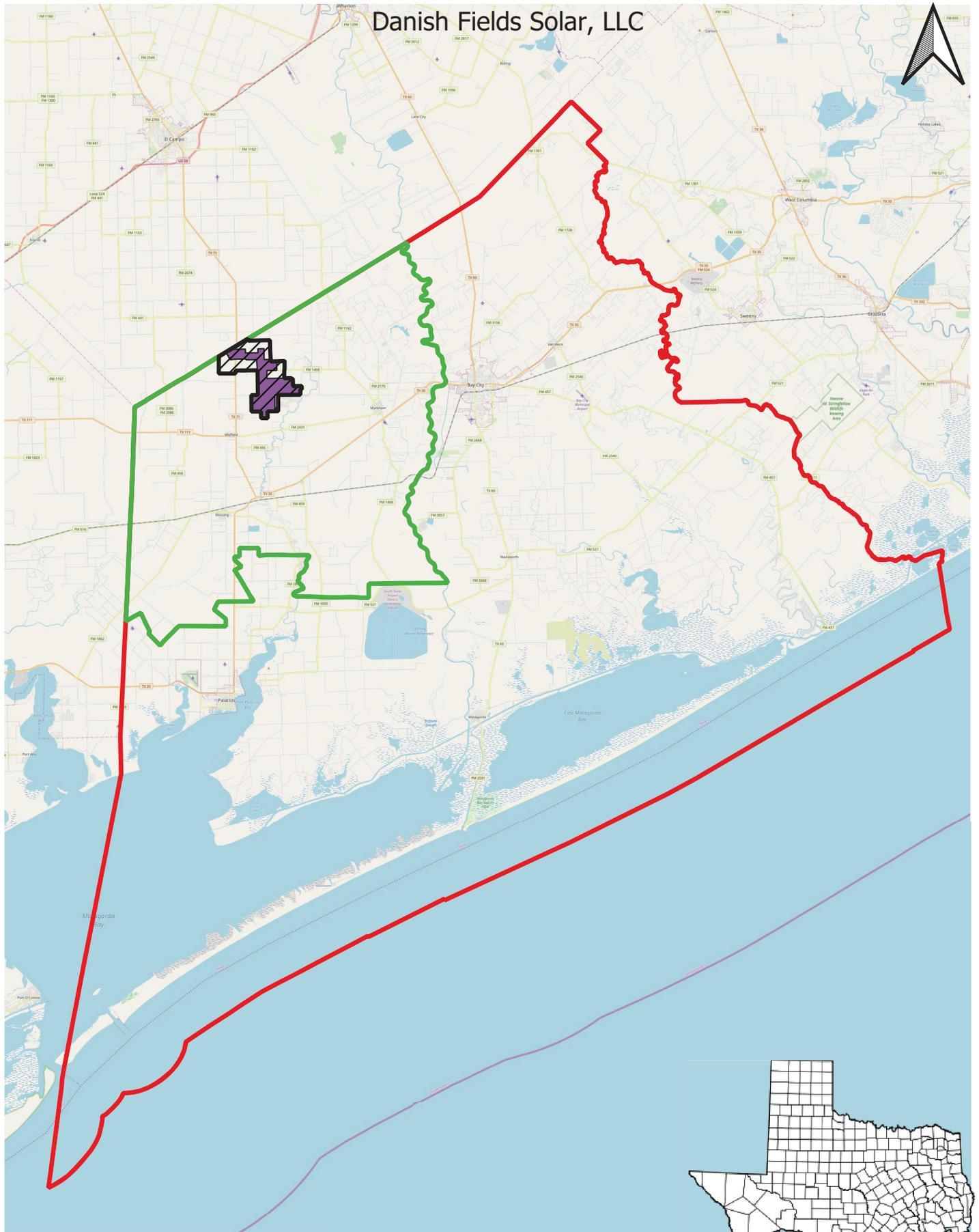
-  Proposed Reinvestment Zone
-  Project Area
-  Tidehaven ISD

0 2.5 5 mi



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Danish Fields Solar, LLC



-  Proposed Reinvestment Zone
-  Project Area
-  Tidehaven ISD
-  Matagorda County



0 5 10 mi



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*Tab 12: Request for Waiver of Job Creation Requirement and
Supporting Information (if applicable)*

Please See Attached.



February 24, 2020

Tidehaven Independent School District
ATT: Dr. Andrew Seigrist
P.O. Box 129
El Maton, Texas 77440

RE: Danish Fields Solar, LLC Application for Appraised Value Limitation on Qualified Property Job Waiver Request

Dear Dr. Andrew Seigrist:

Danish Fields Solar, LLC is requesting that Tidehaven ISD's Board of Trustees waive the job requirement provision as allowed by Section 313.025 (f-1) of the Texas Property 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 this facility.

Danish Fields Solar, LLC requests that Tidehaven ISD makes such finding and waive the job creation requirement for 10 permanent jobs. Danish Fields Solar, LLC has committed to create 2 full time permanent positions for the operation and maintenance of the facility. These positions will be compensated at the rate of 110% of the regional manufacturing wage, as well as offer full benefits.

Renewable energy project create many jobs during the development of the facility. It is anticipated that 200 construction jobs will be created; however, once construction is complete the facility will require a relatively low number of permanent workers. The number of jobs (2) that Danish Fields Solar, LLC has committed to create is congruent with industry standards for renewable energy facilities. The current industry standard for solar energy sites is 1 worker per 175 MW.

Danish Fields Solar, LLC kindly requests that you consider the approval of the job waiver request for this project. Undoubtedly, the establishment of this facility will be very beneficial to Tidehaven ISD, Matagorda County, and the advancement of renewable energy in Texas.

Your consideration of this request is greatly appreciated. If you have any questions, please contact us.

Mike Fry
Director, Energy Services
mfry@keatax.com



Tab 13: Calculation of Three Possible Wage Requirements and Supporting Information (if applicable)

Calculation 1: Matagorda County Average Weekly Wage: \$1,086.00

Quarter	Area	Ownership	Industry	Average Weekly Wage
Q4 2018	Matagorda County, TX	Total All	All Industries	\$1,138.00
Q1 2019	Matagorda County, TX	Total All	All Industries	\$1,192.00
Q2 2019	Matagorda County, TX	Total All	All Industries	\$1,021.00
Q3 2019	Matagorda County, TX	Total All	All Industries	\$993.00

Quarterly Census of Employment and Wages (QCEW) Report

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

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

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2018	01	Matagorda	Total All	Total, All Industries	1,183
2018	02	Matagorda	Total All	Total, All Industries	1,059
2018	03	Matagorda	Total All	Total, All Industries	962
2018	04	Matagorda	Total All	Total, All Industries	1,138
2019	01	Matagorda	Total All	Total, All Industries	1,192
2019	02	Matagorda	Total All	Total, All Industries	1,021
2019	03	Matagorda	Total All	Total, All Industries	993



Calculation 2: 110% Matagorda County Average Manufacturing Weekly Wage: \$1,799.88

Quarter	Area	Ownership	Industry	Average Weekly Wage
Q4 2018	Matagorda County, TX	Private	Manufacturing	\$1,531.00
Q1 2019	Matagorda County, TX	Private	Manufacturing	\$1,903.00
Q2 2019	Matagorda County, TX	Private	Manufacturing	\$1,515.00
Q3 2019	Matagorda County, TX	Private	Manufacturing	\$1,596.00

Quarterly Census of Employment and Wages (QCEW) Report

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

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

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2018	01	Matagorda	Private	Manufacturing	2,149
2018	02	Matagorda	Private	Manufacturing	1,296
2018	03	Matagorda	Private	Manufacturing	1,485
2018	04	Matagorda	Private	Manufacturing	1,531
2019	01	Matagorda	Private	Manufacturing	1,903
2019	02	Matagorda	Private	Manufacturing	1,515
2019	03	Matagorda	Private	Manufacturing	1,596



Calculation 3: 110% Regional Manufacturing Wage: \$1,309.61 weekly or \$68,099.90 annually

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)*

Please See Attached.

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

Date: 2/24/2020
Applicant Name: Danish Fields Solar, LLC
ISD Name: Tidehaven ISD

PROPERTY INVESTMENT AMOUNTS							Column E	
(Estimated investment in each year. Do not put cumulative totals.)								
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district				Not eligible to become Qualified Property				
Investment made after filing complete application with district, but before final board approval of application	--	2021-2022	2021 (stub year)					
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period								
Complete tax years of qualifying time period	QTP1	2022-2023	2022	\$ 100,000,000.00				\$ 100,000,000.00
	QTP2	2023-2024	2023	\$ 214,500,000.00	\$ 500,000.00			\$ 215,000,000.00
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$ 314,500,000.00	\$ 500,000.00			\$ 315,000,000.00
Total Qualified Investment (sum of green cells)				\$ 315,000,000.00				\$ 315,000,000.00

Enter amounts from TOTAL row above in Schedule A2

For All Columns: List amount invested each year, not cumulative totals.
 Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 Only tangible personal property that is specifically described in the application can become qualified property.
 Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.
 Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9:1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.
 Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.
 Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

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

Date: 2/24/2020
Applicant Name: Danish Fields Solar, LLC
ISD Name: Tidehaven ISD

PROPERTY INVESTMENT AMOUNTS											
(Estimated investment in each year. Do not put cumulative totals.)											
Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) (YYYY-YYYY)	Column A		Column B		Column C		Column D		Column E
			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 not become Qualified Property (SEE NOTE)	Other investment made during this year that will 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*			\$ 314,500,000.00	\$ 500,000.00	Enter amounts from TOTAL row in Schedule A1 in the row below					\$ 315,000,000.00	
0	2020-2021	2020									
0	2021-2022	2021	\$ 100,000,000.00							\$ 100,000,000.00	
0	2022-2023	2022	\$ 214,500,000.00	\$ 500,000.00						\$ 215,000,000.00	
1	2023-2024	2023									
2	2024-2025	2024									
3	2025-2026	2025									
4	2026-2027	2026									
5	2027-2028	2027									
6	2028-2029	2028									
7	2029-2030	2029									
8	2030-2031	2030									
9	2031-2032	2031									
10	2032-2033	2032									
Total investment made through limitation			\$ 314,500,000.00	\$ 500,000.00						\$ 315,000,000.00	
11	2033-2034	2033									
12	2034-2035	2034									
13	2035-2036	2035									
14	2036-2037	2036									
15	2037-2038	2037									
16	2038-2039	2038									
17	2039-2040	2039									
18	2040-2041	2040									
19	2041-2042	2041									
20	2042-2043	2042									
21	2043-2044	2043									
22	2044-2045	2044									
23	2045-2046	2045									
24	2046-2047	2046									
25	2047-2048	2047									
Additional years for 25 year economic impact as required by 313.026(c)(1)											

* All investments made through the qualifying time period are captured and totaled on Schedule A1 (blue box) and incorporated into this schedule in the first row.
 ** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.
 *** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were not captured on Schedule A1.
 For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.
 Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 Column B: The total dollar amount of planned investment each year in buildings or nonremovable components 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.

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value			
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions	
Each year prior to start of Value Limitation Period	0	2020-2021	2020							
Each year prior to start of Value Limitation Period	0	2021-2022	2021							
Each year prior to start of Value Limitation Period	0	2022-2023	2022							
	1	2023-2024	2023		\$ 500,000.00	\$ 50,000,000.00	\$ 50,000,000.00	\$ 50,000,000.00	\$ 50,000,000.00	\$ 50,000,000.00
	2	2024-2025	2024		\$ 485,000.00	\$ 273,929,500.00	\$ 274,429,500.00	\$ 274,429,500.00	\$ 274,429,500.00	\$ 30,000,000.00
	3	2025-2026	2025		\$ 470,000.00	\$ 250,467,800.00	\$ 250,952,800.00	\$ 250,952,800.00	\$ 250,952,800.00	\$ 30,000,000.00
	4	2026-2027	2026		\$ 455,000.00	\$ 225,150,550.00	\$ 225,620,550.00	\$ 225,620,550.00	\$ 225,620,550.00	\$ 30,000,000.00
	5	2027-2028	2027		\$ 440,000.00	\$ 197,789,050.00	\$ 198,244,050.00	\$ 198,244,050.00	\$ 198,244,050.00	\$ 30,000,000.00
	6	2028-2029	2028		\$ 425,000.00	\$ 168,257,500.00	\$ 168,697,500.00	\$ 168,697,500.00	\$ 168,697,500.00	\$ 30,000,000.00
	7	2029-2030	2029		\$ 410,000.00	\$ 155,237,200.00	\$ 155,662,200.00	\$ 155,662,200.00	\$ 155,662,200.00	\$ 30,000,000.00
	8	2030-2031	2030		\$ 395,000.00	\$ 120,799,450.00	\$ 121,209,450.00	\$ 121,209,450.00	\$ 121,209,450.00	\$ 30,000,000.00
	9	2031-2032	2031		\$ 380,000.00	\$ 83,594,100.00	\$ 83,989,100.00	\$ 83,989,100.00	\$ 83,989,100.00	\$ 30,000,000.00
	10	2032-2033	2032		\$ 365,000.00	\$ 62,900,000.00	\$ 63,280,000.00	\$ 63,280,000.00	\$ 63,280,000.00	\$ 30,000,000.00
	11	2033-2034	2033		\$ 350,000.00	\$ 62,900,000.00	\$ 63,265,000.00	\$ 63,265,000.00	\$ 63,265,000.00	\$ 30,000,000.00
	12	2034-2035	2034		\$ 335,000.00	\$ 62,900,000.00	\$ 63,250,000.00	\$ 63,250,000.00	\$ 63,250,000.00	\$ 63,250,000.00
	13	2035-2036	2035		\$ 320,000.00	\$ 62,900,000.00	\$ 63,235,000.00	\$ 63,235,000.00	\$ 63,235,000.00	\$ 63,235,000.00
	14	2036-2037	2036		\$ 305,000.00	\$ 62,900,000.00	\$ 63,220,000.00	\$ 63,220,000.00	\$ 63,220,000.00	\$ 63,220,000.00
	15	2037-2038	2037		\$ 290,000.00	\$ 62,900,000.00	\$ 63,205,000.00	\$ 63,205,000.00	\$ 63,205,000.00	\$ 63,205,000.00
	16	2038-2039	2038		\$ 275,000.00	\$ 62,900,000.00	\$ 63,190,000.00	\$ 63,190,000.00	\$ 63,190,000.00	\$ 63,190,000.00
	17	2039-2040	2039		\$ 260,000.00	\$ 62,900,000.00	\$ 63,175,000.00	\$ 63,175,000.00	\$ 63,175,000.00	\$ 63,175,000.00
	18	2040-2041	2040		\$ 245,000.00	\$ 62,900,000.00	\$ 63,160,000.00	\$ 63,160,000.00	\$ 63,160,000.00	\$ 63,160,000.00
	19	2041-2042	2041		\$ 230,000.00	\$ 62,900,000.00	\$ 63,145,000.00	\$ 63,145,000.00	\$ 63,145,000.00	\$ 63,145,000.00
	20	2042-2043	2042		\$ 215,000.00	\$ 62,900,000.00	\$ 63,130,000.00	\$ 63,130,000.00	\$ 63,130,000.00	\$ 63,130,000.00
	21	2043-2044	2043		\$ 200,000.00	\$ 62,900,000.00	\$ 63,115,000.00	\$ 63,115,000.00	\$ 63,115,000.00	\$ 63,115,000.00
	22	2044-2045	2044		\$ 185,000.00	\$ 62,900,000.00	\$ 63,100,000.00	\$ 63,100,000.00	\$ 63,100,000.00	\$ 63,100,000.00
	23	2045-2046	2045		\$ 170,000.00	\$ 62,900,000.00	\$ 63,085,000.00	\$ 63,085,000.00	\$ 63,085,000.00	\$ 63,085,000.00
	24	2046-2047	2046		\$ 155,000.00	\$ 62,900,000.00	\$ 63,070,000.00	\$ 63,070,000.00	\$ 63,070,000.00	\$ 63,070,000.00
	25	2047-2048	2047		\$ 140,000.00	\$ 62,900,000.00	\$ 63,040,000.00	\$ 63,040,000.00	\$ 63,040,000.00	\$ 63,040,000.00

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: 2/24/2020
 Applicant Name: Danish Fields Solar, LLC
 ISD Name: Tidehaven ISD

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs		Qualifying Jobs	
				Column A Number of Construction FTE's	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	0	2020-2021	2020						
Each year prior to start of Value Limitation Period	0	2021-2022	2021	50	\$ 38,000.00				
Each year prior to start of Value Limitation Period	0	2022-2023	2022	200	\$ 38,000.00				
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2023-2024	2023				2	\$ 68,099.90	
	2	2024-2025	2024				2	\$ 68,099.90	
	3	2025-2026	2025				2	\$ 68,099.90	
	4	2026-2027	2026				2	\$ 68,099.90	
	5	2027-2028	2027				2	\$ 68,099.90	
	6	2028-2029	2028				2	\$ 68,099.90	
	7	2029-2030	2029				2	\$ 68,099.90	
	8	2030-2031	2030				2	\$ 68,099.90	
	9	2031-2032	2031				2	\$ 68,099.90	
	10	2032-2033	2032				2	\$ 68,099.90	
Years Following Value Limitation Period	11 through 25	2033-2048	2033-2048				2	\$ 68,099.90	

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



Tab 15: Economic Impact Analysis, other payments made in the state or other economic information (if applicable)

Please See Attached.



Tab 16: Description of Reinvestment or Enterprise Zone

Currently, it is anticipated that Tidehaven ISD will create the reinvestment zone. In the event Tidehaven ISD does not create the reinvestment zone it will be requested that Matagorda County does prior to the execution of the agreement. Please find attached the guidelines and criteria for tax abatement agreements in Matagorda County.

***GUIDELINES AND CRITERIA
FOR GRANTING TAX ABATEMENT
IN REINVESTMENT ZONES AND/OR
ENTERPRISE ZONES CREATED
IN MATAGORDA COUNTY***

***ADOPTED: October 9, 2017
BY
MATAGORDA COUNTY COMMISSIONERS COURT***

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**GUIDELINES AND CRITERIA
FOR GRANTING TAX ABATEMENT IN
REINVESTMENT AND/OR ENTERPRISE ZONES
CREATED IN MATAGORDA COUNTY**

**Section 1
AUTHORITY**

Matagorda County is authorized to provide tax abatement benefits in accordance with the Texas Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code, as amended (“The Act”). The Act requires the establishment of these Guidelines and Criteria for the governing of tax abatement agreements between Matagorda County and eligible entities. The Act furthermore permits the designation of “reinvestment zones” in accordance with specific criteria.

**Section 2
PURPOSE AND INTENT**

The purpose and intent of these Guidelines and Criteria is to set forth the general parameters in which Matagorda County will operate a tax abatement program in accordance with the Act. The program is intended to be an economic development tool to assist and encourage investment to create, retain and expand full-time jobs while strengthening the tax base for Matagorda County.

All applications are considered on a case-by-case basis and the decision to approve or deny tax abatement shall be at the discretion of Commissioners Court. Nothing herein shall imply or suggest that Matagorda County is under any obligation to provide tax abatement to any applicant.

**Section 3
DEFINITIONS**

- (a) **“Abatement”** means the temporary full or partial exemption from ad valorem taxes of certain taxable improvements to real property in a Reinvestment and/or Enterprise Zone designated for economic development purposes pursuant to The Act
- (b) **“Abatement period”** means the period during which all or a portion of the value of real property or tangible personal property that is the subject of an Agreement is exempt from taxation.
- (c) **“Alternative/Renewable Energy or Fuel Facility”** means buildings, structures or equipment that are used in growing, production or generating of power or fuel sources or any alternative to fossil fuels used for generating power that is provided by abundant, natural energy sources such as solar, wind, geothermal or biomass.
- (d) **“Applicant”** means a current or potential owner of taxable real property, or current or potential owner of a leasehold interest in taxable real property, applying for abatement pursuant to these Guidelines and Criteria and the Property Redevelopment and Tax Abatement Act.
- (e) **“Aquaculture/Agriculture Facility”** means buildings, structures and major earth structure improvements, including fixed machinery and equipment, the primary purpose of which is the

hatching, incubating, nursing, maturing and/or processing to marketable size of aquaculture products in commercially marketable quantities or the processing, refining, packaging, and distribution of food and/or fiber products in commercially marketable quantities.

- (f) “**Agreement**” means a contractual agreement between a property owner and/or Lessee and an eligible jurisdiction for the purposes of tax abatement.
- (g) “**Base Year Value**” means the assessed value of eligible property on January 1st preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1st but before the execution of the agreement.
- (h) “**Business Retention and Expansion Programs**” are programs implemented to encourage economic development from within the existing businesses in the community. Includes, but not limited to, industrial, retail, agricultural and tourism.
- (i) “**Deferred Maintenance**” means improvements necessary for continued operations which do not improve productivity or alter the process technology.
- (j) “**Economic Life**” means the number of years a property improvement is expected to be in service in a facility. Provided, however, that in no circumstance shall the number of years exceed the depreciation allowance specified in the United States Internal Revenue Code.
- (k) “**Employee**” means a person whose employment is both permanent and full-time, who is employed by the applicant for abatement for a minimum of 1,750 hours per year exclusively within the reinvestment zone, and whose employment is reflected in the tax abatement applicant’s quarterly report filed with the Texas Workforce Commission.
- (l) “**Eligible Jurisdiction**” means Matagorda County, the Cities of Bay City and Palacios, and any special district which is located in Matagorda County, that levies ad valorem taxes upon and provides services to property located within a proposed or existing Reinvestment and/or Enterprise Zone.
- (m) “**Enterprise Zone**” means a specific geographic area, a census block group that has a poverty level of 20 percent or greater as identified by the 2010 U.S. Census and is recognized as such by the Texas Office of the Comptroller. Designation of an area as an Enterprise Zone under the Texas Enterprise Zone Act (Chapter 2303, Government Code) constitutes designation of the area as a Reinvestment Zone under Chapter 312, Subchapter C, Section 312.401 of the Government code.
- (n) “**Enterprise Project**” means a specific new or expanding business that can be located either in or outside of a designated Enterprise Zone that has been nominated by the Matagorda County Commissioners Court to participate in the Enterprise Zone program and is therefore eligible to receive state and/or local incentives and benefits.
- (o) “**Entertainment Project**” means a specific new or expanding business located in Matagorda County from which a majority of revenues are generated by visual arts, sporting, musical,

cinematic, theatrical, dance, recreational, arcades and/or other cultural endeavors, excluding all adult entertainment establishments.

- (p) “**Expansion**” means the addition of buildings, structures, fixed machinery or equipment for the purpose of increasing production capacity.
- (q) “**Facility**” means property improvements completed or in the process of construction which together comprise an integral whole.
- (r) “**Major Impact Project**” means
 - (i) any industrial, commercial, research and development, warehousing, distribution, transportation, energy generation, processing, mining, United States government or tourism enterprise together with all facilities required for construction, maintenance and operation of the enterprise with an initial capital investment of not less than Three Hundred Million Dollars (\$300,000,000.00) from private or United States government sources; or
 - (ii) with an initial capital investment of not less than One Hundred Fifty Million Dollars (\$150,000,000.00) from private or United States government sources together with all buildings, and facilities, structures or improvements or whatever kind required or useful for construction, maintenance and operation of the enterprise and which creates at least five hundred (500) net new full-time jobs; or which creates at least two hundred fifty (250) net new full-time jobs which provides an average salary, excluding benefits which are not subject to federal income taxation, of at least one hundred fifteen percent (115%) of the most recently published average annual wage of the state as determined by the State of Texas;
 - (iii) “Project” shall also include any ancillary development or business resulting from the enterprise, of which the authority is notified, within three (3) years from the date that the enterprise entered into commercial production, that the project area has been selected as the site for the ancillary development or business.
- (s) “**Manufacturing Facility**” means buildings, structures, fixed machinery or equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (t) “**Modernization**” means the upgrading of existing facilities that increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration, or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purposes of reconditioning, refurbishing or repairing.
- (u) “**New Facility**” means a property previously undeveloped which is placed in service by means other than or in conjunction with expansion or modernization.
- (v) “**Other Basic Industry**” means buildings and structures including fixed machinery or equipment not elsewhere described, used or to be used for the production of products or services, from which

a majority of revenues generated by activity at the facility are derived from outside Matagorda County.

- (w) **“Productive Life”** means the number of years a property improvement is expected to be in service in a facility.
- (x) **“Recycling Facility”** means the buildings and structures used in the processing of used materials (waste or by-products) into new products to prevent waste of potentially useful materials, reduce the consumption of fresh raw materials, reduce energy usage, reduce air pollution (from incineration) and water pollution (from land filling) by reducing the need for “conventional” waste disposal, and lower greenhouse gas emissions as compared to virgin production.
- (y) **“Regional Distribution Facility”** means buildings and structures including fixed machinery or equipment used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility, from which a majority of revenues generated by activity at the facility are derived from outside Matagorda County.
- (z) **“Regional Entertainment/Tourism Facility”** means buildings and structures, including fixed machinery or equipment used or to be used to provide entertainment and/or tourism related services, from which a majority of revenues generated by activity at the facility are derived from outside Matagorda County.
- (aa) **“Regional Service Facility”** means buildings and structures, including fixed machinery or equipment used or to be used to provide a service, from which a majority of revenues generated by activity at the facility are derived from outside Matagorda County.
- (bb) **“Reinvestment and/or Enterprise Zone-County Designated”** means any area of Matagorda County which has been designated a Reinvestment and/or Enterprise Zone for tax abatement purposes and which is not within the tax jurisdiction of any incorporated municipality. It is the intent of the Matagorda County Commissioners Court to designate such Zones on a case-by-case basis.
- (cc) **“Reinvestment and/or Enterprise Zone-Municipality Designated”** means any area of Matagorda County which lies within the tax jurisdiction of a municipality and has been designated a Reinvestment and/or Enterprise Zone by that jurisdiction for tax abatement purposes. The Matagorda County Commissioners Court may provide industrial tax abatement within municipality designated Reinvestment and/or Enterprise Zones as long as the tax abatement granted by Matagorda County is in concert with the tax abatement guidelines contained herein.
- (dd) **“Research Facility”** means buildings and structures, including fixed machinery or equipment used or to be used primarily for research and experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- (ee) **“Tourism”** refers to the tourist industry encompassing the activity of travel to points of destination for business or leisure, through which tourist services are created and supplied either directly or through intermediaries. Types of tourist industry include but are not limited to tour

organizing services, tourist information services, accommodation services, food services, entertainment and other tourist services.

Section 4 **ABATEMENT AUTHORIZED**

- (a) **Reinvestment Zone.** To be eligible for tax abatement the owner must own taxable real property which is the subject of the tax abatement which is located within a reinvestment zone designated by the governing body of a municipality or the County in accordance with the Property Redevelopment and Tax Abatement Act and must enter into a written agreement with the County wherein the owner agrees to make specified improvements or repairs to the property and, if applicable, that such specified improvements or repairs to the property are being made in conformity with the municipality's comprehensive plan.
1. **Unincorporated Areas.** The Commissioners Court, by order, may designate as a reinvestment zone an area of the County that does not include area in the taxing jurisdiction of a municipality.
 2. **Public Hearing/Designation of area as reinvestment zone.**
 - a. The Commissioners Court may not designate an area as a reinvestment zone until it holds a public hearing on the designation and finds that the designation would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of the County.
 - b. At the hearing, interested persons are entitled to speak and present evidence for or against the designation.
 - c. Advance notice of the public hearing must be given in compliance with the requirements of Sections 312.201 and 312.401 of the Texas Tax Code. Accordingly, not later than the seventh (7th) day before the date of the hearing, notice of the hearing must be:
 - i. Published in a newspaper having general circulation in the County; and
 - ii. Delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone. For purposes of this requirement, the County shall mail the notice of the public hearing to the respective presiding officer(s) by certified mail, return receipt requested, with proper postage affixed.
 - d. Notice is presumed delivered when placed in the mail postage-paid and property addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the County is considered to have been delivered to the addressee.
 3. **Expiration of reinvestment zone under this section.** The designation of a reinvestment zone under this section expires five years after the date of the designation and may be renewed for periods not to exceed five years. Provided however, that the expiration of the designation does not affect existing agreements made under this Section.
 4. **Enterprise Zone.** Designation of an area as an enterprise zone under Chapter 2303 of the Government Code constitutes a designation of the area as a reinvestment zone under these Guidelines and Criteria without further hearing or other procedural requirements other than those provided by Chapter 2303 of the Government Code.

5. **Location.** Property may be located both in a reinvestment zone designated by the County under this section and in a reinvestment zone designated by a municipality.
 6. **Prohibition.** The County shall not establish a reinvestment zone for the purpose of tax abatement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.
 7. **Chapter 381 Incentive.** The County’s general policy is that a tax abatement and a Chapter 381 agreement will not co-exist for one entity. The eligible entity shall not be granted a tax abatement if they have opted to enter into a Chapter 381 agreement with the County.
- (b) **Authorized Facility.** A facility may be eligible for abatement if it is a:
- Manufacturing facility,
 - Private company performing a governmental function,
 - Research facility,
 - Recycling facility,
 - Renewable or alternative energy or fuel facility
 - Aquaculture/agriculture facility,
 - Regional distribution facility,
 - Regional service facility,
 - Regional entertainment/tourism facility,
 - Other basic industry.
- (c) **Authorized Date.** A facility shall be eligible for tax abatement if it has applied for such abatement prior to the commencement of construction, provided, that such facility meets the criteria granting tax abatement in Reinvestment and/or Enterprise Zones created in Matagorda County pursuant to the guidelines and criteria adopted by the Matagorda County Commissioners Court, hereafter “Commissioners Court”, and will be considered on a case-by-case basis.
- (d) **Creation of New Value.** Abatement may only be granted for the additional taxable value of eligible property improvements made subsequent to and listed in an abatement agreement between Matagorda County and the property owner and/or Lessee, subject to such limitations as the County Commissioners Court may require.
- (e) **New and Existing Facilities.** Abatement may be granted to new facilities and improvements to existing facilities for purposes of modernization and expansion of existing facilities and structures, unless the property is property described by Section 312.211(a) of the Texas Tax Code (in which it must conform with Section 312.211).

If a company requests an abatement without the creation of new jobs to remain competitive or reduce labor force, they shall submit a timeline of Worker Adjustment and Retraining Notification notices (WARN) will be issued. The County shall be provided copies of all WARN notices issued by a company under this section.

- (f) **Eligible Property.** Abatement may be extended to the taxable value of buildings, structures, fixed machinery, equipment, site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility. The economic life of

the property and improvements must exceed the life of the abatement agreement. The value of all property shall be the certified appraised value for each year, as finally determined by the Matagorda Central Appraisal District.

- (g) **Ineligible Property.** The following classes of property shall be fully taxable and ineligible for abatement:
- Land,
 - Inventories,
 - Supplies,
 - Furnishings or other forms of movable personal property,
 - Vehicles, marine vessels, or aircraft,
 - Deferred maintenance investments,
 - Residential property,
 - Property that is associated with any activity that is illegal under federal, state or local law,
 - Property owned or used by the State of Texas or its political subdivisions,
 - Property owned by any organization which is owned, operated or directed by a political subdivision of the state.
- (h) **Leased Facilities.** If an authorized facility eligible for tax abatement is leased, the agreement shall be executed with both the Lessor and the Lessee.
- (i) **Disputing Assessed Value.** All companies requesting abatement agree that binding arbitration is the sole recourse for any protest, application, negotiation or other procedure available to tax payers. If a company granted a tax abatement believes they have grounds to challenge or dispute the assessed value, they may present this information to Commissioners Court and request arbitration. The Commissioners Court will/may initiate the process for the company to enter into binding arbitration with the Matagorda Central Appraisal District and the company shall comply.
- (j) **Tax Abatement Not Applicable to Public or Non-Tax Paying Entities.** Public or non-tax paying entities are not eligible to receive tax abatement from Matagorda County.
- (k) **Value and Term of Abatement.**
1. Effective Date of Abatement – Abatement shall be granted effective with the January 1st valuation date immediately following the date of execution of the agreement, unless another date is established by agreement between the applicant and Matagorda County Commissioners Court, as allowed by state law [See Section 3 (f) below].
 2. Term and Value of Abatement – The value and term of abatement on new eligible property shall be determined on a case-by-case basis. Table 1 provides a guideline for consideration by Commissioners Court but from which it may vary the length and abatement percentage of any application on a case-by-case basis.

TABLE 1

Project	New Jobs Created	Years/Total Percentage Available	Possible Abatement Percentages Per Year
New Industry Project	10 or more	5 years – 380%	100%-85%-75%-65%-55%
Tourism/ Entertainment	10 or more	5 years – 380%	100%-85%-75%-65%-55%
Existing Businesses	10 or more *Unless WARN exception	5 years – 380%	100%-85%-75%-65%-55%
Major Impact Project	250 or more	10 years – 1,000%	100% each year

3. Additional Tax Abatement Percentage Available – The County may offer additional percentage of tax abatement for the years in the agreement for the employment of Matagorda County residents. The additional percentage, based on the chart below, can be offered beginning in year three. If the company hires Matagorda County residents in years one and two, the County can carry the additional abatement percentage to the third year, however, in no year shall more than 100% be abated. Regardless of whether the company attempts to use this additional percentage, preferential treatment shall be given to hiring operations and construction workers residing in Matagorda County, not only in the construction phase of the facility, but also during operations thereafter.

Matagorda County Residents Hired	Additional Percentage Offered
25-34%	5%
35-44%	10%
45-54%	15%
55-64%	20%
65-74%	30%
75-84%	35%
85-94%	40%
95-100%	50%

- (l) **Duration of Abatement** – The duration of an abatement agreement shall not exceed the maximum period of tax abatement allowed by state law of 10 years or one-half (1/2) the economic

life of the eligible property, whichever is less. Furthermore, under no circumstances shall the value of the abatement exceed 100 percent (100%) of the eligible taxable property value in a single year.

(m) **Minimum Economic Qualification.** To be eligible to receive tax abatement, the planned new facility or the planned expansion to or modernization of an existing enterprise must meet the following qualifications:

1. Must increase the appraised value of the taxable property in the amount of not less than one million dollars (\$1,000,000) after construction is completed or three years from the commencement of construction, whichever is less.
2. Must create new employment or prevent the loss of employment by job retention for not less than 10 persons associated with the production of goods and services at the authorized facility on a full-time, permanent basis in Matagorda County. Two or more part-time, permanent employees totaling an average of not less than 40 hours per week may be considered as one full-time, permanent employee. Employees must be employed by the tax abatement Applicant and cannot be paid by an on-site contractor or sub-contractor.
3. **WARN Notice** - If a company requests an abatement without the creation of new jobs to remain competitive or reduce labor force, they shall submit a timeline of Worker Adjustment and Retraining Notification notices (WARN) will be issued. The County shall be provided copies of all WARN notices issued by a company under this section.
4. Companies seeking to qualify for tax abatement on the basis of job retention shall document that without the creation of a Reinvestment and/or Enterprise Zone and/or tax abatement the company will either reduce employment or cease operations.
5. New jobs shall not be construed as transferring employment from one part of Matagorda County to another.

(n) **Taxability.** From the execution of the abatement agreement to the end of the agreement period, taxes shall be payable as follows:

1. The value of ineligible property as provided in Section 4 (g), above, shall be fully taxable;
2. The base year value of existing eligible property as determined each year shall be fully taxable, and
3. The additional value of new eligible property shall be taxable in the manner described in Section 4 (j)(2), above.

(o) **Conflict of Interest.** Property that is in a Reinvestment and/or Enterprise Zone and that is owned or leased by a member of the governing body of Matagorda County or its political subdivisions shall be excluded from any property tax abatement.

- (p) **Matagorda County Vendors.** The Applicant and the Applicant’s contractors shall make every effort to utilize the services of Matagorda County vendors where applicable during construction and operations.

**Section 5
APPLICATION**

- (a) Any present or potential property owner of taxable property in Matagorda County may request the creation of a Reinvestment and/or Enterprise Zone and tax abatement by filing a written application with the Matagorda County Economic Development Corporation. ***Nothing within these guidelines shall be construed to suggest that Matagorda County is under obligation to provide any abatement to any applicant even if certain criteria are met. The County Commissioners Court reserves the right to reject any application.*** The County may condition the amount or duration of tax abatement granted to achievement of investment amounts, new employment numbers or other requirements specified in a tax abatement agreement.
- (b) The application shall consist of a completed application form accompanied by the following:
1. A cover letter clearly stating the abatement time frame sought, abatement percentages sought and any variances requested from these Guidelines and Criteria. The letter should also identify any considerations or proffers the Applicant may want to offer to the County.
 2. A non-refundable application fee of \$1,000 payable to Matagorda County;
 3. A general written description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken;
 4. A descriptive list of the improvements that will be a part of the facility;
 5. An estimate of the cost of improvements;
 6. A map, metes and bounds, and legal property description;
 7. A time schedule for undertaking and completing the planned improvements;
 8. Such financial and other information as deemed appropriate by the County Commissioners Court for purposes of evaluating the application;
 9. An estimate of the number of employees during construction and thereafter to operate the facility;
 10. A proposed program for the recruitment of local employees in the construction and operation of the facility together with a statement affirming the Applicant’s commitment to equal employment opportunity and hiring, at all levels, including a plan to implement and ensure such equal employment opportunity;

11. A certification prepared by the County Tax Assessor-Collector stating that all of Applicant's tax accounts within the County are paid on a current basis or that the applicant does not have a tax account within the County;
 12. If applicable, a schedule of WARN notices being issued to Texas Workforce Commission;
 13. Information pertaining to the reasons that the requested tax abatement is necessary to ensure the proposed project is built in the County (i.e., documentation supporting assertion that "*but for*" a tax abatement, the stated project could not be constructed in the County);
 14. For a leased facility, the Applicant shall provide with the application the name and address of the lessor and a draft copy of the proposed lease or option to contract. In the event a lease or option contract has already been executed with the owner of the site, the document must include a provision whereby the abatement applicant may terminate such contract without penalty or loss of earnest money in the event the County does not grant a tax abatement;
 15. A narrative addressing the points raised in the description of narrative accompanying the Application for Tax Abatement form;
 16. Applicant shall include its history of environmental compliance;
 17. Confirmation on whether the property is located within a reinvestment zone established under the Tax Increment Financing Act (TIFA), and if so, then Applicant shall also provide a list of the members of the board of directors for the TIFA reinvestment zone, detailing their positions on the board, and, at minimum, contact information for the chair of the board and the secretary of the board; and
 18. For abatement of property located within a municipality, Applicant shall provide a true and complete copy of the respective city ordinance or ordinances designating the reinvestment zone, including any amendments to the city ordinance or ordinances designating the reinvestment zone. For abatement of property located within a municipality and located within an enterprise zone, the Applicant shall provide a true and complete copy of the ordinance or ordinances designating the enterprise zone, including any amendments to the respective designation ordinance or ordinances, or when applicable, documentation from the Governor's Office showing the enterprise zone is active. Such ordinances or ordinances or documentation shall show that the reinvestment zone or enterprise zone remain active at the time of the submission of Applicant's application. Applicant further acknowledges and agrees that the respective zone must also still be active at the time of full execution of the Agreement on the date of the last Party executing thereto.
- (c) **Modernization.** In the case of modernization, Applicant shall include a statement of the assessed value of the facility separately stated for real and personal property for the tax year immediately preceding the application.
- (d) **Job Retention.** In the case of an application based on job retention, Applicant shall include a statement and sufficient information to verify the potential of job loss that would occur without the abatement.

- (e) Upon receipt of a complete application, the Executive Director of the MCEDC shall make an initial determination of whether the project qualifies for tax abatement under these Guidelines and Criteria, and issue his or her recommendation as to whether the proposed project qualifies under these Guidelines and Criteria to the Commissioners Court, including requesting authorization from the Commissioners Court regarding scheduling the public hearing, creating the reinvestment zone, and negotiating the tax abatement agreement. If an Agreement is subsequently approved by the Commissioners Court, then the Director of the MCEDC shall provide a fully executed copy of the Agreement to the Matagorda County Auditor and to the Matagorda County Tax Assessor-Collector.
- (f) If the County intends to act favorably on the application and enter into an agreement with the Applicant, the County shall do so in writing with the owner of the taxable real property located in an area designated as a reinvestment zone to exempt from taxation all or a portion of the increase in the value of the property over its value in the year in which the agreement is executed, subject to the provisions of these Guidelines and Criteria. Property eligible for abatement includes only new improvements commencing after approval of a tax abatement agreement with the County. The County may not enter into a tax abatement agreement unless it finds that the terms of the agreement and the property subject to the agreement meet the requirements of these Guidelines and Criteria.
- (g) Before acting upon the application, the County Commissioners Court shall, through a public hearing, afford the applicant and the general public opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on a Commissioners Court agenda to be posted in accordance with the Texas Property Redevelopment and Tax Abatement Act and the Texas Open Meetings Act. The Applicant shall reimburse the County the cost of publishing notices of the public hearing(s) in the local newspaper(s).
- (h) After receipt of an application for creation of a Reinvestment and/or Enterprise Zone and application for tax abatement, the County Commissioners Court may require an economic impact study setting out the impact of the proposed Reinvestment and/or Enterprise Zone and tax abatement and the expense of the study shall be the sole responsibility of the entity requesting the proposed abatement. The economic impact study shall include, but not be limited to, an estimate of the economic effect of the creation of the Zone and the abatement of taxes to local entities and the cost/benefit to the County and other effected taxing jurisdictions. The economic impact study shall also include projections of the secondary jobs that may result from the applicant's proposed project. An economic impact study shall be required for all abatement agreements that grant 500% or more in tax abatement, unless waived by Commissioners Court with a supermajority vote.
- (i) A request for a Reinvestment and/or Enterprise Zone for the purpose of tax abatement ***shall not be granted*** if the County Commissioners Court finds that the request for abatement was filed ***after*** the commencement of construction, alteration, or installation of improvements related to proposed expansion, modernization or new facility authorized as eligible under these guidelines.
- (j) When a large construction project requires a long lead-time for ordering fabrication of specialized equipment for the project before the scheduled start of construction, the year the tax abatement period begins will be subject to negotiations between the applicant and County Commissioners Court, where such flexibility in the start period of the tax abatement is allowed by state law.

- (k) Variances from parts of this policy may be considered by County Commissioners Court. A request for variances from provisions of these guidelines shall be made in written form in the cover letter to the application. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance or variances. Approval of a request for variance requires a three-fourths (3/4) vote of the Commissioners Court.
- (l) All projects will be weighted on their own merit and the County reserves the right to adjust benefits based on the economic impact, infrastructure impact, average rate, and utilization of local labor.

**Section 6
PUBLIC HEARING**

- (a) Should any affected jurisdiction or taxing entity be able to show cause in the public hearing why the grant of abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity or the provision of services, that showing shall be reason for the County Commissioners Court to deny any designation of the Reinvestment and/or Enterprise Zone, the granting of abatement, or both.
- (b) A Reinvestment, Enterprise Zone, or an abatement agreement shall not be authorized if it is determined that:
 - 1. There would be a substantial adverse effect on the provision of government services or on the tax base;
 - 2. The applicant has insufficient financial capacity to make the proposed expenditures;
 - 3. Planned or potential use of the property would constitute a hazard to public safety, health or morals under existing local, state or federal laws, or
 - 4. Planned or potential use of the property violates other codes or laws.

**Section 7
AGREEMENT**

- (a) After approval of an application, County Commissioners Court shall formally pass a resolution and execute a legal agreement with the owner of the facility and/or Lessee, which shall include the following:
 - 1. Estimated total value(s) to be abated and the base year value;
 - 2. Estimated percent of value to be abated each year as provided for in Section 2(i)(2), above.
 - 3. The commencement and termination dates of the abatement;
 - 4. The proposed use of the facility, nature of the construction, time schedule for construction and commencement of operations, map, property description as provided

by the applicant, and improvements as listed in the application under Section 3(b), above,

5. Contractual obligations in the event of default, violation of terms and conditions, delinquent taxes, recapture, administration and assignment as provided for in Sections 2(a), 2(e), 2(f), 2(h) (2i), (2j) (2k) and (2l), , or other provisions that may be required for uniformity or by state law, and
 6. Amount of investment to be made in, and the required number of new positions or retained positions to be associated with the facility during the abatement period.
- (b) **Prior written notice of tax abatement agreement to other taxing units.** Not later than the seventh (7th) day before the date on which the County enters into an Agreement, the Director of the CSD serving as the County’s designee shall deliver to the presiding officer of the governing body of each other taxing unit in which the property to be subject to the agreement is located a written notice stating that the County intends to enter into the agreement. The notice must include a copy of the proposed agreement. The notice is presumed delivered when placed in the mail postage paid and properly addressed to the presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the County is considered to have been delivered to the addressee.
- (c) **Approval by Commissioners Court/Resolution required.** To be effective, an agreement must be approved by the affirmative vote of a majority of the members of the Commissioners Court at a regularly scheduled meeting of the Commissioners Court. After the public hearing, the Commissioners Court shall adopt a resolution finding that the proposed agreement filed with the resolution, a copy of which must be attached thereto, meets the applicable provisions of these Guidelines and Criteria. The resolution shall also authorize the execution of the agreement with the owner of the facility or, if applicable, the lessee.
- (d) **Specific terms of tax abatement agreement – statutory mandatory requirements.** The execution, duration, and other terms of the Agreement are governed by the provisions of Sections 312.204, 312.2041, 312.205, and 312.211 of the Tax Code applicable to a municipality. Accordingly, the Agreement shall:
1. List the kind, number, and location of all proposed improvements of the property;
 2. 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;
 3. 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;
 4. 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;
 5. Contain each term agreed to by the owner of the property;

6. 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
7. Provide that the Commissioners Court may cancel or modify the Agreement if the property owner fails to comply with the Agreement.

(e) **Specific terms of tax abatement agreements – additional mandatory requirements.** The Agreement shall also:

1. Include a map showing existing uses and conditions of real property in the reinvestment zone;
2. Include a map showing proposed improvements and uses in the reinvestment zone;
3. List the commencement date and termination date of abatement;
4. Include a provision that the Agreement shall be effective when executed by all parties and, if the reinvestment zone is being designated by a municipality, upon the final passage of an ordinance designating the reinvestment zone;
5. Include provisions that the owner or lessee will: obtain and maintain all required permits and other authorizations from the Federal and State agencies with authority regarding the property, including without limitation and if applicable, the United States Environmental Protection Agency and the Texas Commission on Environmental Quality (TCEQ) for the construction and operation of its facility and for the storage, transport, and disposal of solid waste; and seek a permit from the TCEQ for all grandfathered units on the site of the abated facility by filing with the TCEQ, within three years of receiving the abatement, a technically complete application for such a permit;
6. List the proposed use of the facility, the nature of construction, time schedule, property description, and improvement list;
7. Include a requirement that the Applicant annually file a report with the County describing the Applicant's efforts towards local hires and using local vendors and subsequent to completion, progress on construction. This annual report to the County shall also include a January employee count for the abated facility that corresponds to employee counts reported in the facility Employer's Quarterly Report to the Texas Workforce Commission for the quarter most recently ended at calendar year-end; and
8. List whether the property subject to abatement is located within a reinvestment zone established under the Tax Increment Financing Act, and if no, then the Owner shall be required to represent and warrant that the property is not located within a reinvestment zone established under the Tax Increment Financing Act.

(f) **Mandatory terms in these Guidelines are not limitations on requiring additional terms for tax abatement.** The Commissioners' Court retains the right to require additional terms and conditions for abatement and the listing of mandatory provisions specified in this Section 12 is not a limitation on the terms and conditions that may be required by the Commissioners' Court.

- (g) **Recapture provisions describe below.**

**Section 8
RECAPTURE**

- (a) **Discontinuation/Significant Reduction of Production/Services.** In the event that the facility is completed and begins producing goods and/or services, but subsequently discontinues such production for any reason for a period of 180 days while the Agreement is active, or one year in the event of a declared disaster under the Texas Disaster Act of 1975 in which the disaster is the cause for the discontinuation, then the agreement shall automatically terminate and so shall the abatement of taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for the calendar year shall be paid to the County within sixty (60) days from the date of termination. If the County does not receive full payment within said sixty (60) days, a penalty equal to fifteen percent (15%) of the total amount abated may be added

Any reduction of 50% or more from the estimated production/service in the application shall constitute a significant reduction in the production/service shall constitute a significant reduction in the production of product or service. The company or individual shall notify the County in writing at the address stated within the Agreement within (10) business days from any discontinuation or significant reduction, stating the reason for the discontinuation or significant reduction. If the County determines that this requirement for notification has not been complied with, the Agreement may be terminated immediately and all taxes previously abated by virtue of the Agreement shall be recaptured and must be paid within sixty (60) calendar days. If the County does not receive full payment within said sixty (60) days, a penalty equal to fifteen percent (15%) of the total amount abated may be added

- (b) **Default under Terms and Conditions of Agreement.** Should the County determine that the company or individual is in default according to the terms and conditions of the abatement agreement, the County shall notify the company or individual, in writing, at the address stated in the agreement, and if such non-compliance is not resolved within sixty (60) days from the date of such notice, then the agreement shall be terminated and all taxes previously abated by the Agreement shall be recaptured and must be paid within sixty (60) calendar days. If the County does not receive full payment within said sixty (60) days, a penalty equal to fifteen percent (15%) of the total amount abated may be added
- (c) **Delinquent ad valorem taxes cause for termination.** In the event that the company or individual:

1. Allows its ad valorem taxes owed the County or affected jurisdictions to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or
2. Violates any of the terms and conditions of the abatement agreement and fails to resolve such violations within sixty (60) days from the date of written notice from Matagorda County or its designated agent of such violations, then the agreement may be terminated and all taxes previously abated by virtue of the tax abatement agreement will be recaptured and paid to the County by the company or individual within sixty (60) days of the

termination. If the County does not receive full payment within said sixty (60) days, a penalty equal to fifteen percent (15%) of the total amount abated may be added

- (d) **Sale to Non-Tax Paying Entity.** If a tax paying company receives a tax abatement from Matagorda County and then sells the facility or company to a public or non-tax paying entity, then the tax abatement agreement shall be declared in default by Matagorda County and all previously received tax abatements shall be recaptured and paid to the County by either the original recipient of the tax abatement or by the new purchasers of the facility or company within sixty (60) days of default of the tax abatement agreement. Matagorda County will notify the original tax abatement recipient and the new owners of the default and recapture requirement. If the County does not receive full payment within said sixty (60) days, a penalty equal to fifteen percent (15%) of the total amount abated may be added
- (e) **Penalty and Interest.** If taxes previously abated are recaptured, the company or individual shall also be responsible for payment of a penalty or interest, or both, on that recaptured property tax revenue as specified in the tax abatement agreement.

Section 9 ADMINISTRATION

- (a) The Chief Appraiser of the County shall, as a normal consequence of his duties, annually determine an assessment of the real and personal property comprising the Reinvestment Zone, Enterprise Project or tax abatement project. Each year, the company or individual receiving abatement shall furnish the Chief Appraiser and the County with such information as may be necessary for maintaining the abatement, including investments made in the facility. Once the value has been established, the Chief Appraiser shall notify the affected jurisdictions which levy taxes of the amount of the assessment. The applicant shall provide this information to the Chief Appraiser and to Commissioners Court by March 15th of each year.
- (b) The agreement shall stipulate that employees and/or designated representatives of the County will have access to the Reinvestment and/or Enterprise Zone during the term of the abatement agreement to inspect the facility to determine if the company or individual is in compliance with the terms and conditions of the abatement agreement. All inspections will be made only after notification of not less than twenty four (24) hours and will only be conducted in such manner as not to unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual present and in accordance with the company's safety standards.
- (c) Upon completion of construction, the County or the jurisdiction creating the Reinvestment and/or Enterprise Zone shall annually evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations to the Commissioners Court and County Attorney.
- (d) All proprietary information required by the County for purposes of monitoring compliance by a company with the terms and conditions of an abatement agreement shall be considered confidential to the extent permitted by law.
- (e) The company must file an annual status report by March 15th of each year of the abatement.

These reports will contain the amount of qualified taxable investment made, a total employee count that corresponds to employment counts reported in the Company's Quarterly Reports to the Texas Workforce Commission. It will also identify the number of employees filling the new positions created for the tax abatement. The report will demonstrate whether the company has met the conditions of the abatement agreement. If the company is deemed not in compliance with the agreement, the County Commissioners Court may cancel or modify the agreement at any time.

- (f) The agreement will be registered with both the Texas Department of Commerce and the State Comptroller. This report must contain a general description of the Reinvestment and/or Enterprise Zone as well as information about the specific agreement – the name of parties involved, the project, the portion of the property to be exempt, and duration of the agreement. ***It is the responsibility of the property owner to annually certify to the Chief Appraiser and County Commissioners Court that the project is in compliance with the Reinvestment and/or Enterprise Zone creation agreement and tax abatement agreement.***
- (g) Matagorda County may cancel the entire agreement if the property owner fails to comply with terms of the written agreement and obtain a recapture of all tax abatements previously given to the company or individual.

Section 10 ASSIGNMENT

- (a) Abatement may be transferred and assigned by the holder to a new owner or Lessee of the same facility upon the approval by resolution of County Commissioners Court subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with the County Commissioners Court.
- (b) The expiration date of the new contractual agreement shall not exceed the termination date of the abatement agreement with the original owner and/or Lessee.
- (c) No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new Lessee are liable to Matagorda County or any affected taxing jurisdiction for outstanding taxes or other obligations.
- (d) Approval of a transferred and assigned agreement shall not be unreasonably withheld.

Section 11 FEDERAL AND STATE COMPLIANCE

- (a) **Confidentiality of Proprietary Information/Public Information Act.** Applicant acknowledges that the County is a governmental body subject to the Public Information Act and thus is required to release information in accordance with the Public Information Act. Applicant may be required to provide information in connection with its application or ongoing monitoring requirements that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which abatement is being sought. Section 312.003 of the Tax Code provides for the confidentiality of such information provided to

a taxing unit in connection with an application or request for tax abatement until the tax abatement agreement is executed. Applicant acknowledges that Section 312.003 affords confidentiality for such information only until the tax abatement agreement is executed. Applicant further agrees to and shall clearly and conspicuously mark any information that it considers to be proprietary, trade secret, or otherwise confidential in its application or other information furnished to the County to facilitate the procedures for notice to third party under the Public Information Act, which are contained at Section 552.305 of the Government Code.

(b) **Immigration Compliance/Use of E-Verify Required.**

1. **Compliance with U.S. Immigration Reform and Control Act of 1986.** To the best of Applicant's knowledge, having undertaken reasonable diligence, none of the Applicant's personnel is an unauthorized alien and Applicant at all times shall comply with the U.S. Immigration Reform and Control Act of 1986, as amended. Applicant further agrees that it shall not subcontract services to any subcontractor who utilizes persons not eligible for employment within the United States.
2. **Use of E-Verify required.** The United States Department of Homeland Security's Employment Eligibility Program is known as E-Verify. The E-Verify Program is used to electronically confirm an employee's eligibility to work in the United States; however it is not a substitute for complying with I-9 requirements. To be eligible for abatement, an Applicant shall comply with I-9 requirements and shall utilize E-Verify to confirm the eligibility of its employees to work in the United States.

- (c) **Abatement on properties within a TIFA reinvestment zone.** In the event of real property located within a reinvestment zone established under the Tax Increment Financing Act (TIFA) (codified at Chapter 311 of the Tax Code), the County may enter into an Agreement with an owner of real property in the TIFA reinvestment zone regardless of whether the County deposits or agrees to deposit tax increment into the tax increment fund. However, to be effective, the agreement to abate taxes on real property in a TIFA reinvestment zone must also be approved by the board of directors of the respective TIFA reinvestment zone and the governing body of each taxing unit that imposes taxes on real property in the TIFA reinvestment zone and deposits or agrees to deposit any of its tax increment into the tax increment fund for the TIFA reinvestment zone. If the County participates in the TIFA reinvestment zone and enters into an abatement agreement with an owner of real property in the TIFA reinvestment zone, then the taxes that are abated under the abatement agreement are not considered taxes to be imposed or produced by the County in calculating the amount of the tax increment of the County of the County's deposit to the tax increment fund for the TIFA reinvestment zone.

Section 12
SEVERABILITY AND LIMITATION

- (a) In the event that any section, clause, sentence, paragraph or any part of these Guidelines and Criteria shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of these Guidelines and Criteria.
- (b) The County Commissioners Court of Matagorda County, Texas shall take no action which imposes an economic or financial hardship upon any other taxing unit in Matagorda County.

Further, the County Commissioners Court of Matagorda County, Texas shall not designate a Reinvestment and/or Enterprise Zone or enter into an abatement agreement which imposes penalty provisions, as provided in Section 312.206 and Section 312.402 of the Tax Code, upon any other taxing unit in Matagorda County for failing to enter into an abatement agreement.

Section 13
SUNSET PROVISION

- (a) The “Guidelines and Criteria” are effective upon the date of their adoption and will remain in force for two (2) years, at which time all Reinvestment and/or Enterprise Zones and tax abatement contracts created pursuant to its provisions will be reviewed by the Matagorda County Commissioners Court to determine whether the goals of the abatement program have been achieved. Based upon that review, the “Guidelines and Criteria” may be modified, renewed or eliminated.
- (b) Prior to the date for review, as defined above, the “Guidelines and Criteria” may be modified only by a vote of three-fourths of the members of County Commissioners Court, as specified in Sec.312.002(c) of the Texas Property Redevelopment and Tax Abatement Act.



*Tab 17: Signature and Certification Page, Signed and Dated by
Authorized School District Representative and Authorized
Company Representative (applicant)*

Please See Attached.

- 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? 68,099.90
- 7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 68,099.90
- 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.

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.

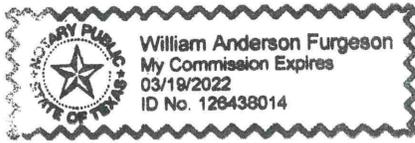
print here →	<u>Andrew Seigrist</u>	<u>Superintendent</u>
	Print Name (Authorized School District Representative)	Title
sign here →	<u>Andrew Seigrist</u>	<u>3/2/2020</u>
	Signature (Authorized School District Representative)	Date

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 →	<u>HEATHER OTTEN</u>	<u>MANAGER</u>
	Print Name (Authorized Company Representative (Applicant))	Title
sign here →	<u>Heather Otten</u>	<u>2/28/20</u>
	Signature (Authorized Company Representative (Applicant))	Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

28th day of FEBRUARY, 2020

William Anderson Furgeson

Notary Public in and for the State of Texas

My Commission expires: 03/19/22

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

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