

# O'HANLON, DEMERATH & CASTILLO

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May 28, 2020

Local Government Assistance & Economic Analysis  
Texas Comptroller of Public Accounts  
P.O. Box 13528  
Austin, Texas 78711-3528

RE: Application to the Webb Consolidated Independent School District from Siete Wind, LLC

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Webb Consolidated Independent School District is notifying Siete Wind, LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. The applicant submitted the Application to the school district on May 18, 2020. The Board voted to accept the application on May 19, 2020. The application has been determined complete as of May 28, 2020. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered.

The Applicant has requested that a portion of Tab 11, specifically the detailed layout of the planned wind farm, be kept confidential until such time the Board votes to approve the application. In accordance with 34 TAC 9.1053, the information that is the subject of this request is segregated from the materials submitted contemporaneously with this application, that is, the proprietary commercial information regarding the competitive siting decisions for the possible project and proprietary information regarding the proposed layout of the project. The confidential materials are being submitted separately to protect against unintended disclosure. The maps depicting the planned location of the project display proprietary commercial information regarding the specific location of the possible project and the nature of the business that will be conducted at the site. The materials are protected by the trade secret exception set forth in Texas Government Code §552.110. The Confidential Materials will be password protected; the password is XXXXXX.

A copy of the application will be submitted to the Webb County Appraisal District.

Sincerely,



Kevin O'Hanlon  
School District Consultant

Cc: Webb CAD  
Siete Wind, LLC

Application for Appraised Value Limitation  
On Qualified Property

Submitted to:

Webb Consolidated Independent School District



**WEBB CISD**

Student Focused, Data Driven, Results Oriented



By:

Apex Clean Energy Holdings, LLC



**APEX**  
CLEAN ENERGY  
HOLDINGS, LLC

Siete Wind, LLC

May 18, 2020

**Attachment 1**

Please see executed application attached.

# Application for Appraised Value Limitation on Qualified Property

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

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

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

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

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, and has determined that all assertions of confidentiality are appropriate, the Comptroller will publish all submitted non-confidential application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at [comptroller.texas.gov/economy/local/ch313/](http://comptroller.texas.gov/economy/local/ch313/). There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

## SECTION 1: School District Information

### 1. Authorized School District Representative

May 18, 2020  
Date Application Received by District

Heriberto  
First Name

Gonzales  
Last Name

Superintendent  
Title

Webb Consolidated Independent School District  
School District Name

619 Ave F  
Street Address

Bruni  
City

TX  
State

78344  
ZIP

361-747-5415  
Phone Number

Fax Number

Mobile Number (optional)

B.Gonzales@webbcisd.com  
Email Address

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

**SECTION 1: School District Information (continued)**

**3. Authorized School District Consultant (If Applicable)**

Kevin	O'Hanlon
First Name	Last Name
Partner	
Title	
O'Hanlon, Demerath & Castillo	
Firm Name	
512-494-9949	512-494-9919
Phone Number	Fax Number
	kohanlon@808west.com
Mobile Number (optional)	Email Address
	May 28, 2020

4. On what date did the district determine this application complete? ..... May 28, 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)**

Ken	Young
First Name	Last Name
COO	APEX Clean Energy Holdings, LLC sole member of the sole member of Siete Wind, LLC
Title	Organization
310 4th Street, Suite 200	
Street Address	
Mailing Address	
Charlottesville	VA
City	State
434-220-7851	22902
Phone Number	ZIP
	434-220-3712
Mobile Number (optional)	Fax Number
	courtney.mcreynolds@apexcleanenergy.com
	Business Email Address

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

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

Jeff	Ferguson
First Name	Last Name
Senior Vice President of Project Development	APEX Clean Energy Holdings, LLC
Title	Organization
310 4th Street, Suite 200	
Street Address	
Mailing Address	
Charlottesville	VA
City	State
281-547-7566	22902
Phone Number	ZIP
	434-220-3712
Mobile Number (optional)	Fax Number
	jeff.ferguson@apexcleanenergy.com
	Business Email Address

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



**SECTION 5: Applicant Business Structure (continued)**

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

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2c. List the Reporting Entity Taxpayer Number

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

**SECTION 6: Eligibility Under Tax Code Chapter 313.024**

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

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

**SECTION 7: Project Description**

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information. If the project is an amendment or a reapplication please specify and provide details regarding the original project.
2. Check the project characteristics that apply to the proposed project:
- Land has no existing improvements
  - Land has existing improvements (complete Section 13)
  - Expansion of existing operation on the land (complete Section 13)
  - Relocation within Texas

SECTION 8: Limitation as Determining Factor

- 1. Does the applicant currently own the land on which the proposed project will occur?  Yes  No
- 2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?  Yes  No
- 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 ..... QTR 3 2020
- 2. Estimated commencement of construction ..... QTR 1 2022
- 3. Beginning of qualifying time period (MM/DD/YYYY) ..... 01/01/2021
- 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(a-1)(2):
  - A. January 1 following the application date
  - B. January 1 following the end of QTP
  - C. January 1 following the commencement of commercial operations
- 5. Commencement of commercial operations ..... QTR 1 2023

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Webb County, Texas
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Webb 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>Webb CISD, 0.97, 100%</u> (Name, tax rate and percent of project)	I&S (ISD): <u>Webb CISD, 0.14, 100%</u> (Name, tax rate and percent of project)
County: <u>Webb Co., 0.412, 100%</u> (Name, tax rate and percent of project)	City: <u>Bruni</u> (Name, tax rate and percent of project)
Hospital District: <u>N/A</u> (Name, tax rate and percent of project)	Water District: <u>Drainage Dist, 0.047111, 0%</u> (Name, tax rate and percent of project)
Other (describe): _____ (Name, tax rate and percent of project)	Other (describe): _____ (Name, tax rate and percent of project)

**SECTION 10: The Property (continued)**

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

County: 312, 85%, 2023-2033  
(Incentive type, percentage, start and end year)

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

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

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

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

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

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

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

7. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)?  Yes  No

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

**SECTION 11: Texas Tax Code 313.021(1) Qualified Investment**

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

1. At the time of application, what is the estimated minimum qualified investment required for this school district? ..... 60,000,000

2. What is the amount of appraised value limitation for which you are applying? ..... 60,000,000

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

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

4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
- a. a specific and detailed description of the qualified investment you propose to make within the project boundary for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
  - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
  - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).

5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period?  Yes  No

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

1. Attach a detailed description of the qualified property. [See §313.021(2)] The description must include:
- 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
  - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**);
  - 1c. a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and RZ boundaries (**Tab 11**); and
  - 1d. Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area?  Yes  No

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

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

2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? .....  Yes  No
- 2a. If yes, attach complete documentation including:
- a. legal description of the land (Tab 9);
  - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
  - c. owner (Tab 9);
  - d. the current taxable value of the land, attach estimate if land is part of larger parcel (Tab 9); and
  - e. a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? .....  Yes  No
- 3a. If yes, attach the applicable supporting documentation:
- a. evidence that the area qualifies as an enterprise zone as defined by the Governor's Office (Tab 16);
  - b. legal description of reinvestment zone (Tab 16);
  - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
  - d. guidelines and criteria for creating the zone (Tab 16); and
  - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
- 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date.
- What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? ..... June 30, 2020

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

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

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

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create? ..... 6
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) ..... 0
3. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1) and TAC 9.1051(b)(1)? .....  Yes  No
  - 3a. If yes, attach evidence of industry standard in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
  - a. Non-qualified job wages  
- average weekly wage for all jobs (all industries) in the county is ..... 716.00
  - b. Qualifying job wage minimum option §313.021(5)(A)  
-110% of the average weekly wage for manufacturing jobs in the county is ..... 868.18
  - c. Qualifying job wage minimum option §313.021(5)(B)  
-110% of the average weekly wage for manufacturing jobs in the region is ..... 784.55
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? ..... 40,796.60
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 40,796.60
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**.

**Attachment 2**

***Proof of Payment of Application Fee***

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

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)*

**Attachment 3**

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

Not Applicable.

## Attachment 4

### *Detailed description of the project.*

***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.***

Siete Wind, LLC, (“Siete Wind”) is a special purpose entity formed to facilitate the development and commercialization of a utility-scale wind energy project. Apex Clean Energy Holdings, LLC (“Apex”) the exclusive developer of Siete Wind, is in the business of initiating, developing, producing and owning and operating electricity from renewable energy projects including wind, solar, and geothermal.

Apex currently has many projects in development across the United States and is evaluating other renewable energy project opportunities across the country.

Siete Wind, LLC was recently created for the purpose of interconnecting Siete Wind into the ERCOT market and there are no existing 312 or 313 agreements in place for this project. Siete Wind is located partly in Webb CISD and in United ISD. Siete Wind is requesting an appraised value limitation from Webb CISD for a proposed wind energy project using wind turbines and transmission located in Webb County. It is not anticipated that Siete Wind will request an appraised value of limitation from United ISD. The wind farm and its associated infrastructure will be constructed within the jurisdiction of Webb CISD and Webb County, Texas. A map showing the location of the wind farm is included as Attachment 11a.

Siete Wind applied to ERCOT on January 1, 2018 and was assigned GINR # 201NR0047. The Project has not previously been known by any other names other than Siete Wind, LLC. The wind farm will have an estimated capacity of 375 megawatts (“MW”). To construct the wind farm, Siete Wind expects: 133 wind turbines with a nameplate capacity of 2.82 MW of which:

- 30 wind turbines within the United ISD boundaries, and
- 103 wind turbines within the Webb CISD boundaries.

In addition to the wind turbine generating units, there will be the supporting electrical collection system and roads to be constructed and improved as necessary, as well as a collection substation to permit the interconnection and transmission of electricity generated by the wind turbines, and an operations and maintenance building constructed within the Project’s boundary. The Applicant has obtained grants of lease and easement for approximately 9,500 acres located in Webb CISD boundaries.

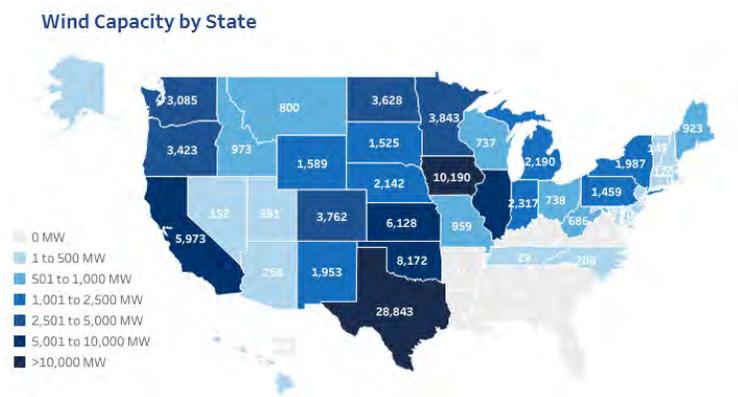
Construction of the wind farm is expected to take approximately 12 months to complete, contingent upon favorable economics for the project.

While the wind regime for Siete Wind is very good, there are many favorable locations for wind projects that could be developed across the United States. Siete Wind has modeled its economics with an expectation that having a Limitation of Appraised Value Agreement with Webb CISD is a key and invaluable portion of the project.

In today’s competitive energy market, project investors and power purchasers require wind energy projects to have secured tax incentives, so that they can compete with wind projects across the U.S. and can locate projects in a wide variety of locations should Siete Wind be unable to develop a competitive project in Texas that is able to generate returns sufficient to attract investment capital.

Wind farms are operating and under development in many states throughout the country.

According to the American Wind Energy Association (“AWEA”) there are now over 60,000 turbines with a combined capacity of 105,583 MW operating in 41 states within the United States, Guam and Puerto Rico. During 2019, the U.S. wind industry added 9,143 MW of new wind power capacity. A graphic provided by AWEA demonstrates the national geographic diversity of capacity throughout the United States for 2019.



Clearly locations for the development of wind projects are abundant and the Applicant can locate a project in a wide variety of locations across the United States, should it be unable to develop a competitive project in Texas that is able to generate returns sufficient enough to attract investment capital.

Apex, the developer of Siete Wind, LLC, is a national developer of wind projects, and has operations across the US and states within the contiguous United States. As construction is one of the most significant costs in creating wind farm, the physical improvements of Siete Wind, once completed, cannot be feasibly moved to another location. The wind turbines and supporting infrastructure are long-lived assets engineered and designed specifically for this project location. The cost of installing the improvements on the site is substantial and the cost to remove, redesign, and relocate the improvements to a different location would be prohibitive.

Siete Wind, LLC was formed for the express purpose of developing a community sponsored wind farm that would help bring significant economic development to an area that is historically economically distressed. Apex identified Texas, and in particular Webb County, for its strong wind resource, access to available transmission capacity and the ERCOT market, and favorable property tax incentives under the Tax Code for Chapter 312 abatement and Chapter 313 Appraised Value Limitation.

Apex prefers to develop and build the proposed Siete Wind Project as described throughout this Application but should it not be granted the limitation, then it is likely that Siete Wind would not be economically viable compared to other projects in development across the U.S.

As of January 2020, Siete Wind has no physical assets on site. Siete Wind has invested additional capital in an Interconnection Study with ERCOT, avian studies, environmental studies, federal aviation studies, and in leasing land for the project.

Should the Appraised Value Limitation be granted, Siete Wind has created a development and investment plan that is capitalized to implement the project. Without such a limitation the Project, competing against other Texas projects that have qualified, would likely be forced to redeploy its assets and capital to other states competing for similar wind projects.

## Attachment 5

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

***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.***

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

Siete Wind, LLC was formed in 2019. In support of its creation, the participating members of Apex, executed documents necessary to form the entity including an Operating Agreement Siete Wind, LLC.

Siete Wind, LLC or Apex on behalf of Siete Wind, LLC has entered into the following representative agreements and contracts for the development of a project within Webb CISD:

- Grants of leases and easements of land,
- Avian Study and contract,
- Bat Acoustic Study and contract,
- Threatened & Endangered Species Studies and contract,
- FIS Submission, and
- Interconnection Application with ERCOT

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

Yes. Apex management team is uniquely qualified to develop and construct wind and other renewable energy projects in the United States. In North America, Apex currently operates over 2,500 MW of renewable energy projects. Based on this experience the management team evaluates all potential projects for feasibility, finance-ability, and the economic returns they represent in comparison to other project opportunities both OUTSIDE the State of Texas as WITHIN the State of Texas. Other locations being evaluated include, but are not limited to:

Oklahoma	Kansas
Colorado	Illinois
North Dakota	Indiana
South Dakota	Ohio
Idaho	New York
Wyoming	Maine
Minnesota	Virginia
Iowa	Tennessee

For these reasons, Apex studies and evaluates various competing sites throughout the market areas across the U.S. where wind development is attractive. Without a Value Limitation program, Apex would seek to move to alternative sites outside of the State of Texas.

Siete Wind is currently in a period of assessment to determine whether the identified site within Webb CISD represents the best location or whether redeployment of its development resources and capital to other power markets in the United States is more advisable. As such, the development resources necessary to advance the Project for a planned 375 MW could be redeployed to other renewable energy development projects in other power markets in the United States.

Therefore, a 313 Limitation of Appraised Value Agreement is a vital tax incentive necessary to ensure the Project is economically competitive with other wind projects with similar incentives. Without the requested value limitation, the Siete Wind Project will be unable to generate sufficient operating margins and net income to produce economically competitive energy and associate returns necessary to attract tax and sponsor equity investment. Such third-party investment is mandatory to finance the projected capital costs of approximately \$370M needed to purchase wind turbines and other infrastructure, and to fund the construction of the facility.

**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?**

The information provided in this Attachment and throughout the Application has been assembled to provide the reviewer with the best possible information to make an assessment and determination of the critical nature of the Limitation on Appraised Value to the feasibility of the Project.

**Attachment 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).***

***5a. If no, attach in Tab 6 additional information on the project scope and size to assist in the economic analysis.***

It is anticipated that 77% of the planned property for the project will be located within Webb CISD boundaries and 23% will be located within United ISD boundaries all within Webb County, Texas. At this time, Siete Wind does not intend to apply for an appraised value limitation for the portion of The Project in United ISD.

<b>School District</b>	<b>County</b>	<b>Percentage of Project</b>	<b>Anticipated Number of Turbines</b>
Webb CISD	Webb County, Texas	77%	103
United ISD	Webb County, Texas	23%	30

The Operations and Maintenance building and collector substation will be located in United ISD. The point of interconnection will also be located in United ISD.

## Attachment 7

### *Description of Qualified Investment*

- a. A specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code 313.021(7) (Tab 7).***

The Applicant is requesting an appraised value limitation on all of the property constructed or placed upon the real property within Webb CISD, which is located in Webb County, Texas.

The property for which the Applicant is requesting an appraised value limitation shall include the following: up to 103 wind turbines, with a nameplate capacity of 2.82 MW wind turbines for a combined total generating capacity of approximately 290 MW; up to 103 steel reinforced concrete foundations supporting the weight of each turbine tower; up to 103 electric power transformers; and underground conductor cables used to transport electricity from each turbine tower to an electrical substation.

Additionally, the map provided does not represent the final location of the improvements; however, all of the improvements that make up the amount of Qualified Investment will be made within the Project Reinvestment Area as shown on Map Exhibit on Attachment 11a.

The Applicant is seeking to obtain a Reinvestment Zone designation approval from Webb County Commissioners Court for the proposed Project area and areas of consideration.

- b. A description of any new buildings proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (Tab 7).***

Not Applicable. It is anticipated that the Operations and Maintenance building and the electrical substation will be constructed with the United ISD boundary.

## **Attachment 8**

### ***Description of Qualified Property***

Siete Wind, LLC plans to construct an estimated 290 MW of 375 MW wind farm located within Webb CISD boundaries. Additional improvements of Qualified Property located within Webb CISD boundary include:

- 103 Wind Turbines: with a nameplate capacity of 2.82 MW;
- 103 Wind Turbine Foundations;
- Several thousand feet of Transmission Collection System cable & Junction Boxes;
- Overhead Transmission and Interconnection infrastructure;
- All weather Road work sloped for drainage;

Siete Wind anticipates using 103 wind turbines with a nameplate capacity of 2.82 MW. Although final turbine selection and exact location of the infrastructure may change, all of equipment outlined above is expected to be located Webb CISD boundaries. Current plans are to install turbines in one phase.

The exact placement of turbines is subject to ongoing planning, wind resource evaluation, engineering, land leasing, and turbine selection. The final number and location of turbines and supporting structures will be determined before construction begins. However, any changes in the number and location of turbines will not have a significant impact on the total investment. Siete Wind intends to connect to the Lobo Substation internal to the Project, located within Webb CISD boundaries. All of the infrastructure will remain within the project boundary and within the Reinvestment Zone. The map on Attachment 11b shows the proposed project area with the anticipated improvement locations.

**Attachment 9**

***Description of Land***

Not Applicable.

**Attachment 10**

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

Not Applicable.

**Attachment 11**

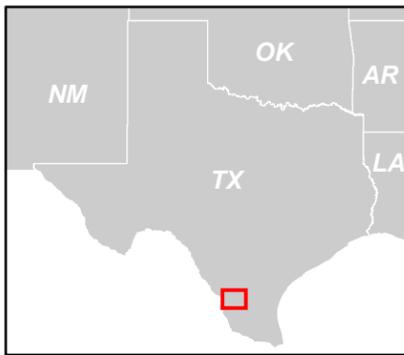
***Maps that clearly show:***

- a. Project vicinity***
- b. Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period***
- c. Qualified property including location of new buildings or new improvements***
- d. Existing property***
- e. Land location within vicinity map***
- f. Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size***

**Attachment 11a**

***a. Project vicinity***

Please see attached map below.



### Siete Wind Project Vicinity

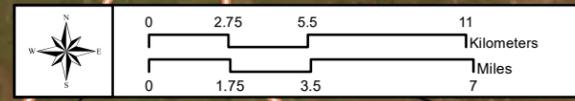
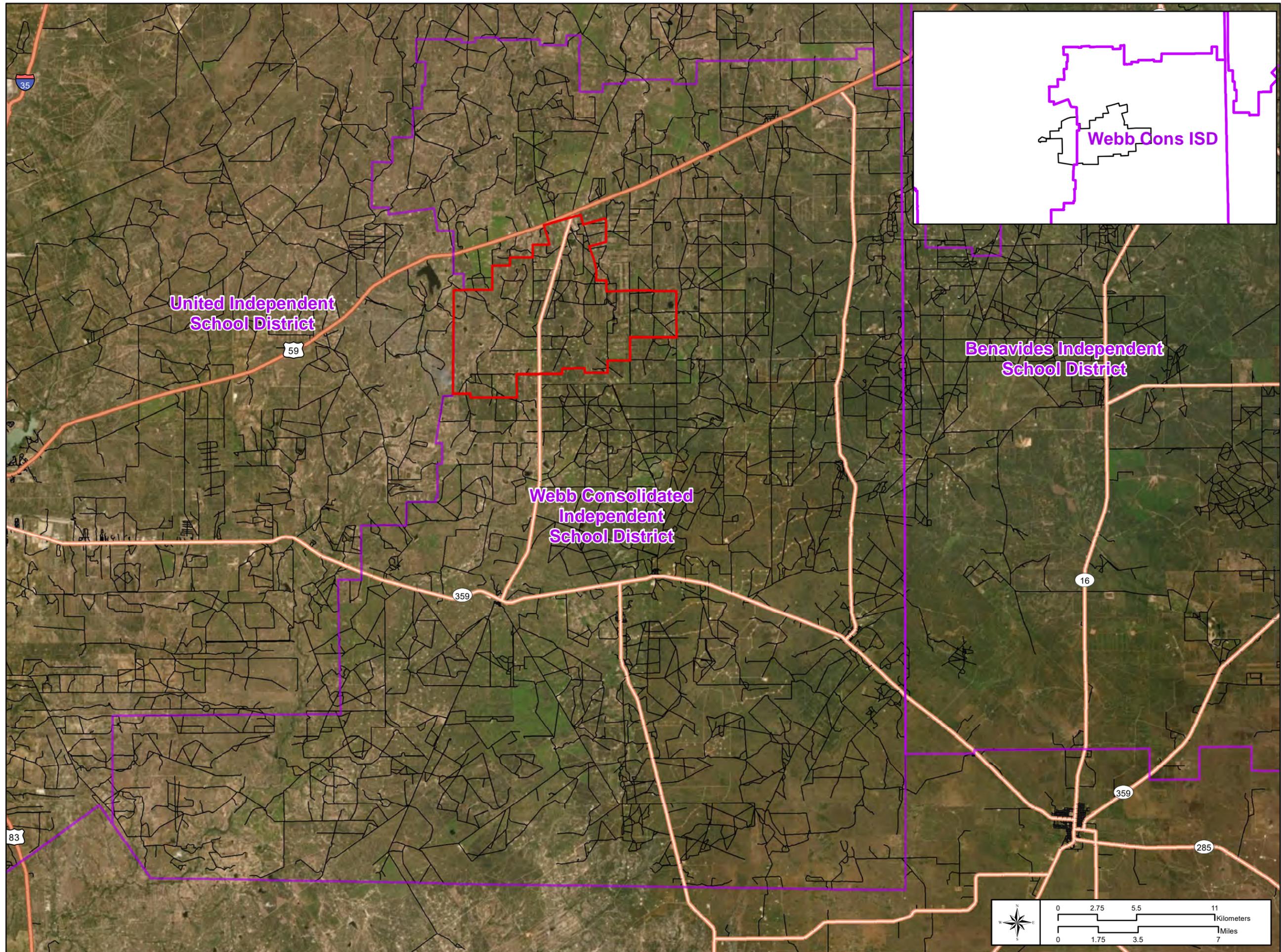
Webb County, TX

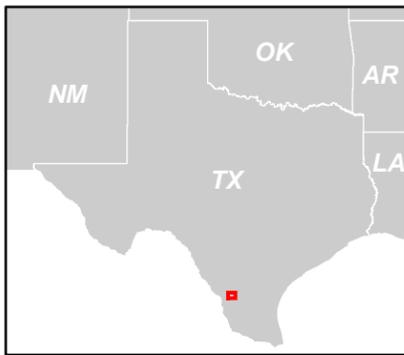
- Project Boundary
- Independent School Districts
- Major Highways
- Highways
- Major Roads
- Streets
- Ramps

\*Turbine Locations will change due to final survey/design.

**BUSINESS PROPRIETARY**  
DO NOT RELEASE WITHOUT  
PERMISSION OF  
APEX CLEAN ENERGY  
CHARLOTTESVILLE, VA

Date: 2/11/2020 Author: KA  
Coordinate System: NAD 1983 2011 StatePlane Texas South FIPS 4205 Ft US  
Projection: Lambert Conformal Conic  
Datum: NAD 1983 2011  
Units: Foot US





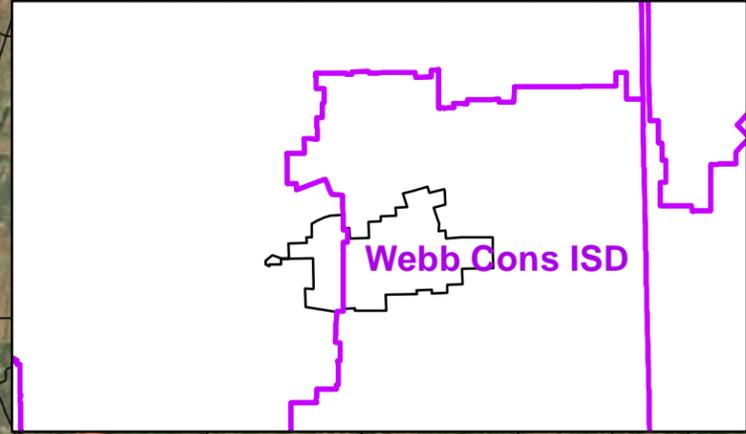
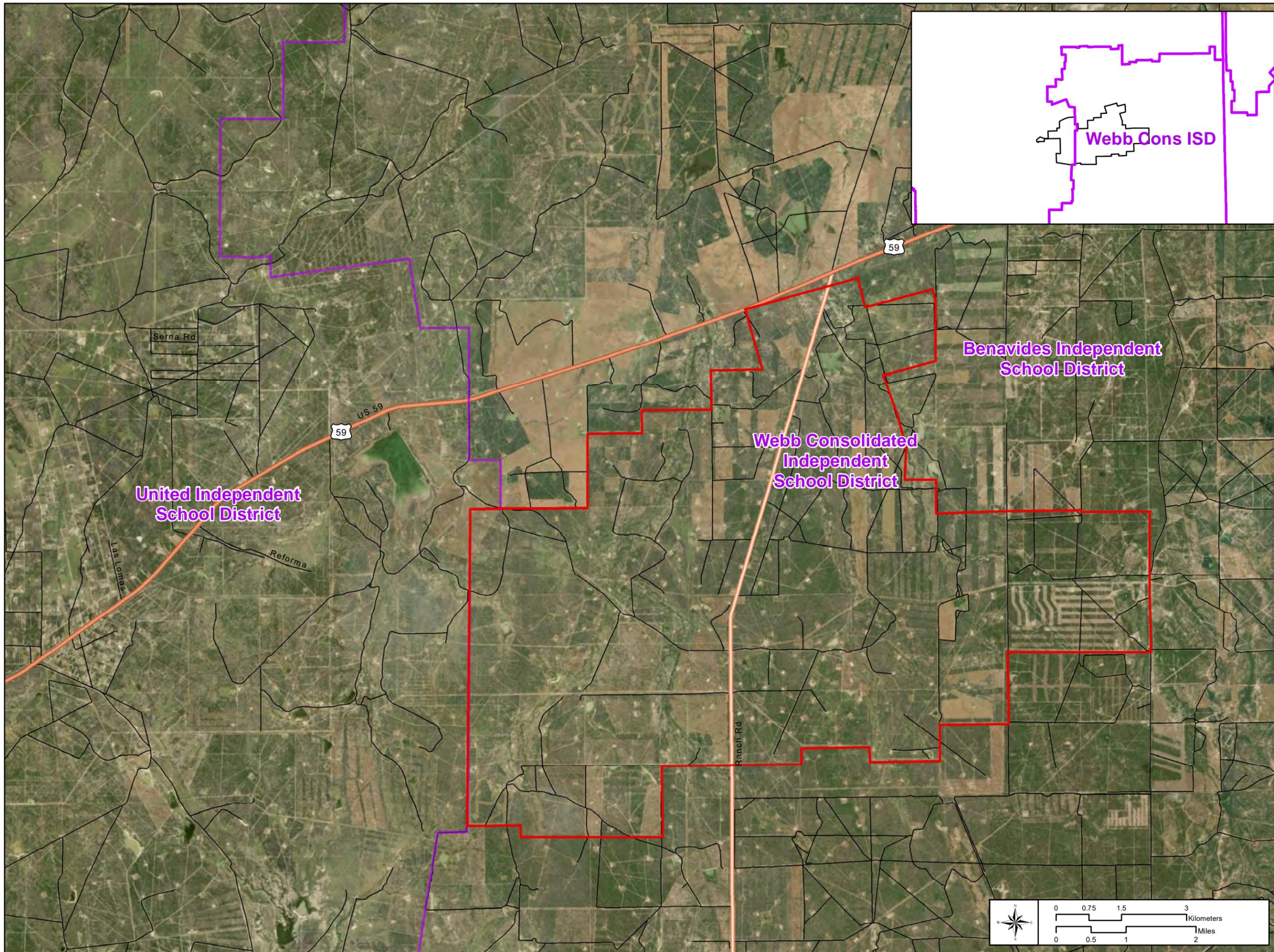
**Siete Wind  
Project Vicinity**  
Webb County, TX

- Project Boundary
- Independent School Districts
- Highways
- Major Roads
- Streets

\*Turbine Locations will change due to final survey/design.

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# Siete Wind, LLC

## Webb County, Texas

### Re: Confidentiality of Maps Submitted with Siete Wind, LLC Chapter 313 Appraised Value Limitation Application with Webb CISD

To Whom It May Concern:

As an attachment to Siete Wind, LLC Chapter 313 Appraised Value Limitation Application submitted to Webb CISD on May 14, 2020 ("Application"), we designated certain maps, the Qualified Investment and Qualified Property maps (Attachments 11b & 11c), attached thereto ("Maps") as "Confidential". We submit this letter to comply with the requirements by which both Webb CISD and the Comptroller's office can withhold confidential or proprietary information from public release while the Application is pending. This letter is submitted to identify the documents for which confidentiality is sought and provide the specific reasons, stating why the material is believed to be confidential.

The Maps reflect the proposed specific site plan and the location of tangible personal property to be located on real property covered by the Application- all of which continue to be refined. In addition, and at this time, disclosure of the Maps could be potentially valuable to our competitors and any disclosure could negatively impact the project. The Maps include commercially valuable geological or geophysical information regarding the exploration or development of natural resources and is protected from disclosure under section 552.113 of the Texas Government Code.

As required, the Maps were submitted as segregated in the application from other information in the application and specifically notated as "Confidential".

It is our intention to complete negotiations relating to both the location of the property and the tangible personal property during the time the Application is pending and understand that the Maps can only remain confidential and withheld from public release unless and until the governing body of the school district acts on the application.

To the extent you have any questions regarding this letter, please contact me for further clarification.

Sincerely,

SIETE WIND, LLC

By: Apex GCL, LLC  
Its: Sole Member

By: Apex Clean Energy Holdings, LLC  
Its: Sole Member

By:



Ken Young  
COO

c/o Apex Clean Energy, Inc.  
310 4<sup>th</sup> Street NE, Suite 200 | Charlottesville, VA 22902  
T 434.220.7595 | F 434.220.3712  
[apexcleanenergy.com](http://apexcleanenergy.com)

**Attachment 11b**

- 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***

CONFIDENTIAL- FOR SEPARATE FILING

**Attachment 11c**

- c. Qualified property including location of new buildings or new improvements***

CONFIDENTIAL- FOR SEPARATE FILING

**Attachment 11d**

***d. Existing property***

Not Applicable.

**Attachment 11e**

***e. Land location within vicinity map***

Not Applicable.

**Attachment 11f**

- f. Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size***

Please see attached map below.



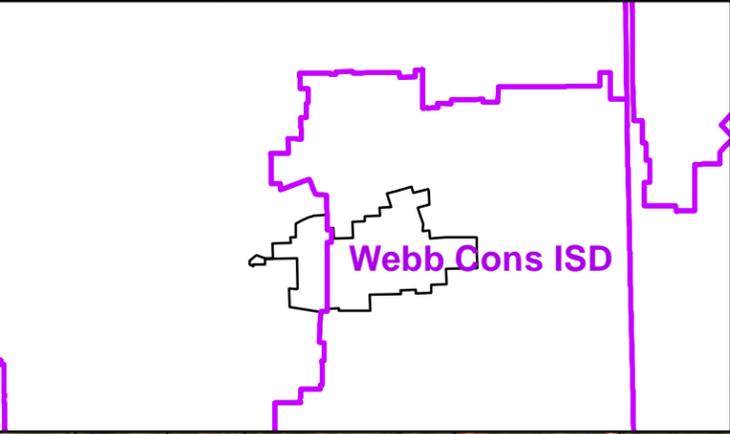
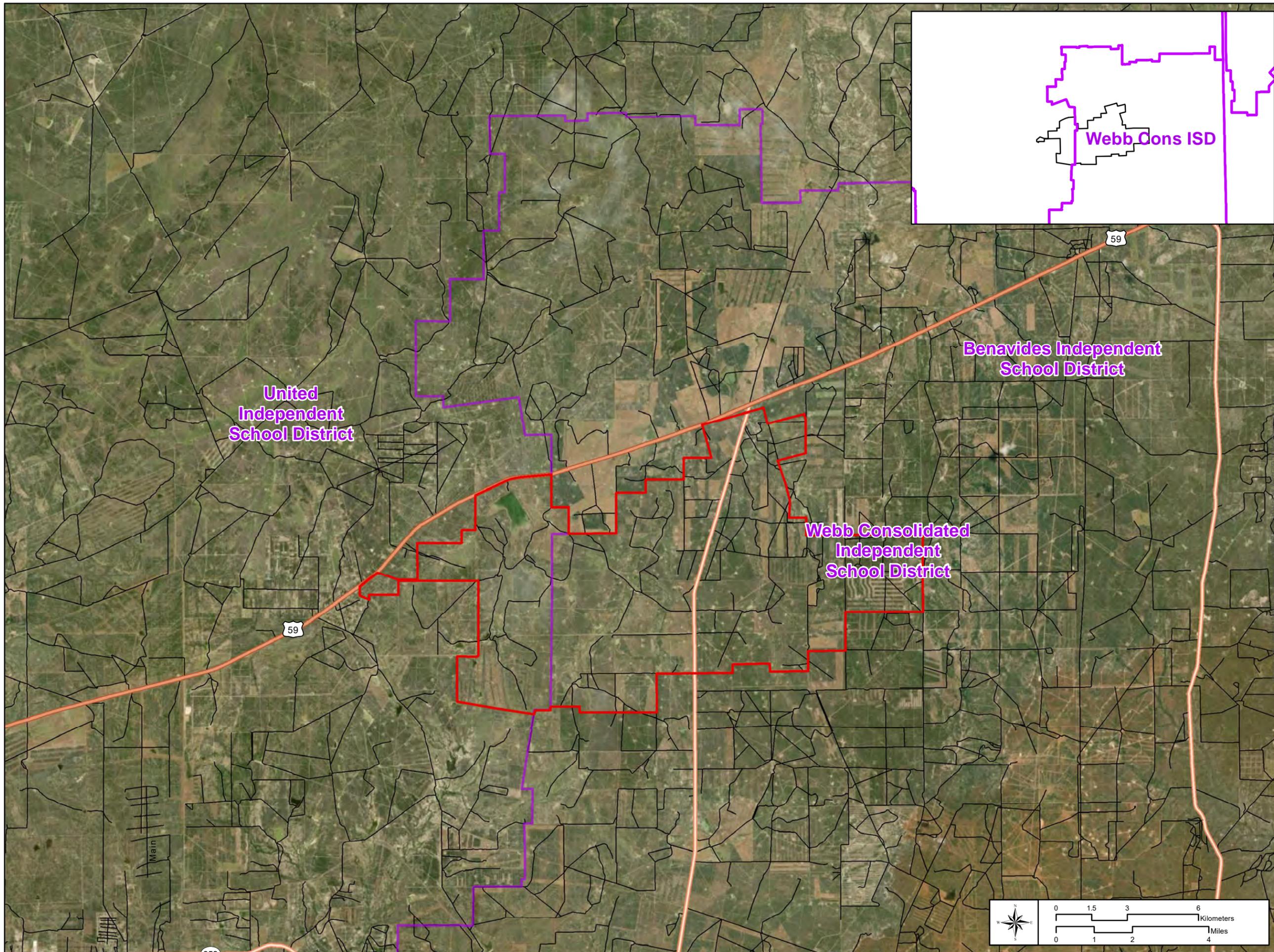
### Siete Wind Project Vicinity Webb County, TX

- Project Boundary
- Independent School Districts
- Highways
- Major Roads
- Streets

\*Turbine Locations will change due to final survey/design.

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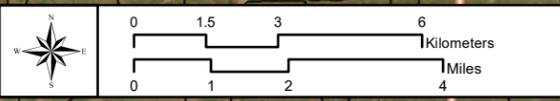
Date: 2/11/2020 Author: KA  
Coordinate System: NAD 1983 2011 StatePlane Texas South FIPS 4205 Ft US  
Projection: Lambert Conformal Conic  
Datum: NAD 1983 2011  
Units: Foot US



Benavides Independent School District

United Independent School District

Webb Consolidated Independent School District



**Attachment 12**

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

Please see attached waiver request below.

# Siete Wind, LLC

## Webb County, Texas

May 14, 2020

Heribeto Gonzales, Superintendent  
Webb Consolidated Independent School District  
619 Ave F  
Bruni, TX 78344

### Re: Ch-313 Application for Appraised Value Limitation – Job Waiver Request

Dear Superintendent Gonzales,

This letter is to advise you that Siete Wind, LLC is submitting its Chapter 313 Application for Appraised Value Limitation on Qualified Property with a request for a waiver of the jobs creation requirement.

House Bill 1470 altered the jobs requirement by adding Section 313-025 (f-I) to permit a school district's board of trustees to make a finding that the job requirement could be waived if the job requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application. Siete Wind, LLC, requests that Webb CISD's Board of Trustees make such a finding and waive the job creation requirement for the permanent jobs. Based on the industry standard, the size and scope of this project will require approximately six (6) permanent jobs.

As background information on the creation of the full-time jobs by wind energy projects, these types of projects create a large number of full-time, temporary jobs during the construction phase, but require a small number of highly skilled technicians to operate a wind project once construction operations cease and commercial operations begin. The permanent employees of a wind project maintain, and service wind turbines, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. The industry standard for permanent employment is one full-time employee for every fifteen to twenty (15-20) turbines, although this number varies depending on the turbines selected as well as the support and technical assistance offered by the turbine manufacturer. In addition to the onsite employees described, there may be asset managers or technicians who supervise, monitor, and support the wind project operations from offsite locations.

Sincerely,

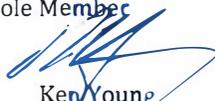
Siete Wind, LLC

By: Apex GCL, LLC  
Its: Sole Member

By: Apex Clean Energy Holdings, LLC

Its: Sole Member

By:

  
Ken Young  
COO

c/o Apex Clean Energy, Inc.  
310 4th Street NE, Suite 200 | Charlottesville, VA  
22902 T 434.220.7595 | F 434.220.3712  
apexcleanenergy.com

**Attachment 13**

**Calculation of Wage Requirements – Webb County**

**Supporting data for Section 14(7)(a)**

Average weekly wage for all jobs (all industries) in the county

Year	Period	Area	Ownership	Division	Level	Ind. Code	Industry	Avg. Weekly Wages
2019	1 <sup>st</sup> Qtr	Webb County	Total All	0	0	10	Total, All Industries	\$705.00
2019	2 <sup>nd</sup> Qtr	Webb County	Total All	0	0	10	Total, All Industries	\$697.00
2019	3 <sup>rd</sup> Qtr	Webb County	Total All	0	0	10	Total, All Industries	\$712.00
2019	4 <sup>th</sup> Qtr	Webb County	Total All	0	0	10	Total, All Industries	\$750.00
<b>Average weekly wage for previous four quarters</b>								<b>\$716.00</b>

*Source: Quarterly Employment and Wages (QCEW) data for Webb County,  
<https://texaslmi.com/LMIbyCategory/QCEW>*

**Supporting Data for Section 14(7)(b)**

110% of the average weekly wage for manufacturing jobs in the county

Year	Period	Area	Ownership	Division	Level	Ind. Code	Industry	Avg. Weekly Wages
2019	1 <sup>st</sup> Qtr	Webb County	Private	31	2	31-33	Manufacturing	\$761.00
2019	2 <sup>nd</sup> Qtr	Webb County	Private	31	2	31-33	Manufacturing	\$760.00
2019	3 <sup>rd</sup> Qtr	Webb County	Private	31	2	31-33	Manufacturing	\$791.00
2019	4 <sup>th</sup> Qtr	Webb County	Private	31	2	31-33	Manufacturing	\$845.00
<b>Average weekly wage for previous four quarters</b>								<b>\$789.25</b>
<b>110% of Average Weekly Wages</b>								<b>\$868.18</b>

*Source: Quarterly Employment and Wages (QCEW) data for Webb County,  
<https://texaslmi.com/LMIbyCategory/QCEW>*

**Supporting Data for Section 14(7)(c)**

110% of the average weekly wage for manufacturing jobs in the region

<b>Average Annual Wages</b>	<b>\$37,088.00</b>
<b>Average Weekly Wages @40hrs/week</b>	<b>\$713.23</b>
<b>110% of Average Weekly Wages</b>	<b>\$784.55</b>

*Source: 2018 Manufacturing Average Wages by Council of Government Region Wages for All Occupations. Project location region: 19. South Texas Development Council.  
<https://texaslmi.com/Downloads/COGWages.pdf>*

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage	
2019	01	Webb	Total All	10	Total, All Industries	0	\$	705.00
2019	02	Webb	Total All	10	Total, All Industries	0	\$	697.00
2019	03	Webb	Total All	10	Total, All Industries	0	\$	712.00
2019	04	Webb	Total All	10	Total, All Industries	0	\$	750.00

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage
2019	01	Webb	Private	31-33	Manufacturing	2	\$ 761.00
2019	02	Webb	Private	31-33	Manufacturing	2	\$ 760.00
2019	03	Webb	Private	31-33	Manufacturing	2	\$ 791.00
2019	04	Webb	Private	31-33	Manufacturing	2	\$ 845.00

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

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

**Attachment 14**

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

Please see attached schedules below.

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

Date 3/11/2020  
 Applicant Name Siete Wind, LLC  
 ISD Name Webb CISD

Form 50-296A  
 Revised February 2020

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	<b>Total Investment</b> (Sum of Columns A+B+C+D)
Investment made before filing complete application with district				Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application	--	2020-2021	2020					
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Complete tax years of qualifying time period	QTP1	2021-2022	2021	\$0.00	\$0.00	\$0.00	\$0.00	\$ -
	QTP2	2022-2023	2022	\$ 185,961,238.00	\$0.00	\$0.00	\$0.00	\$ 185,961,238.00
<b>Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]</b>				\$ 185,961,238.00	\$0.00	\$0.00	\$0.00	\$ 185,961,238.00
<b>Enter amounts from TOTAL row above in Schedule A2</b>								
<b>Total Qualified Investment (sum of green cells)</b>				\$ 185,961,238.00				

\*2020 is not part of the Qualifying Time Period.

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 3/11/2020  
 Applicant Name Siete Wind, LLC  
 ISD Name Webb CISD

Form 50-296A  
 Revised February 2020

PROPERTY INVESTMENT AMOUNTS									
(Estimated investment in each year. Do not put cumulative totals.)									
				Column A	Column B	Column C	Column D	Column E	
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)	
Total Investment from Schedule A1*	--	<b>TOTALS FROM SCHEDULE A1</b>			\$ 185,961,238.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 185,961,238.00
Enter amounts from TOTAL row in Schedule A1 in the row below									
Qualified Investment Period	1	2021-2022	2021						
	2	2022-2023	2022	\$ 185,961,238.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 185,961,238.00	
Value limitation period***	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						
<b>Total Investment made through limitation</b>				\$ 185,961,238.00	\$ 0.00	\$ 0.00		\$ 185,961,238.00	
Continue to maintain viable presence	11	2033-2034	2033						
	12	2034-2035	2034						
	13	2035-2036	2035						
	14	2036-2037	2036						
	15	2037-2038	2037						
Additional years for 25 year economic impact as required by 313.026(c)(1)	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						

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

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

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

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

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

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

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

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

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

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

Date 3/11/2020  
 Applicant Name Siete Wind, LLC  
 ISD Name Webb Cisd

**Form 50-296A**

*Revised February 2020*

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Qualified Investment Period	1	2021-2022	2021						
	2	2022-2023	2022	N/A	N/A	N/A	N/A	N/A	N/A
Value Limitation Period	1	2023-2024	2023	N/A	N/A	\$ 185,961,238	\$ 185,961,238	\$ 185,961,237	\$ 60,000,000
	2	2024-2025	2024	N/A	N/A	\$ 176,663,176	\$ 176,663,176	\$ 176,663,175	\$ 60,000,000
	3	2025-2026	2025	N/A	N/A	\$ 167,830,017	\$ 167,830,017	\$ 167,830,016	\$ 60,000,000
	4	2026-2027	2026	N/A	N/A	\$ 159,438,516	\$ 159,438,516	\$ 159,438,516	\$ 60,000,000
	5	2027-2028	2027	N/A	N/A	\$ 151,466,591	\$ 151,466,591	\$ 151,466,590	\$ 60,000,000
	6	2028-2029	2028	N/A	N/A	\$ 143,893,261	\$ 143,893,261	\$ 143,893,260	\$ 60,000,000
	7	2029-2030	2029	N/A	N/A	\$ 136,698,598	\$ 136,698,598	\$ 136,698,597	\$ 60,000,000
	8	2030-2031	2030	N/A	N/A	\$ 129,863,668	\$ 129,863,668	\$ 129,863,667	\$ 60,000,000
	9	2031-2032	2031	N/A	N/A	\$ 123,370,485	\$ 123,370,485	\$ 123,370,484	\$ 60,000,000
	10	2032-2033	2032	N/A	N/A	\$ 117,201,960	\$ 117,201,960	\$ 117,201,960	\$ 60,000,000
Continue to maintain viable presence	11	2033-2034	2033	N/A	N/A	\$ 111,341,862	\$ 111,341,862	\$ 111,341,862	\$ 111,341,862
	12	2034-2035	2034	N/A	N/A	\$ 105,774,769	\$ 105,774,769	\$ 105,774,769	\$ 105,774,769
	13	2035-2036	2035	N/A	N/A	\$ 100,486,031	\$ 100,486,031	\$ 100,486,030	\$ 100,486,030
	14	2036-2037	2036	N/A	N/A	\$ 95,461,729	\$ 95,461,729	\$ 95,461,729	\$ 95,461,729
	15	2037-2038	2037	N/A	N/A	\$ 90,688,643	\$ 90,688,643	\$ 90,688,642	\$ 90,688,642
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2038-2039	2038	N/A	N/A	\$ 86,154,211	\$ 86,154,211	\$ 86,154,210	\$ 86,154,210
	17	2039-2040	2039	N/A	N/A	\$ 81,846,500	\$ 81,846,500	\$ 81,846,500	\$ 81,846,500
	18	2040-2041	2040	N/A	N/A	\$ 77,754,175	\$ 77,754,175	\$ 77,754,175	\$ 77,754,175
	19	2041-2042	2041	N/A	N/A	\$ 73,866,466	\$ 73,866,466	\$ 73,866,466	\$ 73,866,466
	20	2042-2043	2042	N/A	N/A	\$ 70,173,143	\$ 70,173,143	\$ 70,173,143	\$ 70,173,143
	21	2043-2044	2043	N/A	N/A	\$ 66,664,486	\$ 66,664,486	\$ 66,664,486	\$ 66,664,486
	22	2044-2045	2044	N/A	N/A	\$ 63,331,262	\$ 63,331,262	\$ 63,331,261	\$ 63,331,261
	23	2045-2046	2045	N/A	N/A	\$ 60,164,699	\$ 60,164,699	\$ 60,164,698	\$ 60,164,698
	24	2046-2047	2046	N/A	N/A	\$ 57,156,464	\$ 57,156,464	\$ 57,156,463	\$ 57,156,463
	25	2047-2048	2047	N/A	N/A	\$ 54,298,640	\$ 54,298,640	\$ 54,298,640	\$ 54,298,640

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** 3/11/2020  
**Applicant Name** Siete Wind, LLC  
**ISD Name** Webb CISD

**Form 50-296A**  
*Revised February 2020*

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Annual wage of new qualifying jobs
Qualified Investment Period	1	2021-2022	2021					
	2	2022-2023	2022	266 FTE's	\$ 37,583.00	0	6	\$ 40,796.60
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2023-2024	2023	N/A	N/A	0	6	\$ 40,796.60
	2	2024-2025	2024	N/A	N/A	0	6	\$ 40,796.60
	3	2025-2026	2025	N/A	N/A	0	6	\$ 40,796.60
	4	2026-2027	2026	N/A	N/A	0	6	\$ 40,796.60
	5	2027-2028	2027	N/A	N/A	0	6	\$ 40,796.60
	6	2028-2029	2028	N/A	N/A	0	6	\$ 40,796.60
	7	2029-2030	2029	N/A	N/A	0	6	\$ 40,796.60
	8	2030-2031	2030	N/A	N/A	0	6	\$ 40,796.60
	9	2031-2032	2031	N/A	N/A	0	6	\$ 40,796.60
	10	2032-2033	2032	N/A	N/A	0	6	\$ 40,796.60
Years Following Value Limitation Period	11 through 25	2033-2048	2033-2047	N/A	N/A	0	6	\$ 40,796.60

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

**Attachment 15**

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

Not Applicable.

**Attachment 16**

***Description of Reinvestment or Enterprise Zone, including:***

- a. Evidence that the area qualifies as an 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***

***\*\*\* To be submitted before date of final application approval by school board***

**Attachment 16a**

- a. Evidence that the area qualifies as an enterprise zone as defined by the Governor's Office***

Not Applicable.

**Attachment 16b**

***b. Legal description of reinvestment zone***

Please see attached.

ABST 1126 SUR 1669 CCSD & RGNG 640 ACS (SHARE A)  
ABST 2490 SUR 1668 I VERGARA 615.00 ACS (SHARE A)  
ABST 1125 1667 CCSD&RGNG 640 ACRES (SHARE A)  
ABST 2559 1700 T M RY CO 697. ABST 1126 SUR 1669 CCSD & RGNG 640 ACS (SHARE A)  
ABST 2490 SUR 1668 I VERGARA 615.00 ACS (SHARE A)  
ABST 1125 1667 CCSD&RGNG 640 ACRES (SHARE A)  
ABST 2559 1700 T M RY CO 697.67 ACRES  
ABST 1333 1955 GC & SF MAG MIN 640 ACRES  
ABST 1791 2053 T C RR CO 579.17 ACRES  
ABST 2138 2056 T C RR CO 642.04 ACRES & 2 M/H 1975 14X54 TRAILWAY BEIGE & YELLOW S#  
C1TXRT020912 L# TEX0110097\_ 12X46 CANTURION TEX049592  
ABST 2191 1956 F CONTRERAS 679.7 ACRES  
ABST 1379 P-2055 TCRRCO 640 ACRES  
ABST 1438 865 H & G N 640 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 1841 853 S B TURNER 640 ACRES  
ABST 1813 1697 T M RY CO 640 ACRES  
ABST 2698 P 1684 CCSD & RGNG 560 ACRES  
ABST 1115 1683 CCSD & RGNG 640 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 2255 468 A B & M 640 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 1124 1665 CCSD&RGNG 640 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 3142 P 1666 CCSD & RGNGRYN 1/2 320 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 0799 467 A B M 640 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 2910 P 1684 CCSD & RGNGRY 80 ACRES  
ABST 2558 854 S B TURNER 643.90 ACRES  
ABST 1130 SUR 1677 CCSD & RGNG 640 ACS (SHARE A)  
ABST 2252 1634 GC & SF 640 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 1267 1691 G C & S F 640 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 1323 1633 G C & S F 639.525 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 1353 279 G C & S F 618.2 ACRES (PT OF REYNOLDS RANCH)  
ABST 1269 1693 G C & S F 625.9679 ACRES (PT OF REYNOLDS RANCH)  
ABST 2420 2112 B A JAMES 627.12 ACRES (PT OF REYNOLDS RANCH)  
ABST 3333 P 2367 F H FEILLE 91.34 ACRES (PT OF REYNOLDS RANCH)  
ABST 1268 1695 G C & S F 640 ACRES (PT OF REYNOLDS RANCH)  
ABST 2421 1004 PB REYNOLDS 634.58 ACRES (PT OF REYNOLDS RANCH)  
ABST 2203 40 CCSD & RGNG 654.98 ACRES  
ABST 1037 37 CCSD & RGNG 640 ACRES  
ABST 1655 1003 J POITEVENT 640 ACRES  
ABST 1814 1699 T M RY CO 701 ACRES  
ABST 1039 41 CCSD & RGNG 640 ACRES  
ABST 2634 SUR 280 J LEONARD 618.20 ACRES  
ABST 2592 1698 T M RY CO 643.66 ACRES  
ABST 1038 SUR 39 CCSD & RGNG 7.71 ACS  
ABST 2494 SUR 1676 CCSD & RGNG 652.90 ACS (SHARE A)  
ABST 2418 SUR 1696 GC & SF .0574 ACS  
ABST 1027 SUR 11 CCSD & RGNG 5.05 ACS  
ABST 1027-11 CCSD & RGNG 560.51 ACS  
ABST 2389 SUR 42 CCSD & RGNG 560.51 ACS  
ABST 2495 SUR 1678 CCSD & RGNG 652.90 ACS (SHARE A)

ABST 2419 1692 GC & SF 518.7035 ACRES (PT OF REYNOLDS RANCH)  
ABST 2389 SUR 42 CCSD & RGNG 110.00 ACES  
ABST 1131-1679 A L SHAW SUB BLK 3 LOT 1 5 ACS, UNDIVIDED INTEREST PROPERTY  
ABST 2419 1692 GC & SF 518.7035 ACRES (PT OF REYNOLDS RANCH)  
ABST 2418 SUR 1696 GC & SF 342.6486 ACS (PT OF REYNOLDS RANCH)  
ABST 2418 SUR 1696 GC & SF 295.2104 ACS  
ABST 1797 1635 TC RR 548.00 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 2140 1632 G C & S F 100.9 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 1124 1665 CCSD&RGNG 640 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 3142 P 1666 CCSD & RGNGRYN 1/2 320 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 2253 1666 CCSD & RGNG BLK 1 S 1/2 320 ACRES (PT OF PIEDRA PARADA RANCH)  
ABST 2255 468 A B & M 640 ACRES (PT OF PIEDRA PARADA RANCH)  
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ABST 1655 1003 J POITEVENT 640 ACRES  
ABST 1037 37 CCSD & RGNG 640 ACRES  
ABST 1037 37 CCSD & RGNG 640 ACRES  
ABST 2203 40 CCSD & RGNG 654.98 ACRES  
ABST 1038 P 39 CCSD & RGNG 640 ACRES  
ABST 2387 P 10 G M OVERSTREET 640 ACRES  
ABST 1038 P 39 CCSD & RGNG 640 ACRES  
ABST 2387 P 10 G M OVERSTREET 640 ACRES67 ACRES  
ABST 1333 1955 GC & SF MAG MIN 640 ACRES  
ABST 1791 2053 T C RR CO 579.17 ACRES  
ABST 2138 2056 T C RR CO 642.04 ACRES & 2 M/H 1975 14X54 TRAILWAY BEIGE & YELLOW S#  
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ABST 2253 1666 CCSD & RGNG BLK 1 S 1/2 320 ACRES (PT OF PIEDRA PARADA RANCH)  
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ABST 1038 P 39 CCSD & RGNG 640 ACRES  
ABST 2387 P 10 G M OVERSTREET 640 ACRES  
ABST 1038 P 39 CCSD & RGNG 640 ACRES  
ABST 2387 P 10 G M OVERSTREET 640 ACRES

**Attachment 16c**

***c. Order, resolution or ordinance establishing the reinvestment zone***

To be submitted upon approval/acceptance by the Webb County Commissioners Court.

**Attachment 16d**

***d. Guidelines and criteria for creating the zone***

Please see attached.

EXHIBIT "A"  
POLICY GUIDELINES, CRITERIA & METHODOLOGY  
GOVERNING TAX ABATEMENTS FOR  
"WEBB COUNTY, TEXAS"  
Effective November 23rd, 2017

**SECTION 1: GENERAL TAX ABATEMENT AUTHORIZATION, RESOLUTION, PURPOSE, METHOD, OBJECTIVE & POLICY.**

**1.1 Authorization:**

(a) **General Authorization.** The Webb County Commissioners Court ("Commissioners Court") is authorized to develop and administer a program to stimulate business and commercial activity in Webb County pursuant to Chapter 312 of the Texas Tax Code and Chapter 381, Sections 381.004 (a), (b) (g) & (h) of the Texas Local Government Code and other applicable statutes allows and provides for but does not obligate or require, the County to grant a tax abatement on the value added to a particular property on account of a specific development project that meets the eligibility requirements set forth in these Tax Abatement Policy Guidelines, Criteria and Methodology. In order for the County to enter into tax abatement agreements, the County is required to establish guidelines and criteria governing tax abatements and to pass a resolution stating that the County elects to become eligible to participate in tax abatements.

(b) **Tax Abatement Resolution.** Webb County has adopted a Resolution stating that Webb County elects to become eligible to participate in tax abatements under TEXAS LOCAL GOVERNMENT CODE, Section 381.004(g), and applicable portions of the TEXAS TAX CODE, Chapter 312.

**1.2 Purpose and Method.**

(a) **General Purpose.** The purpose of this Policy is to establish the guidelines and criteria and methodology governing tax abatements under which Webb County can develop and administer a program to stimulate and encourage business activity in Webb County in order to create more job opportunities, build the sales and property tax base and promote a partnership relationship with the private sector businesses that will bring capital intensive projects to Webb County. These policy guidelines, criteria and methodology governing tax abatements contribute to the economic development of Webb County, and the enactment of these amended policy guidelines, criteria and methodology governing tax abatements will assist the County in the achievement of its objectives to create jobs for the citizens of the County, build the tax base of the County, and provide an attractive environment for businesses to build capital intensive projects within a Tax Abatement Reinvestment Zone.

(b) **Method.** The purpose of this Policy is also to establish the guidelines, criteria and the methodology for economic development utilizing an tax abatement approach to tax incentives. This Policy establishes guidelines and criteria under which the County may enter into ad-valorem tax abatement agreements as a part of the County's Economic Development Program established under this Policy in order to further the economic development of Webb County.

### **1.3 Objective & Policy:**

(a). The County of Webb is committed to enhancing the competitiveness and the expansion potential of the County; to attracting and encouraging new industry and investment; to improving Webb County and its infrastructure which attracts and supports development; expanding the tax base, local employment opportunities, and the overall quality of life for its citizens. This document describes the tax abatement policy guidelines, criteria and methodology governing tax abatement opportunities that Webb County may consider in attempts to assert positive economic development. Nothing herein shall imply or suggest that the Webb County is under obligation to afford these opportunities to any applicant. All applicants shall be reviewed on a case-by case basis. The customized design of a total incentives package is intended to allow maximum flexibility in addressing the unique concerns of each applicant while enabling Webb County to respond to the changing needs of the County. Consideration will be given to applicants according to the criteria listed in this document and Chapter 312 of the Texas Tax Code, and Chapter 381, Sections 381.004 (a), (b), (g) & (h) of the Texas Local Government Code.

(b). As set forth in Chapter 381, Section 381.004 Subsection b. (1-7) of the Texas Local Government Code, to stimulate business and commercial activity in a county, the commissioners court of the county may develop and administer a program; b. (1) for state or local economic development; b. (2) for small or disadvantaged business development; b. (3) to stimulate, encourage, and develop business location and commercial activity in the county; b. (4) to promote or advertise the county and its vicinity or conduct a solicitation program to attract conventions, visitors, and businesses; b. (5) to improve the extent to which women and minority businesses are awarded county contracts; b. (6) to support comprehensive literacy programs for the benefit of county residents; or b. (7) for the encouragement, promotion, improvement, and application of the arts.

(c) As set forth in Chapter 381, Section 381.004 Subsection c. (1-4) of the Texas Local Government Code, The commissioners court may: c. (1) contract with another entity for the administration of the program; c. (2) authorize the program to be administered on the basis of county commissioner precincts; c. (3) use county employees or funds for the program; and c. (4) accept contributions, gifts, or other resources to develop and administer the program.

(d) As set forth in Chapter 381, Section 381.004 Subsection (d). A program established under this section may be designed to reasonably increase participation by minority and women-owned businesses in public contract awards by the county by establishing a contract percentage goal for those businesses.

(e) The commissioner's court may develop and administer a program authorized by Ch. 381, Section 381.004 Subsection (g), of the Texas Local Government Code for entering into an ad-valorem tax abatement agreement with an owner or lessee of a property interest subject to ad-valorem taxation. The execution, duration, and other terms of the agreement are governed, to the extent practicable, by the provisions of Chapter 312 of the Texas Tax Code, and/or Sections 312.204, 312.205, and 312.211 of the Texas Tax Code, as if the commissioner's court were a governing body of a municipality.

(f) In accordance with Ch. 381, Section 381.004 Subsection (h) of the Texas Local Government Code, the commissioner's court may develop and administer a program authorized by Ch. 381, Section 381.004, Subsection (b) for making loans and grants of public money and providing personnel and services of the county.

**1.4 General Eligibility Criteria:**

An tax abatement can only be granted, to persons or entities eligible for a tax abatement pursuant to Chapter 312, of the Texas Tax Code, and/or Chapter 381, Sections 381.004 a. (1-4), b.(1-7), (g), & (h) of the Texas Local Government Code which persons or entities as of the effective date of these Amended Tax Abatement Policy Guidelines, Criteria and Methodology are:

**(i) the owner of taxable real and/or personal property located in a reinvestment zone in Webb County, Texas and/or the City of Laredo;**

**1.5 General Exclusions and Limitations:**

**1.5.1 Leases of Real Property/Only Real Property Owner is Eligible for Tax Abatement**

A person or entity seeking tax abatement on real property that is leased from a third party should be advised that, pursuant to state law, the County of Webb can only abate taxes on the increased value of the taxable leasehold interest in the real property, if any, and the increase in value of taxable improvements and tangible personal property located on the real property and subject to the leasehold interest, if any. Before applying for a tax abatement from the County of Webb, such persons or entities should seek professional and legal guidance, and may wish to consult with the appraisal district having jurisdiction over the property in question, as to whether their development projects will result in a taxable leasehold interest in the property and, if so, the anticipated additional and/or increased value of that leasehold interest. If the eligible project, facility and/or improvements are constructed or located on a leased property, only the real property owner shall be the party eligible for any ad-valorem tax abatement. The other party to the lease may join in the execution of agreement but shall not be obligated to assure performance of the party receiving the ad-valorem tax abatement.

No application, nor shall any ad-valorem tax abatement agreement shall be eligible to be considered for processing and/or approval by the Webb County Commissioner’s Court if the applicant is liable to the County of Webb or any affected jurisdiction or other taxing entity or agency for outstanding ad-valorem and/or personal property taxes, debt(s), or other any obligations and/or judgments.

No assignment or transfer of an existing ad-valorem tax abatement agreement shall be approved if the parties to the existing agreement, and/or the new owner(s) or lessee’s are liable to the County of Webb or any affected jurisdiction or other taxing entity or agency for outstanding ad-valorem and/or personal property taxes, debt(s) or other obligations and/or judgments.

**SECTION 2: DEFINITIONS.**

As used within the Webb County Tax Abatement Policy Guidelines, Criteria and Methodology, the following words or phrases shall have the following meanings:

(a) **"Abatement" or "Tax Abatement"** means the temporary, full or partial exemption from Webb County ad valorem taxes of certain eligible taxable real and in some cases tangible personal property and/or improvements located within a Reinvestment Zone designated for economic development purposes by Webb County and/or the City of Laredo. The Webb County Commissioners Court may grant Company exemption from taxation on a portion of the value of the real property or of tangible

personal real property located on the real property, or both, on the condition that the Company, Individual and/or Property Owner make specific improvements or repairs to the Property and meet other requirements pursuant to this Policy and the agreement terms.

(b) **"Abatement/Payment Term"** means that time period beginning on the Completion Date and ending on the Termination Date of the Agreement. If the Commissioners Court approves completion of a Project in phases, then the Abatement/Payment Term will begin with the Completion Date of the first phase.

(c) **"Abatement/Payment Year Value"** means the value assessed by the Webb County Appraisal District ("WCAD") for the purpose of the payment of Webb County Ad Valorem Taxes on the Property for any tax year included in the Abatement/Payment Term of the Agreement.

(d) **"Ad Valorem Taxes"** means those ad-valorem property taxes assessed by the ("WCAD") on eligible property within Webb County.

(e) **"Added Value"** means the increase in the assessed value, as compared to base year value, of an eligible property as a result of "expansion" or "modernization" of an existing facility or construction of a "new facility." It does not mean or include "deferred maintenance".

(f) **"Affected Jurisdiction"** means Webb County and every other taxing unit that includes within its boundaries property located within a proposed or existing reinvestment zone.

(g) **"Agreement"** means a contractual tax abatement agreement between a company, individual and/or business who is the property owner of eligible real and/or personal property and the County of Webb for the purposes of ad-valorem tax abatement in accordance with these tax abatement policy guidelines, criteria and methodology.

(h) **"Agreement Funds"** means all money paid to or abated for a Company, property owner, and/or business pursuant to the terms of the tax abatement agreement entered into under this Policy; also, the amount by which Ad-Valorem taxes which would have been paid by the Company, property owner, and/or business which is abated pursuant to the terms of the Ad-Valorem Tax Abatement Agreement.

(i) **"Agreement Term"** means that time period commencing on the date the Agreement is signed by all parties (also "Effective Date") and continuing until the Termination Date (as defined herein and/or in the Agreement).

(j) **"Base Year Value"** means the assessed value of eligible property as determined by the Webb County Appraisal District located in a reinvestment zone on January 1 of the year in which the agreement is executed.

(k) **"Company"** means a Company in good standing or other such entity in good standing and/or its authorized Officer(s), an Individual owner, and/or Business who owns real and/or personal property, in Webb County entering into and applying for an Ad-Valorem Tax Abatement Agreement with Webb County under this Policy.

(l) **"Completion Date"** means the date of issuance of the Certificate of Occupancy for the Project.

If the County approves completion of the Project in phases, there may be a different Completion Date for each approved phase; however, the Abatement/Payment Term will begin running as of the Completion Date of the first phase.

(m) **"Deferred maintenance"** means improvements necessary for continued operations which do not improve productivity or alter the process technology.

(n) **"Economic Life"** means the number of years a property improvement is expected to be in service in a tax abatement reinvestment zone.

(o) **"Effective Date"** means the date that all parties to an Agreement entered into pursuant to this Policy have fully executed the Agreement.

(p) **"Effective Year Value"** means the value assessed by WCAD for the purpose of the payment of Webb County Ad Valorem taxes on the Property for the tax year including the Effective Date of the Agreement.

(q) **"Employee"** means a person whose employment is both permanent and fulltime, who works for and is an employee of the Company/Owner or an employee of a Business, who works a minimum of 1,750 hours per year exclusively within the reinvestment zone, who receives industry-standard benefits, and whose employment is reflected in the Companies, Owner's (and/or Business' applicable) quarterly report filed with the Texas Workforce Commission ("TWC"); but excluding any direct contract employment (seasonal, part-time, and full-time equivalent).

(r) **"Expansion"** means the addition of buildings, structures, fixed machinery or equipment for the purposes of increasing production capacity.

(s) **"Economic Life"** means the number of years a property improvement is expected to be in service in a tax abatement reinvestment zone.

(t) **"Facility"** means property improvements completed or in the process of construction which together compromise an integral whole.

(u) **"Manufacturing Facility"** means buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.

(v) **"Modernization"** means the replacement and upgrading of existing facilities which increase the productive input or output, updates the technology or substantially lowers the unit cost the operation, and extends the economic life of the facilities. Modernization may result from the construction, alteration, or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing, repairing or completion of deferred maintenance.

(w) **"New Facility"** means a property previously undeveloped, which is placed into service by means other than or in conjunction with an expansion or modernization.

(x) **"Other Basic Industry"** means buildings and structures, including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services which primarily serve a market outside Webb County, Texas. A Corporate Home Office is included in this definition.

(y) **"Other Basic Industry Facility"** means property, previously undeveloped, which is placed into service by means other than or in conjunction with expansion or modernization.

(z) **"Owner"** means the Company and/or other entity, in good standing, business, persons and/or individual who is the Owner of the real property in Webb County subject to an abatement of ad-valorem taxes. If the eligible property is constructed or located on a leased property, **only the property owner shall be the party eligible for any ad-valorem tax abatement.** The other party to the lease may join in the execution of agreement but shall not be obligated to assure the performance of the party receiving the abatement.

(aa) **"Permanent Full-Time Job"** means a new employment position created by a company, owner and/or employee of a business that provides a regular work schedule of at least 35 hours per week or 1820 hours of regular employment per year to a Webb County, Texas resident and maintains the employment position exclusively within the reinvestment zone during the term of the abatement agreement.

(bb) **"Productive Life"** means the number of years a property improvement is expected to in service in a facility.

(cc) **"Project"** means the proposed development as specifically described by the Company/Owner in the application/request for ad-valorem tax abatement incentives and the Tax Abatement Agreement.

(dd) **"Property"** means the land (real property) on which the Project will be developed.

(ee) **"Proximate Relocations"** means moving a business within Webb County, Texas.

(ff) **"W.C.A.D."** means the Webb County Appraisal District.

(gg) **"W.C.B.O."** means the Webb County Budget Officers, and/or other person authorized by the Webb County Commissioner's Court.

(hh) **"Tax Abatement Reinvestment Zone"** means any real property within Webb County, Texas which has been designated as a reinvestment zone, by the Webb County Commissioners Court and may include any land within the City of Laredo, that has been designated as a reinvestment zone by Laredo City Council.

(ii) **"Tax Abatement Term"** The Tax Abatement Agreement Term shall be as set forth in the specific agreement entered into under these Policy Guidelines, Criteria and Methodology governing Tax Abatement Agreements between Webb County and the Company, individual property Owner and/or Business. The Ad-Valorem Tax Abatement Term under an agreement for an ad-valorem tax abatement shall not exceed a period of ten (10) years. The Abatement portion of the agreement for an ad-valorem tax abatement may take effect on January 1 of the next tax year after the date the

improvements or repairs are substantially completed and/or a certificate of occupancy is issued for the project.

(jj) **“Termination Date”** means the end of the time period specified under the Agreement.

### **SECTION 3: ABATEMENT AUTHORIZED**

**3.1 Authorized Facility:** Abatement may be eligible for new facilities and improvements to existing facilities for the purpose of Modernization or Expansion.

**3.2 Creation of New Value:** Abatement may only be granted for the Added Value of eligible property improvements based on valuations as determined by the Webb County Appraisal District and subject to and listed in an ad-valorem tax abatement agreement between Webb County and the company, property owner, business and/or lessee, if required, subject to such limitations as said jurisdiction may require.

**3.3 Eligible Property:** Ad-Valorem Tax Abatements may be extended to the Added Value of real and tangible personal property as noted in Section 3.6.

**3.4 Ineligible Property:** The following types of property shall be fully taxable and ineligible for abatement: Land; inventories; supplies; tools; furnishings, and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodations; deferred maintenance investments; property with an economic life of less than 15 years; property owned used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the state of Texas, or any property exempted by local, state or federal law. When such exempted property includes manufacturing machinery and equipment listed in the Investment Budget (as required in "Application"), then the value of such property may not be included toward the achievement of investment or valuation thresholds set in the Agreement.

**3.5 Types Of Industry:** In keeping with the broad based approach to economic development, agreements will not be restricted to any particular type of industry. Preference will, however, be given to manufacturing and any other type of industry which provides relatively higher waters. In keeping with obtaining the highest cost-benefit, tax abatements will be granted on the basis of (a) new jobs and (b) additional investments, for a maximum term of 10 years.

### **3.6 Period and Percentage of Abatement:**

#### **THE BASIC FORMULA:**

\*\*All ad-valorem tax abatement agreements in Webb County are subject to the following; a.) the actual number of years of the ad-valorem tax abatement, b.) the actual percentage of the ad-valorem tax abatement, and c.) the total actual amount of the ad-valorem tax abatement in the final ad-valorem tax abatement agreement to be approved and granted by Webb County for each applicant. Each ad-valorem tax abatement agreement shall be subject to final negotiation between the Webb County and the applicant utilizing the following criteria:\*\*

New Permanent Full Time Jobs	Added Value in Real and Tangible Personal Property, as assessed by the Webb County Appraisal District (WCAD)	Percent of Abatement	Term
50 to 100 jobs	\$1 million up to \$2.5 million	Up to 25%	Up to 5 years
101 to 150 jobs	over \$2.5 million up to \$5 million	Up to 50%	Up to 5 years
151 to 200 jobs	over \$5 million up to \$10 million	Up to 75%	Up to 5 years
Over 200 jobs	Over \$10 million	Up to 100%	Up to 5 years
New Permanent Full Time Jobs	Added Value in Real and Tangible Personal Property, as Assessed by Webb County Appraisal District (WCAD)	Percent of Abatement	Term
Over 200 Jobs	Over \$20 million	Up to 100%	Up to 10 years

In cases where the required additional investment exceeds \$10 million and the number of jobs is not expected to be met, an tax abatement may be allowed utilizing the following criteria:

New Permanent Full Time Jobs	Added Value in Real and Personal Tangible Property, as assessed by Webb County Appraisal District (WCAD)	Percent of Abatement	Term
At least 10 jobs	Over \$10 million	Up to 100% Up to 80% Up to 60% Up to 40% Up to 20%	Year 1 Year 2 Year 3 Year 4 Year 5
At least 5 jobs	Over \$50 million	Up to 60% Up to 40%	Years 1-5 Years 6-10

**3.7. Living Wage Requirement:** In order to count as a permanent full-time job under this ad-valorem tax abatement policy, guidelines and criteria program, the job should pay employees wages at a minimum level which is equal to two dollars (\$2.00) above the U.S. minimum wage in effect at the time of the agreement. Additional compensation, such as commissions and mileage, will be taken into consideration and will be included in the wages. However, overtime will not be considered.

**3.8 Other General Amended Tax Abatement Policies, Guidelines & Criteria:**

**3.8.1** Companies and Business' located in a reinvestment zone shall be required to pay permanent and full time employees with industry standard benefits.

**3.8.2** The ad-valorem tax abatements must be offered to local companies in Webb County for the expansion of existing facilities as well as new facilities.

**3.8.3** The ad-valorem tax abatements must be "performance based" to provide cost benefit advantages to Laredo and Webb County.

**3.8.4** The ad-valorem tax abatements must not permit outside companies to unfairly compete with local companies in the same business in the local market: competing companies may be considered if 75% of their customers are outside Laredo/Webb County, or if any other measures are offered which are judged to make the companies compatible with County of Webb interests.

**3.8.5** The ad-valorem tax abatements and the tax abatement agreement must be negotiated quickly and in good faith by representatives of all concerned local entities.

**3.8.6** The tax abatements and the tax abatement agreement and its terms must be contractual and fully and accurately disclosed to the public.

**3.8.7** The tax abatement agreement contract must be effectively protected by termination, cancellation, recalibration and/or recapture provisions which would insure the return of the community's funds i.e. (ad-valorem taxes abated) if the company and/or Owner default on their part of the terms, conditions, and/or requirements set forth in the tax abatement agreement, There should however, be no levy of penalties above repayment of actual local costs and/or recapture of the ad-valorem taxes abated for any year(s) in the event of a default.

### **3.9 Negotiation and Variance**

**3.9.1** Notwithstanding anything to the contrary in these Policy Guidelines, Criteria and Methodology governing Tax Abatements, the Webb County Commissioners Court may, depending upon the owner/company/applicant, grant tax abatements which differ from the Basic Formula contained in Section 3.6 by taking into consideration the following, a.)if whether the property, project and/or area being proposed to be designated as a possible reinvestment zone will be reasonably likely as a result of such designation as a reinvestment zone, contribute to the retention, or expansion of primary employment in Webb County; b.)whether the proposed project would attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of Webb County; c.)job creation, retention and cost benefit to Webb County; d.)the nature and size of the project and monetary investment and the possible added value of the property and improvements and potential economic benefits to Webb County; e.)owner/company/applicant's financial statements or D&B rating;

f.) owner/company/applicant's past business history; g.)nature of the production process; h.) actual, possible and/or potential environmental hazards; i.)actual, possible and/or potential environmental benefits; j.)cost breakdown of the investment into land, building, equipment; k.) probable project status at the end of 10 years; l.)percent of hiring of local workers; m.)benefits to be paid to local workers; and/or o.)any other criteria deemed appropriate by Webb County Commissioners Court for such determination, where the owner/company/applicant shows unique-circumstances that, in the opinion of Webb County Commissioners Court, meet the economic development goals and objectives of Webb County, Texas.

**3.9.2** The Webb County Commissioners Court further reserves the right to vary the term and percent of abatement from the Basic Formula contained in Section 3.6, on a case by case basis, where the applicant

shows unique-circumstances that, in the opinion of Webb County Commissioners Court, meet the economic development goals and objectives of Webb County, Texas.

#### **SECTION 4: APPLICATION**

**4.1** Any owner of taxable real and/or personal property in Webb County may request the designation of a reinvestment zone and an ad-valorem tax abatement agreement by filing a written application with the County of Webb.

**4.2** The application shall be signed by the company or other entity, business, individual and/or a property owner accompanied by;

**4.2.1** a general description of the project, the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken;

**4.2.2** a descriptive list of the improvements which will be a part of the project and/or facility;

**4.2.3** an estimate of the cost of the improvements;

**4.2.4** an estimate of the number of employees during construction, and thereafter, to operate the project and/or facility;

**4.2.5** a map, metes and bounds or other valid legal property description of the property proposed as a reinvestment zone;

**4.2.6** a time schedule for undertaking and completing the planned improvements; and a proposed program for the recruitment of local employees in the construction and operation of the project and/or facility together with a statement affirming the applicants commitment to equal opportunity hiring, at all levels, and;

**4.2.7** a plan to implement and ensure such hiring,

**4.2.8** an application fee of \$1,000 to defray cost of administration and maintenance of these guidelines is required for projects in both the incorporated and/or unincorporated areas of the County.

**4.3** In the case of modernization, a statement of the assessed value of the project and/or facility separately stated for real and personal property shall be given for the tax year immediately preceding the application.

**4.4** The application shall provide such financial and other information as required by Webb County to enable it to evaluate the financial capacity of the company, business, property owner/applicant. In the case of an application based on job retention, the company, business, property owner/applicant shall include sufficient information to verify the potential of job loss that would occur without such ad-valorem tax abatement(s).

**4.5** If the Webb County Commissioner's Court acts favorably on the application and enter into an ad-valorem tax abatement agreement, it shall do so in writing with the owner of the taxable real property located in an area designated as a reinvestment zone to be exempt from taxation all of the increase in the value of the property over its value in the year in which the ad-valorem tax abatement agreement is executed.

**4.6** 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 applicable provisions of these "Policy Guidelines, Criteria and Methodology Governing Ad-Valorem Tax Abatements". Not later than the seventh day before the date on which the County enters into such an agreement, the County Judge, or an officer or employee of the County designated by him, 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 that the County intends to enter into an agreement. The notice shall be placed in the mail, postage paid, properly addressed, and sent by certified mail with return receipt requested.

**4.7** A resolution designating an area as a reinvestment zone may not be adopted by the County until the Webb County Commissioners Court has held a public hearing on the designation.

**4.7.1** The County must find that the improvements sought are feasible and practical and would be a benefit to the land to be included in the zone and to the County after the agreement entered with the owner has expired.

**4.7.2** It also must be found that the area of the proposed reinvestment zone is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and would contribute to the economic development of the County.

**4.7.3** At the hearing, interested persons are entitled to speak and present evidence for or against the designation.

**4.7.4** Not later than the seventh day before the date of such hearing, notice of the hearing must be published in a newspaper having general circulation in Webb County; and said notice shall be 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.

**4.7.5** The notice shall be placed in the mail, postage paid, and properly addressed to the appropriate presiding officer.

**4.7.6** 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.

## SECTION 5: AGREEMENT

After the hearing the Commissioners Court shall adopt a resolution finding: that the proposed ad-valorem tax abatement agreement must be filed with the resolution, a copy of which is to be attached thereto, and that the ad-valorem tax abatement agreement meets the applicable provisions of these "Policy Guidelines and Criteria Governing Tax Abatement Agreements". The resolution shall also authorize the execution of the agreement with the applicant/owner/company, and the agreement must include provisions for the following required elements;

**5.1 Required Elements.** The following must be included in any Tax Abatement Agreement entered into under this Tax Abatement Policy, and terms in the Tax Abatement Agreement must state that compliance with these requirements is mandatory:

- (i) **Commissioners Court Finding.** An ad-valorem tax abatement agreement cannot be entered into unless the Commissioners Court finds: that the terms of the agreement and the Property subject to the agreement meet the applicable tax abatement guidelines, criteria and methodology set forth in this Policy; and that the development of the Property, Project and/or Facility will result in substantial immediate and long-term financial benefit to Webb County and/or significant financial benefit to other taxing entities within Webb County.
- (ii) **Maximum Incentive Amount.** In no event will the percentage of the ad-valorem tax abatement exceed 100% per year.
- (iii) **Ownership.** The Company, applicant and/or business must own or plan to own the Real Property to the satisfaction of Webb County in order to enter into an Ad-Valorem Tax Abatement Agreement under these Policies, Criteria and Guidelines governing ad-valorem tax abatements. **Incentives will not be granted relative to leased property.** Property that is owned or leased by a person who is a member of the Commissioners Court and/or any of their family members and/or any person(s) related to them within the second degree of consanguinity or affinity is hereby expressly excluded and prohibited from receiving any ad-valorem abatement(s) under this Policy. The Company, Owner, Applicant will warrant that none of the Real Property subject to the ad-valorem tax abatement agreement is owned or leased by a member of the Commissioners Court and/or to any of their family members and/or any person(s) related to them within the second degree of consanguinity or affinity. The Company, Owner, Applicant shall be required to also sign and submit a sworn affidavit to ensure compliance with this provision.
- (iv) **Improvements.** Incentives provided under this Policy shall be granted for new facilities and structures and for the expansion or modernization of existing facilities and structures. New development at an existing site may be considered for benefits under this Policy. In order for expansion or modernization to qualify for incentives, such expansion or modernization must be accomplished to such an extent that substantial value is added to the ad valorem tax base, and cannot be cosmetic only in nature.
- (v) **Description of Improvement Terms.** The agreement must list the kind, number and location of all proposed improvements of the Property.
- (vi) **Access.** The agreement must provide for access and authority for County employees to enter the Property and inspect to ensure that the improvements or repairs are made according to the terms of the

Agreement, and that the Company is in compliance with all other terms and conditions of the Agreement. Representatives of Company shall be permitted to attend the inspections. The inspections shall be preceded by twenty-four (24) hours' notice via e-mail or by telephone, and such inspections shall be conducted so as not to interfere with the business operations of the Company, and shall comply with the Company's reasonable safety standards. County may make ongoing inspections/ monitoring visits under these same conditions throughout the Agreement Term to ensure ongoing compliance.

(vii) Usage. The agreement must limit the uses of the Property consistent with the general purpose of encouraging development or redevelopment of the Property during the Agreement Term.

(viii) Recapture. The agreement must provide for recapture of ad-valorem property tax revenue lost and/or not realized by Webb County under the terms of the Tax Abatement Agreement if the Company fails to make the improvements or repairs as provided by the Agreement; has defaulted under the terms and/or conditions contained in the agreement and/or if the agreement is terminated, with the recapture provisions pursuant to Section 6.4 herein; and under other applicable provisions of this Policy.

(ix) Terms. The agreement must contain each term of the Agreement.

(x) Annual Certification. The Agreement must require the Company to certify annually to the Commissioners Court that the Company is in compliance with the applicable terms of the Agreement.

(xi) Failure to Comply. The agreement must provide that the Commissioners Court may cancel or modify the agreement if the Company fails to comply with the Agreement.

The above requirements [Section 5.1 (i)-(xi)] will NOT be subject to waiver or change.

**5.2** The exemption from taxation of all the increases in value of the property, over its value in the year in which the agreement was executed for the period of time provided, which tax abatement term shall not exceed ten (10) years;

**5.3** A listing of the kind, number, and location of all proposed improvements of the Property, project and/or facility;

**5.4** Provide access to and authorize inspection of property, project and/or facility by County employees to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement;

**5.5** Limiting the uses of the property consistent with the general purpose of encouraging development or redevelopment of the reinvestment zone during the period that property tax exemptions are in effect;

**5.6** Recapturing property tax revenue lost as a result of the agreement if the company/owner of the property defaults and fails to comply with the terms, conditions of the tax abatement agreement and/or the tax abatement policy guidelines and criteria after having been given notice of default and an opportunity to cure such defaults and/or fails make the improvements or repairs as provided by the tax abatement agreement entered into between the County and the company/owner/applicant;

**5.7** A map showing proposed land and building improvements and uses in the reinvestment zone;

**5.8** Total estimated cost of the improvements and employment estimates;

**5.9** The commencement date, and the termination date of the tax abatement and the date taxes are first due to the County;

**5.10** The nature of the construction, time schedule, property description and improvement as provided in the application in accordance with Sections 4.2.1 through 4.2.8 and

**5.11** A provision that the agreement shall be effective when executed by all parties and upon the final passage of an Resolution and/or City Ordinance designating the creation of the reinvestment zone.

**5.12** A provision that the applicant is required to file an annual report to the County describing the efforts of the applicant toward local hires and using local vendors and the progress on construction of the structures, improvements, expansion, and/or modernization of the project and/or facility and/or the efforts of the applicant toward local hires and using local vendors subsequent to completion of the construction of the structures, improvements, the expansion, and/or modernization of the property, project and/or facility.

**5.13** Legal Compliance. The agreement must include provisions requiring that all applicable County and City codes and ordinances must be met and inspection take place in a timely manner; that the Owner/Company/Applicant will make all hiring decisions in compliance with the Civil Rights Act of 1964 and the Americans With Disabilities Act of 1990; and that the Owner/Company/Applicant will not discriminate against any employee or applicant for employment on the basis of race, religion, color, national origin, age or handicapping condition.

**5.14** Environment. The agreement must require that all Projects shall be completed and maintained in a manner which preserves and respects the natural environment by maintaining green space as set forth in a plan approved by the governmental entity having jurisdiction, as evidenced by written documentation from that entity. Owner/Company/Applicant shall not violate any federal, state or local legislation and/or regulations which prohibit or regulate deleterious effects on the environment within the Project.

## **SECTION 6: COMPLETION/DEFAULT/TERMINATION/RECAPTURE**

**6.1 Completion/Termination.** An Agreement under this Policy will be considered completed and will terminate at the end of the tax abatement term specified in the Tax Abatement Agreement and/or when any cause for termination has occurred pursuant to these ad-valorem tax abatement policy guidelines, criteria and methodology and/or the terms of the Ad-Valorem Tax Abatement Agreement.

**6.2 Notice of Default to Company/Owner.** In the event that the Owner fails to comply with any of the requirements, terms and/or conditions precedent contained in either the ad-valorem tax abatement policy guidelines criteria, and methodology and/or the ad-valorem tax abatement agreement entered into between County and Owner, the County shall provide Owner with a written thirty (30) day notice of default and opportunity to cure the breach (“Cure Period”). The notice of default(s) by County to owner shall be sent to Owner via certified mail return receipt requested in accordance with the notice provisions contained in the tax abatement agreement and the notice of default(s) and opportunity to cure

shall specify the nature of the Owner's breach of the tax abatement agreement and/or the tax abatement policy guidelines, criteria and/or methodology, and what action(s) and/or requirements of the ad-valorem tax abatement agreement and/or the tax abatement guidelines, criteria and/or methodology have not been complied by the Owner, and what Owner needs to do to cure the breach. Such notice of default by County shall notify the Owner that the tax abatement agreement is subject to possible cancellation, termination and the recapture to the tax abatements granted Owner by Webb County and/or other possible consequences to Owner in the event that Owner fails to cure the breach and remains in default after such notice of default is provided to Owner by Webb County. If such default is not cured within thirty (30) days of the notice of default, then the County shall notify owner that the tax abatement agreement shall be subject to being terminated. County at its' sole discretion may agree in writing with Owner to extend the time period to cure the breach. In the event that the cure is not completed in a manner that is satisfactory to County and the agreement is terminated by County, County shall have the right to recapture all of the taxes abated to Owner under the tax abatement agreement.

**6.3 Early Termination.** In the event of termination of any Agreement entered into under this Policy prior to the completion of all terms of any Agreement, pursuant to this Policy and/or the Agreement, County shall notify Company of termination of the tax abatement agreement and all future obligations of County under the Agreement shall cease. Upon notice of termination, Company shall refund to County any and all Agreement Funds paid to Company or exempted from payment by Company up to the time of termination pursuant to the terms of the Agreement.

**6.4 Recapture.** In the event that the Company/Owner either (1) allows it's ad valorem and/or personal property taxes owed to the City of Laredo, Webb County, and/or any school district or other local taxing entity 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/or conditions of the tax abatement agreement and/or the tax abatement policy, guidelines, criteria and/or methodology, and/or (3) Owner/Company defaults according to the terms and conditions of the ad-valorem tax abatement agreement and/or the ad-valorem tax abatement policy guidelines and criteria and fails to cure within the time period allowed; and/or (4) if the payment/abatement portion of the agreement is ruled invalid by a court of competent jurisdiction, the ad-valorem tax abatement agreement then may be terminated by written notice of such termination by Webb County to the Company, Property Owner and/or Business and all ad-valorem taxes previously abated by virtue of the ad-valorem tax abatement agreement will become due and payable by to Webb County by the Company, Property owner and/or business no later than sixty (60) days after termination of the agreement. County shall give Company written notice of recapture under this provision and refund of all ad-valorem taxes abated shall be paid by Owner to County no later than thirty (30) days after such notice of default is given and/or sixty (60) days after termination, whichever comes last. County shall have all available remedies for the collection of the recaptured tax revenue as provided generally in the Texas Tax Code, the tax abatement agreement, and/or the tax abatement policy guidelines and criteria for collection of delinquent property taxes. Webb County, at its sole discretion, has the option to provide a payback schedule in the alternative.

**6.5 Taxation.** Throughout the Ad-Valorem Tax Abatement Agreement Term, the Company shall be subject to all applicable ad-valorem and/or personal property taxation.

**6.6 Reports.** Company shall provide such report(s) as determined necessary by Webb County, and/or W.C.A.D. to document and ensure compliance with the terms of the Ad-Valorem Tax

Abatement Agreement. Such reports shall be submitted to the W.C.A.D., Webb County Budget Officers, the Webb County Economic Development Department and/or another designee of Webb County in the format provided by Webb County. Webb County will have the right to monitor and audit findings in all reports as necessary to confirm compliance with the terms of this Ad-Valorem Tax Abatement Policy, Guidelines and Criteria and/or the Ad-Valorem Tax Abatement Agreement. Owner and/or Company will certify the authenticity and accuracy of each report submitted under the Agreement.

**6.7 Reinvestment Zone - Abatement Agreements.** Under Section 381.004(g), TEXAS LOCAL GOVERNMENT CODE, the Commissioners Court is authorized to develop and administer an economic development program utilizing tax abatement agreements with certain terms which are to be governed, to the extent practicable, by Sections 312.204, 312.205 and 312.211 of the TEXAS TAX CODE; also, in administering the tax abatement(s) the Commissioners Court is authorized to act as if it were a governing body of a municipality. Pursuant to that provision, the Commissioners Court will, when practicable and allowed by law, designate a Reinvestment Zone pursuant to Section 312.201, TEXAS TAX CODE, or will utilize a Reinvestment Zone created by another authorized taxing entity. Where designation of a Reinvestment Zone is determined not to be practicable, the Commissioners Court will review and evaluate the Property being proposed for development utilizing the criteria set forth for establishing a Reinvestment Zone under Chapter 312, TAX CODE, to determine that the Property does substantially meet the guidelines and criteria for establishing said Reinvestment Zone and may at its' sole discretion nevertheless grant a Tax Abatement to the Owner of the Property without the designation of the property as a Reinvestment Zone on a case by case basis and by written agreement of the parties.

**6.8** In the event that the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion, or other casualty or accident or natural disaster for a period of one year during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year(s) during which the facility no longer produces. The taxes otherwise abated for that calendar year and/or current and/or prior year(s) shall be paid to Webb County and/or the affected jurisdiction and other taxing agencies within sixty (60) days from the date of termination as set forth in Section 6.3 herein-above.

## **SECTION 7: ADMINISTRATION**

**7.1** Each year, the company, property owner, applicant, business and/or individual receiving an ad-valorem tax abatement shall furnish the Webb County Budget Officers and/or Webb County's designee and the Chief Appraiser of the Webb County Appraisal District with such information as may be necessary to verify their qualification for the tax abatement year requested to be abated. The W.C.A.D. Chief Appraiser will annually determine the assessment of the real and personal property comprising the reinvestment zone and notify the Webb County Budget Officers, and/or Webb County's designee and the affected local taxing jurisdictions of the amount of the assessment.

**7.2** Upon completion of construction, Webb County shall annually evaluate each facility receiving a tax abatement to insure compliance with the agreement.

## **SECTION 8: ASSIGNMENT**

The Ad-Valorem Tax Abatement Agreement approved by hereunder may be transferred and assigned by the current holder, company, property owner, individual, and/or business to a new owner or lessee of the same property, project and/or facility subject to an ad-valorem tax abatement upon the approval by resolution of the Webb County Commissioners Court, subject to the financial capacity of the assignee, and provided all conditions and obligations in the tax abatement agreement are guaranteed to be complied with by the assignee by the execution of a new contractual agreement with the County of Webb. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to the County of Webb or any affected jurisdiction or other taxing entity or agency for outstanding ad-valorem and/or personal property taxes or other obligations. Approval shall not be unreasonably withheld.

## **SECTION 9: SUNSET PROVISION**

The Policy Guidelines, Criteria and Methodology governing tax abatements are effective for two years from the date adopted. During that period, the "Policy Guidelines, Criteria and Methodology Governing Ad-Valorem Tax Abatements" may be amended or repealed only by a vote of three-fourths of the members of the Commissioners Court.

## **SECTION 10: LEGAL NOTICE TO POTENTIAL APPLICANTS**

The adoption of these tax abatement policy guidelines, criteria and/or methodology by the County does not and shall not;

**10.1** Limit the discretion of the County to decide whether to enter into a specific ad-valorem tax abatement agreement;

**10.2** Limit the discretion of the County to delegate to any of its employees the authority to determine whether or not the County should consider a particular application or request for tax abatement; or

**10.3** Create any property, contract, or other legal rights in any person to have the County consider or grant a specific application or request for tax abatement; or

**10.4** Waive or relinquish any immunity or defense on behalf of the County, its commissioners, offices, employees and agents as a result of the execution of a tax abatement agreement and/or the performance of the functions and obligations described herein.

**Attachment 17**

***Signature and Certification Page signed and dated by Authorized School District Representative and Authorized Company Representative (applicant).***

Please see attached.

**SECTION 16: Authorized Signatures and Applicant Certification**

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**.

**NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

**1. Authorized School District Representative Signature**

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

**print  
here** ▶

Heriberto Gonzales

Print Name (Authorized School District Representative)

Superintendent

Title

**sign  
here** ▶

*Heriberto Gonzales*

Signature (Authorized School District Representative)

5/19/2020

Date

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

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

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

**print  
here** ▶

Ken Young

Print Name (Authorized Company Representative (Applicant))

COO of the sole member of the sole member of  
Siete Wind, LLC

Title

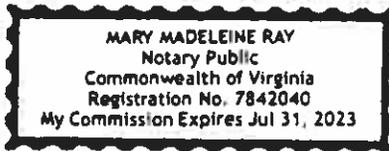
**sign  
here** ▶

*Ken Young*

Signature (Authorized Company Representative (Applicant))

05/14/20

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

14 day of May 2020

*Mary Madeleine Ray*  
Notary Public in and for the Commonwealth of Virginia

My Commission expires: July 31, 2023

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