

UNDERWOOD

FRED STORMER
Phone: 806.379.0306
Fax: 806.379.0316
www.uwlaw.com
Fred.Stormer@uwlaw.com

ADDRESS:
500 S. Taylor Street
Suite 1200, LB 233
Amarillo, TX 79101-2446
MAILING ADDRESS:
P.O. Box 9158
Amarillo, TX 79105-9158

July 16, 2020

John Villarreal
Stephanie Jones
Economic Development and Analysis Division
Texas Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774

Via Email and US Mail

Re: 313 Application – CG Leon County II, LLC

Dear John and Stephanie:

Enclosed please find an application for appraised value limitation on qualified property submitted to Leon ISD by CG Leon County II, LLC for the Pecan Prairie Solar II Project on July 13, 2020, along with the schedules in Excel format. A CD containing these documents is also enclosed.

The Leon ISD Board elected to accept for consideration the application on July 13, 2020. The application was determined to be complete by the District on July 16, 2020. We ask that the Comptroller's Office prepare the economic impact report for this application.

A copy of the application will also be submitted to the Leon County Appraisal District in accordance with 34 Tex. Admin. Code §9.1054. Please feel free to contact me if you have any questions or concerns.

Sincerely,



Fred A. Stormer

Encl.
0DIUSE

cc: Chief Appraiser, Leon County Appraisal District
c/o Caton Fenz, CFO, ConnectGen
Daron Fredrickson, Merit Advisors, LLC
David Rains, Superintendent, Leon ISD

via US Mail
via email: cfenz@connectgenllc.com
via email: dfredrickson@meritadvisor.com

313 Application for the Pecan Prairie Solar II Project

CG Leon County II LLC

Located in Leon County – Leon ISD

Filed on behalf of:



Prepared By:





Tab 1

Pages 1 through 11 of Application

Application for Appraised Value Limitation on Qualified Property

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

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

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

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

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

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

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

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

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

SECTION 1: School District Information

1. Authorized School District Representative

July 13, 2020
 Date Application Received by District

David Rains
 First Name Last Name

Superintendent
 Title

Leon ISD
 School District Name

12168 Hwy 79 West
 Street Address

12168 Hwy 79 West
 Mailing Address

Jewett Texas 75846
 City State ZIP

903-626-1400 n/a
 Phone Number Fax Number

n/a drains@leonisd.net
 Mobile Number (optional) Email Address

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

<u>Fred</u> First Name	<u>Stormer</u> Last Name
<u>Shareholder</u> Title	
<u>Underwood Law Firm</u> Firm Name	
<u>806-379-0306</u> Phone Number	<u>806-379-0316</u> Fax Number
<u>n/a</u> Mobile Number (optional)	<u>fred.stormer@uwlaw.com</u> Email Address

4. On what date did the district determine this application complete? July 16, 2020

5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

<u>Caton</u> First Name	<u>Fenz</u> Last Name
<u>Chief Executive Officer</u> Title	<u>ConnectGen LLC</u> Organization
<u>1001 McKinney Street, Suite 700</u> Street Address	
<u>1001 McKinney Street, Suite 700</u> Mailing Address	
<u>Houston</u> City	<u>Texas</u> State
<u>346-998-2020</u> Phone Number	<u>n/a</u> Fax Number
<u>n/a</u> Mobile Number (optional)	<u>77002</u> ZIP
	<u>cfenz@connectgenllc.com</u> Business Email Address

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

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

<u>Ty</u> First Name	<u>White</u> Last Name
<u>Manager, Project Development</u> Title	<u>ConnectGen LLC</u> Organization
<u>1001 McKinney Street, Suite 700</u> Street Address	
<u>1001 McKinney Street, Suite 700</u> Mailing Address	
<u>Houston</u> City	<u>Texas</u> State
<u>346-998-2020</u> Phone Number	<u>n/a</u> Fax Number
<u>n/a</u> Mobile Number (optional)	<u>77002</u> ZIP
	<u>twhite@connectgenllc.com</u> Business Email Address

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Daron
First Name
Partner
Title
Merit Advisors, LLC
Firm Name
940-665-6452
Phone Number
dfredrickson@meritadvisor.com
Business Email Address

Fredrickson
Last Name
940-612-3921
Fax Number

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? Yes No
The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

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

\$80,000
Payment Amount
ConnectGen LLC
Payor
06/30/2020
Date transaction was processed

Check
Transaction Type
Leon Independent School District
Payee

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

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? CG Leon County II LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32072585626
3. Parent Company Name ConnectGen West LLC
4. Parent Company Tax ID 83-3723867
5. List the NAICS code 221114
6. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No
- 6a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Company
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No
- 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

SECTION 5: Applicant Business Structure (continued)

2b. List the Texas Franchise Tax Reporting Entity Taxpayer Name
CG Leon County II LLC

2c. List the Reporting Entity Taxpayer Number
32072585626

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 Q4 2020
 2. Estimated commencement of construction Q4 2021
 3. Beginning of qualifying time period (MM/DD/YYYY) January 1, 2021
 4. First year of limitation (MM/DD/YYYY) January 1, 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 Q4 2022

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Leon County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Leon County 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>Leon ISD .97 100%</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>Leon ISD .1799 100%</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Leon County .443095 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>n/a</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>n/a</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>n/a</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>ESD #2 .1 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>ESD #2 .1 100%</u> <small>(Name, tax rate and percent of project)</small>

SECTION 10: The Property (continued)

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

County: <u>Abatement, 100%, 2023-2032</u> <small>(Incentive type, percentage, start and end year)</small>	City: <u>n/a</u> <small>(Incentive type, percentage, start and end year)</small>
Hospital District: <u>n/a</u> <small>(Incentive type, percentage, start and end year)</small>	Water District: <u>n/a</u> <small>(Incentive type, percentage, start and end year)</small>
Other (describe): <u>n/a</u> <small>(Incentive type, percentage, start and end year)</small>	Other (describe): <u>n/a</u> <small>(Incentive type, percentage, start and end year)</small>

6. Is the project located entirely within the ISD listed in Section 1? Yes No
- 6a. If no, attach in **Tab 6** maps of the entire project (depicting all other relevant school districts) and additional information on the project scope and size. Please note that only the qualified property within the ISD listed in Section 1 is eligible for the limitation from this application. Please verify that all information in **Tabs 7 and 8**, Section 11, 12 and 13, and map project boundaries pertain to only the property within the ISD listed in Section 1.
7. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
- 7a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

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

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

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000
2. What is the amount of appraised value limitation for which you are applying? 30,000,000
- Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
- a. a specific and detailed description of the qualified investment you propose to make within the project boundary for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? Yes No

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

1. Attach a detailed description of the qualified property. [See §313.021(2)] The description must include:
- 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**);
 - 1c. a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and RZ boundaries (**Tab 11**); and
 - 1d. Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? Yes No
- Note:** Property used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area cannot be considered qualified property and will not be eligible for a limitation. See TAC §9.1051(16).

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

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

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

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

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

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create? 4
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 1,070.50
 - b. Qualifying job wage minimum option §313.021(5)(A)
-110% of the average weekly wage for manufacturing jobs in the county is 2,170.58
 - c. Qualifying job wage minimum option §313.021(5)(B)
-110% of the average weekly wage for manufacturing jobs in the region is 799.26
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? 41,561.30
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 42,000.00
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
9. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No
 - 9a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 - 10a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

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

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

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

Tab 3

Documentation of Combined Group

Texas Comptroller Franchise Tax Form

The entity CG Leon County II LLC was formed on November 13, 2019 as a Delaware limited liability company; it registered to do business in Texas with a filing in the Texas Secretary of State's office on November 19, 2019. Because CG Leon County II LLC was only formed in late-2019, it was not yet on the Texas Franchise Tax Extension Affiliate List for Report Year 2019, attached. CG Leon County II LLC will be listed on Texas Franchise Tax Extension Affiliate List for Report Year 2020.

Texas Franchise Tax Extension Affiliate List

■ Tcode 13298

■ Reporting entity taxpayer number

■ Report year

Reporting entity taxpayer name

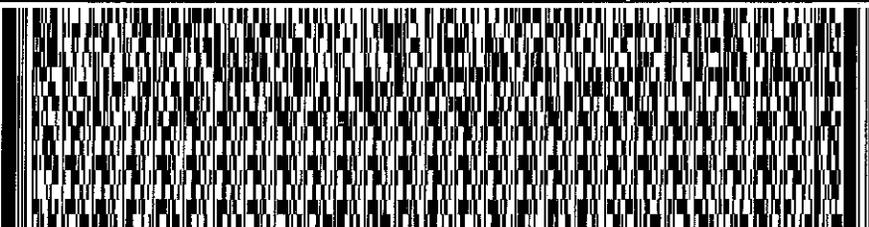
831027017	2019	ConnectGen LLC
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LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	BLACKEN BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. ConnectGen Management LLC	32067693997	■ <input type="checkbox"/>
2. ConnectGen Management Holdings LLC	831106848	■ <input type="checkbox"/>
3. ConnectGen Operating LLC	32067694029	■ <input type="checkbox"/>
4. ConnectGen East LLC	832895525	■ <input checked="" type="checkbox"/>
5. ConnectGen West LLC	32069425109	■ <input type="checkbox"/>
6. Clean Venture Acquisition LLC	833672116	■ <input checked="" type="checkbox"/>
7. Interconnect Energy Storage LLC	831554360	■ <input checked="" type="checkbox"/>
8. ConnectGen Chautauqua County LLC	833679785	■ <input checked="" type="checkbox"/>
9. ConnectGen Erie-Wyoming LLC	833708084	■ <input checked="" type="checkbox"/>
10. ConnectGen Laramie County LLC	833753630	■ <input checked="" type="checkbox"/>
11. ConnectGen Phoenix Valley LLC	833782740	■ <input checked="" type="checkbox"/>
12. ConnectGen Albany County LLC	832350649	■ <input checked="" type="checkbox"/>
13. CG Wharton County LLC	32068946261	■ <input type="checkbox"/>
14. CG Mustang Bayou LLC	32068971541	■ <input type="checkbox"/>
15. Evita Transmission LLC	832703676	■ <input checked="" type="checkbox"/>
16.		■ <input type="checkbox"/>
17.		■ <input type="checkbox"/>
18.		■ <input type="checkbox"/>
19.		■ <input type="checkbox"/>
20.		■ <input type="checkbox"/>
21.		■ <input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Do not file this form when requesting a second extension.

Texas Comptroller Official Use Only



VE/DE	■ <input type="checkbox"/>	FM	■ <input type="checkbox"/>
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Tab 4

Detailed Description of Project

In compliance with the criteria and guidelines set forth in Title 3, Chapter 313 of the Texas Property Tax Code, CG Leon County II LLC requests an appraised value limitation from Leon Independent School District (Leon ISD). CG Leon County II LLC is a special purpose entity formed to develop and commercialize the Pecan Prairie Solar II Project, a utility scale photovoltaic solar energy project in Leon County, Texas and is a wholly owned subsidiary of ConnectGen LLC (ConnectGen). Before the name Pecan Prairie Solar II was chosen, the project was described in some regards as Leon County Solar.

ConnectGen is an independent renewable energy generation and energy storage developer, based in Houston, Texas, focused on developing high quality wind, solar and energy storage projects across North America. ConnectGen is backed by Quantum Energy Partners. Founded in 1998 and also based in Houston, Quantum Energy Partners is a leading provider of private equity capital to the global energy industry, having managed together with its affiliates more than \$16 billion in equity commitments since inception.

CG Leon County II LLC proposes to construct a solar electricity generating facility in southwestern Leon County with a total rated capacity of approximately 350 megawatts-AC on an approximately 1,500-acre parcel entirely within Leon ISD. In addition to the photovoltaic modules, the project would consist of a high-voltage electrical substation, medium-voltage underground electrical collection lines, gravel surface string roads to facilitate construction and maintenance, an on-site maintenance building, and the items described on Tab 7 of this Application. Once built, the project would operate as part of the electric grid supervised by the ERCOT independent system operator.

Once operational, the solar modules, and supporting equipment and infrastructure are long term assets engineered and designed to remain in place and operate for 25 years or more. At the end of the project's useful life, the project would be decommissioned in accordance with landowner agreements and any applicable laws and regulations.

CG Leon County II LLC submitted two interconnection requests to ERCOT on June 13, 2019 for the project. These requests were assigned queue positions 21INR0371 and 21INR0428. The Full Impact Studies for both positions are currently in progress.

Tab 5

Limitation as a Determining Factor

CG Leon County II LLC is a special purpose entity formed to develop and commercialize the Pecan Prairie Solar II Project in Leon County, Texas. CG Leon County II LLC is a wholly owned subsidiary of ConnectGen LLC (ConnectGen). ConnectGen is an independent renewable energy company headquartered in Houston, Texas, focused on the greenfield development of high-quality wind power, solar power and energy storage solutions across North America.

ConnectGen currently is developing renewable energy projects in ten states, including several in Texas, along with Massachusetts, Ohio, New York, Illinois, Wyoming, Arizona, Nevada, Washington, and California. ConnectGen continually evaluates its portfolio of potential renewable energy project opportunities based on the quality of the energy resource, other development factors, competitiveness in the market, and overall economic viability, and directs capital and resources to those opportunities with the strongest potential return on investment.

Based on ConnectGen's preliminary investment and investigations, the Pecan Prairie Solar II Project appears to have a high quality energy resource and other development factors that would make it a potentially attractive project for further investment, and ConnectGen is excited about the potential opportunity to make this significant investment in Texas and in Leon County.

The Texas power market is highly competitive, however, and renewable energy projects that do not secure approval of Chapter 313 Appraised Value Limitation Agreements to manage long term property tax obligations cannot compete against projects located in other counties in Texas that have secured these agreements. Without this incentive, the Pecan Prairie Solar II Project would not be competitive in securing the long-term renewable power purchase agreement that is required to attract third-party financing and make the project economically viable, and ConnectGen would be forced to redirect investment to other opportunities.

In addition to competing against other projects in Texas, the Pecan Prairie Solar II Project also must compete with ConnectGen's own project opportunities in other jurisdictions around the country that do offer incentives to help projects manage their long-term property tax obligations. Without a Chapter 313 Appraised Value Limitation Agreement, the Pecan Prairie Solar II Project would offer inferior return on investment to these alternatives, and ConnectGen would be forced to redirect capital and resources to other projects outside of Texas.

With regards to Section 8, Question 4 in the Application, ConnectGen has made public statements regarding its intentions for the proposed project on the website www.pecanprairiesolar.com. With the goal of being transparent about its potential investment in Leon County, ConnectGen created this website to inform the community about the scope and nature of the proposed Pecan Prairie Solar II Project. ConnectGen's approach to development emphasizes collaborative



engagement with landowners and host communities, and the company endeavors to accomplish this in part by creating websites for all proposed projects. Public statements on the website about project details do not represent a commitment to build this Project, and feasibility remains dependent on receiving tax incentives under Chapter 313 of the Texas Tax Code. Similarly, CG Leon County II LLC has entered into several agreements and contracts related to the proposed Pecan Prairie Solar II Project. For example, a lease agreement with the landowner, ERCOT interconnection study agreements, and several Task Orders with consultants related to development activities, such as completing wildlife surveys. No agreement or contract requires that the Pecan Prairie Solar II Project be built, and therefore construction remains contingent on receiving tax incentives including a Chapter 313 Appraised Value Limitation Agreement.

Tab 6

CG Leon County II LLC is located 100% within Leon Independent School District in Leon County,
Texas

Tab 7

Description of Qualified Investment

In compliance with the criteria and guidelines set forth in Title 3, Chapter 313 of the Texas Property Tax Code, CG Leon County II LLC requests an appraised value limitation from Leon ISD. CG Leon County II LLC is proposing to construct a solar electric generating facility in Leon County. The facility, which will encompass approximately 1,500 acres, will be located in the southwestern portion of the county. Additionally, the entirety of the project will be within Leon ISD, the Leon County Reinvestment Zone, and Leon County.

CG Leon County II LLC's qualified investment is expected to consist of the following components:

- Solar Modules & Panels
- Racking & Mounting Structures
- Inverter Boxes
- Combiner Boxes
- Meteorological Equipment
- Foundations
- Maintenance Building
- Roadways, Paving, & Fencing
- Electrical Substations
- Interconnection Facilities
- Collection Lines
- Tracking Systems
- A transmission line to connect the project's collector substation to the grid at the point of interconnection
- Fences and Security Gates

Tab 8

Description of Qualified Property

In compliance with the criteria and guidelines set forth in Title 3, Chapter 313 of the Texas Property Tax Code, CG Leon County II LLC requests an appraised value limitation from Leon ISD. CG Leon County II LLC is proposing to construct a solar electric generating facility in Leon County. The facility, which will encompass approximately 1,500 acres, will be located in the southwestern portion of the county. Additionally, the entirety of the project will be within Leon ISD, the Leon County Reinvestment Zone, and Leon County.

CG Leon County II LLC's qualified investment is expected to consist of the following components:

- Solar Modules & Panels
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- Meteorological Equipment
- Foundations
- Maintenance Building
- Roadways, Paving, & Fencing
- Electrical Substations
- Interconnection Facilities
- Collection Lines
- Tracking Systems
- A transmission line to connect the project's collector substation to the grid at the point of interconnection
- Fences and Security Gates

Tab 9

Description of Land

Land not considered part of qualified property or investment

Tab 10

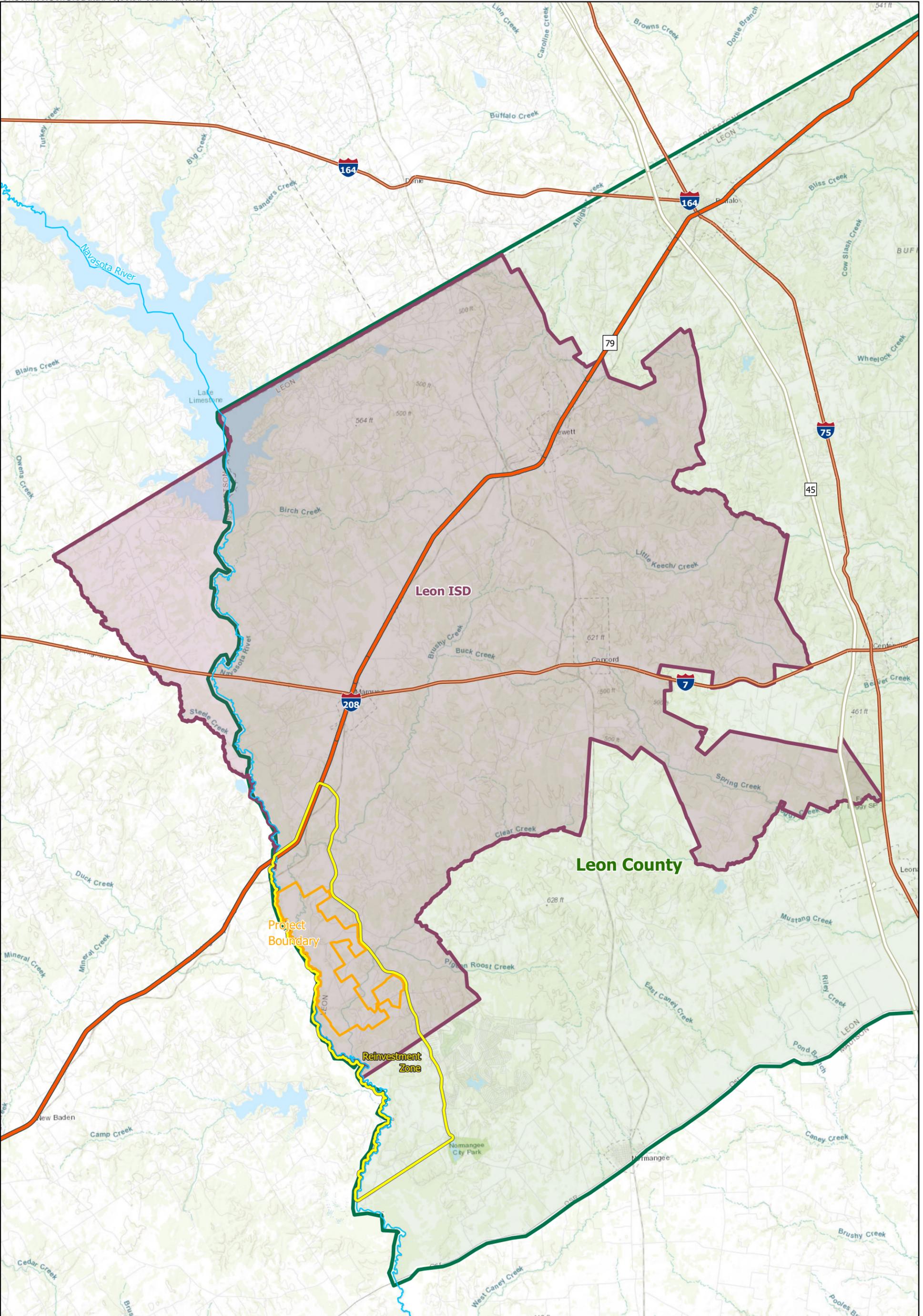
Description of Existing Improvements

There are no existing improvements related to the project at the proposed site.

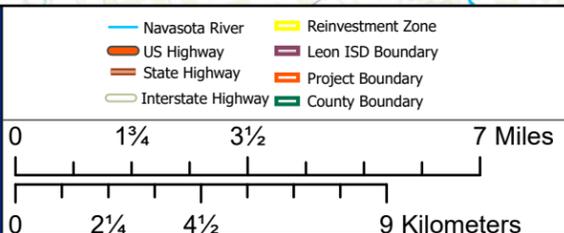
Tab 11

Maps

See Attached Pages

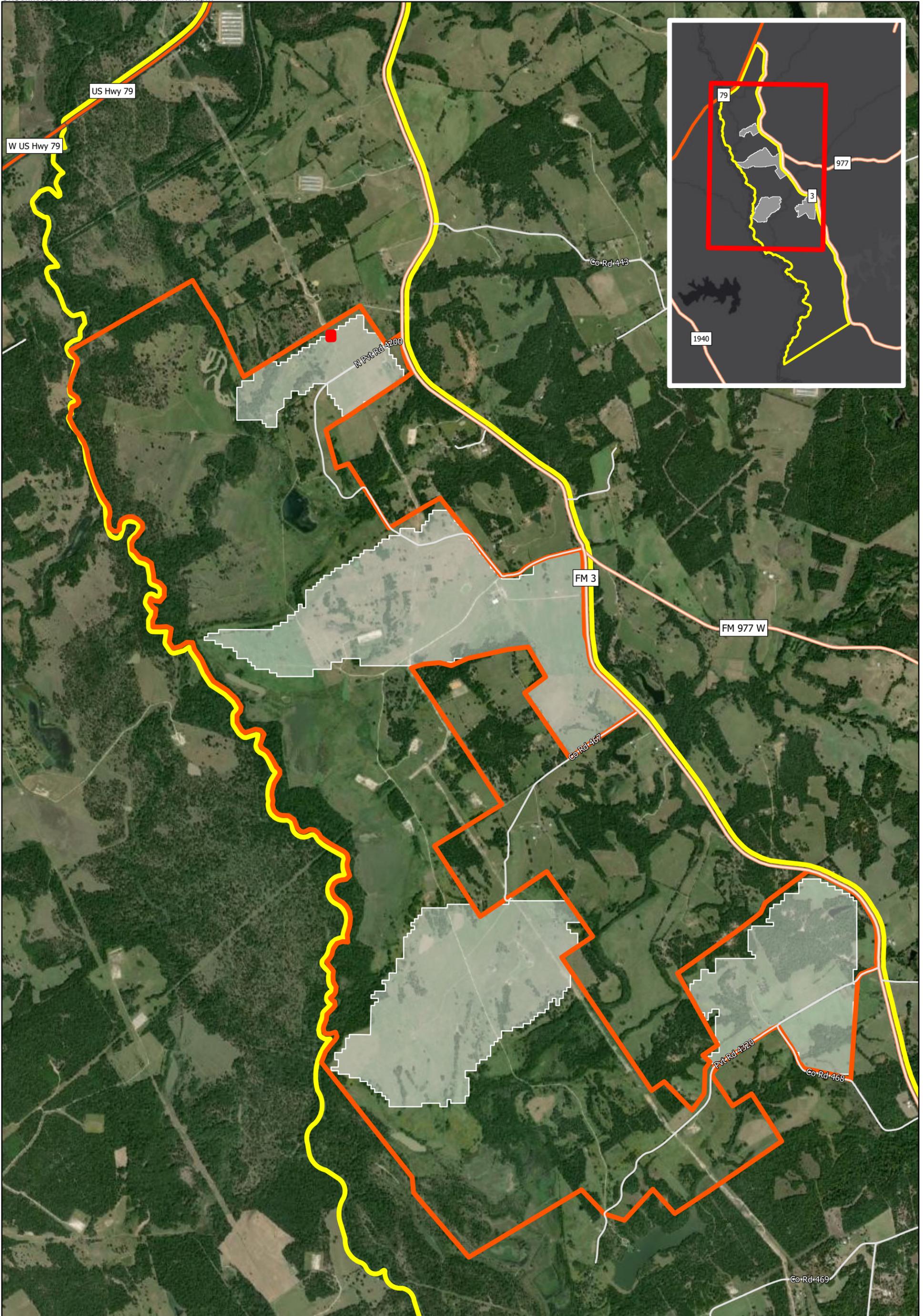


CG Leon County II LLC
 Reinvestment Zone within
 Leon ISD



Reference Scale: 1:175,000
 7/16/2020
 PCS: NAD 1983 UTM Zone 14N

NOTE: This is not a legal survey instrument. All measurements and boundaries depicted are approximations and pend final surveys and title research.



CG Leon County II LLC
 Conceptual Schematic

Reinvestment Zone	Project Substation and Maintenance Building	Other
Project Boundary	Solar Module Siting Areas (white)	State Highway
		Interstate Highway
		Local Road

0 ¼ ½ 1 Miles

0 ¼ ½ 1 Kilometers

Scale: 1:27,500
 Date: 7/15/2020
 PCS: NAD 1983 UTM Zone 14N

ConnectGEN

NOTE: This is not a legal survey instrument. All measurements and boundaries depicted are approximations and pend final surveys and title research.

Tab 12

Request for Waiver

Please see the following letter



July 13, 2020

David Rains
12168 Hwy 79 West
Jewett, TX 75846

Superintendent Rains,

ConnectGen, LLC and its wholly owned subsidiary, CG Leon County II LLC is requesting that Leon ISD's Board of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the Texas Tax Code. We are requesting this waiver based on the findings that the job creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

CG Leon County II LLC requests that Leon ISD make such a finding and waive the job creation requirement under Section 313.025(f-1) of the Texas Tax Code. CG Leon County II LLC will commit to creating 4 qualified jobs in the school district which currently meets the industry standards for job requirements for maintenance and operation of a facility of this capacity (350 MW). In ConnectGen's experience, the industry standard is 1 worker per 115MW-DC in this region of Texas.

Solar projects like what ConnectGen is proposing in Leon County create many full and part-time jobs. This is especially true during the construction phase. ConnectGen estimates that at peak construction there will be at least 175 jobs, paying \$22.00/hour on this project. Once construction is completed however, solar facilities only require a small number of employees to operate and maintain the facility. In addition, other solar developers have requested and received job waivers on previously certified limitation applications of similar size and scope.

The permanent employees that will be part of this project have a multitude of responsibilities and include but are not limited to the following: maintain and service the photovoltaic panels and inverters, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the facility. In addition, various advances in technology allow CG Leon County II LLC to employ professionals (i.e. managers, technicians and/or engineers) who can support the facility remotely.

Siting the CG Leon County II LLC project in Leon ISD will result in significant economic development benefits for the county and school district. ConnectGen, LLC looks forward to partnering with Leon ISD and the local community to help make a positive and lasting impact in the community.

If you have any questions, please call 940-665-6452 or email dfredrickson@meritadvisor.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Daron Fredrickson", written over a light blue horizontal line.

Daron Fredrickson, SPTC
Partner, EVP Business Development



Tab 13

Calculation of three possible wage requirements

All Industries & Manufacturing

Year	Period	Area	Ownership	Industry Code	Industry	Average Employment	Average Weekly Wage
2019	01	Leon	Total All	10	Total, All Industries	4,985	1,105
2019	02	Leon	Total All	10	Total, All Industries	5,019	1,018
2019	03	Leon	Total All	10	Total, All Industries	5,072	1,029
2019	04	Leon	Total All	10	Total, All Industries	5,068	1,130
						Average	\$1,070.50
						110% AWW	\$1,177.55
2019	01	Leon	Private	31-33	Manufacturing	840	2,422
2019	02	Leon	Private	31-33	Manufacturing	841	1,739
2019	03	Leon	Private	31-33	Manufacturing	840	1,704
2019	04	Leon	Private	31-33	Manufacturing	851	2,028
						Average	\$1,973.25
						110% AWW	\$2,170.58

Regional Manufacturing Wage - Brazos Valley Council of Governments

2018 Average Manufacturing Wage (See Following Attachment for Support)

Hourly	Annually	110% of Annual	Weekly (Annual/52)	110% of Weekly
\$18.16	\$37,783	\$41,561.30	\$726.60	\$799.26

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

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

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

Data published: July 2019

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

Annual wage figure assumes a 40-hour work week.

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

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

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



Tab 14

Schedules A1, A2, B, C & D

Please see attached

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

Date 7/13/2020
Applicant Name CG Leon County II LLC
ISD Name Leon ISD

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 tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district				Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2020	\$0	\$0	\$0	\$0	\$0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period			2021	\$0	\$0	\$0	\$0	\$0
			2022	\$170,500,000	\$0	\$0	\$0	\$170,500,000
Complete tax years of qualifying time period	QTP1	2021-2022	2021	\$170,500,000	\$0	\$0	\$0	\$170,500,000
	QTP2	2022-2023	2022	\$170,500,000	\$0	\$0	\$0	\$170,500,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$341,000,000	\$0	\$0	\$0	\$341,000,000
Total Qualified Investment (sum of green cells)				\$341,000,000	Enter amounts from TOTAL row above in Schedule A2			

For All Columns: List amount invested each year, not cumulative totals.

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

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

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

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

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

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

Date 7/13/2020
 Applicant Name CG Leon County II LLC
 ISD Name Leon ISD

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 tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		\$341,000,000	\$0	\$0	\$0	\$341,000,000
Enter amounts from TOTAL row in Schedule A1 in the row below								
Qualifying Time Period	1	2021-2022	2021	\$170,500,000	\$0	\$0	\$0	\$170,500,000
Qualifying Time Period	2	2022-2023	2022	\$170,500,000	\$0	\$0	\$0	\$170,500,000
Value limitation period***	1	2023-2024	2023	\$0	\$0	\$0	\$0	\$0
	2	2024-2025	2024	\$0	\$0	\$0	\$0	\$0
	3	2025 - 2026	2025	\$0	\$0	\$0	\$0	\$0
	4	2026 - 2027	2026	\$0	\$0	\$0	\$0	\$0
	5	2027 - 2028	2027	\$0	\$0	\$0	\$0	\$0
	6	2028 - 2029	2028	\$0	\$0	\$0	\$0	\$0
	7	2029 - 2030	2029	\$0	\$0	\$0	\$0	\$0
	8	2030 - 2031	2030	\$0	\$0	\$0	\$0	\$0
	9	2031-2032	2031	\$0	\$0	\$0	\$0	\$0
	10	2032-2033	2032	\$0	\$0	\$0	\$0	\$0
Total Investment made through limitation				\$341,000,000	\$0	\$0	\$0	\$341,000,000
Continue to maintain viable presence	11	2033 - 2034	2033			\$0		\$0
	12	2034 - 2035	2034			\$0		\$0
	13	2035 - 2036	2035			\$0		\$0
	14	2036 - 2037	2036			\$0		\$0
	15	2037 - 2038	2037			\$0		\$0
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2038 - 2039	2038			\$0		\$0
	17	2039 - 2040	2039			\$0		\$0
	18	2040 - 2041	2040			\$0		\$0
	19	2041 - 2042	2041			\$0		\$0
	20	2042 - 2043	2042			\$0		\$0
	21	2043 - 2044	2043			\$0		\$0
	22	2044 - 2045	2044			\$0		\$0
	23	2045 - 2046	2045			\$0		\$0
	24	2046-2047	2046			\$0		\$0
	25	2047-2048	2047			\$0		\$0

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

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

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

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

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

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

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

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

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

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

Date 7/13/2020
 Applicant Name CG Leon County II LLC
 ISD Name Leon ISD

Form 50-296A
 Revised February 2020

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Year before qualifying time period	0	2020-2021	2020	\$0	\$0	\$0	\$0	\$0	\$0
Qualifying Time Period	1	2021-2022	2021	\$0	\$0	\$0	\$0	\$0	\$0
Qualifying Time Period	2	2022-2023	2022	\$0	\$0	\$170,500,000	\$170,500,000	\$170,500,000	\$170,500,000
Value Limitation Period	1	2023 - 2024	2023	\$0	\$0	\$317,471,000	\$317,471,000	\$317,471,000	\$30,000,000
	2	2024 - 2025	2024	\$0	\$0	\$292,032,400	\$292,032,400	\$292,032,400	\$30,000,000
	3	2025 - 2026	2025	\$0	\$0	\$264,581,900	\$264,581,900	\$264,581,900	\$30,000,000
	4	2026 - 2027	2026	\$0	\$0	\$234,914,900	\$234,914,900	\$234,914,900	\$30,000,000
	5	2027 - 2028	2027	\$0	\$0	\$202,895,000	\$202,895,000	\$202,895,000	\$30,000,000
	6	2028 - 2029	2028	\$0	\$0	\$168,317,600	\$168,317,600	\$168,317,600	\$30,000,000
	7	2029 - 2030	2029	\$0	\$0	\$130,978,100	\$130,978,100	\$130,978,100	\$30,000,000
	8	2030 - 2031	2030	\$0	\$0	\$90,637,800	\$90,637,800	\$90,637,800	\$30,000,000
	9	2031-2032	2031	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$30,000,000
	10	2032 - 2033	2032	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$30,000,000
Continue to maintain viable presence	11	2033 - 2034	2033	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	12	2034 - 2035	2034	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	13	2035 - 2036	2035	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	14	2036 - 2037	2036	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	15	2037 - 2038	2037	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2038 - 2039	2038	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	17	2039 - 2040	2039	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	18	2040 - 2041	2040	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	19	2041 - 2042	2041	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	20	2042 - 2043	2042	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	21	2043 - 2044	2043	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	22	2044 - 2045	2044	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	23	2045 - 2046	2045	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	24	2046 - 2047	2046	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000
	25	2047 - 2048	2047	\$0	\$0	\$68,200,000	\$68,200,000	\$68,200,000	\$68,200,000

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 7/13/2020
Applicant Name CG Leon County II LLC
ISD Name Leon ISD

Form 50-296A
 Revised February 2020

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A Number of Construction FTE's	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Annual wage of new qualifying jobs
Year before qualifying time period	0	2020-2021	2020	0	0	0	0	0
Qualifying Time Period	1	2021-2022	2021	175	\$45,760	0	0	\$0
Qualifying Time Period	2	2022 - 2023	2022	175	\$45,760	0	0	\$0
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2023 - 2024	2023	0	\$0	0	4	\$42,000
	2	2024 - 2025	2024	0	\$0	0	4	\$42,000
	3	2025 - 2026	2025	0	\$0	0	4	\$42,000
	4	2026 - 2027	2026	0	\$0	0	4	\$42,000
	5	2027 - 2028	2027	0	\$0	0	4	\$42,000
	6	2028 - 2029	2028	0	\$0	0	4	\$42,000
	7	2029 - 2030	2029	0	\$0	0	4	\$42,000
	8	2030 - 2031	2030	0	\$0	0	4	\$42,000
	9	2031-2032	2031	0	\$0	0	4	\$42,000
	10	2032-2033	2032	0	\$0	0	4	\$42,000
Years Following Value Limitation Period	11 through 25	2033 - 2048	2033 - 2047	0	\$0	0	4	\$42,000

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

Tab 15

Economic Impact Analysis

Not applicable

Tab 16

Description of Reinvestment Zone

On February 26, 2020, the Leon County Commissioners Court adopted *Guidelines and Criteria for Granting Tax Abatement in Reinvestment Zones Created in the Jurisdiction of Leon County, Texas*, included in this application for reference.

The reinvestment zone is described as follows: The reinvestment zone shall be all those lands lying east of the Navasota river, west of FM 3, south of US Highway 79, and north of the southern boundary of the JM Viesca Survey Abstract 30. By Resolution dated July 13, 2020, the Leon County Commissioners Court designated this area as a Reinvestment Zone.

A map of the reinvestment zone can be found in Tab 11.

NOW, THEREFORE, BE IT ORDERED, by the Commissioners Court of Leon County, that

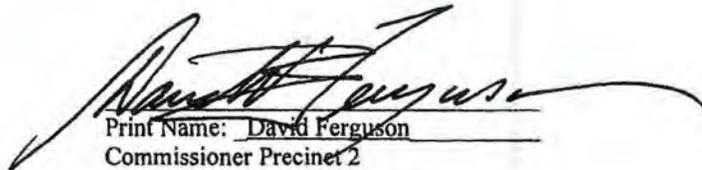
The County hereby designates the property located in Leon County, Texas having the property description in Exhibit A attached to this Order, as a Reinvestment Zone under the Leon County Abatement Guidelines and Criteria, having determined that (a) the property described on Exhibit A meets the criteria established in the Leon County Abatement Guidelines and Criteria, (b) the designation of such Reinvestment Zone would contribute to the retention or expansion of primary employment or would attract major investment in the Reinvestment Zone that would be of benefit to the property described on Exhibit A would contribute to the economic development of the County.

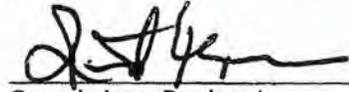
The foregoing Resolution was lawfully moved by David Grimes, duly seconded by Dean Stanford and duly adopted by the Leon County Commissioner's Court, the 13th day of July 2020.


Print Name: Byron Ryder
Leon County Judge

Print Name: Joey Sullivan
Commissioner Precinct 1


Commissioner Precinct 3
Print Name: Dean Stanford


Print Name: David Ferguson
Commissioner Precinct 2


Commissioner Precinct 4
Print Name: David Grimes

ATTEST:

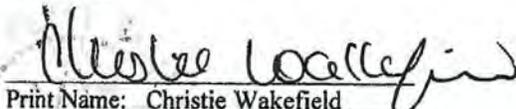

Print Name: Christie Wakefield
Leon County Clerk

Exhibit A
REINVESTMENT ZONE

The reinvestment zone shall be all those lands lying east of the Navasota river, west of FM 3, south of US Highway 79, and north of the southern boundary of the JM Viesca Survey Abstract 30.

**RESOLUTION ELECTING TO BECOME ELIGIBLE TO PARTICIPATE IN TAX
ABATEMENT AND ORDER ADOPTING GUIDELINES AND CRITERIA
FOR GRANTING PROPERTY TAX ABATEMENTS
IN THE JURISDICTION OF LEON COUNTY, TEXAS**

STATE OF TEXAS }
 }
COUNTY OF LEON }

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

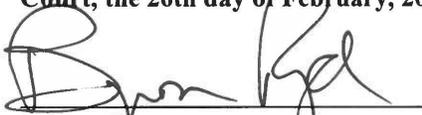
WHEREAS, the Act further requires that in order to become eligible to participate in tax abatement, a county or other taxing unit must adopt a resolution stating its election to do so and adopt guidelines and criteria for property tax abatement agreements; and,

WHEREAS Leon County desires to affirm its eligibility to participate in tax abatement; and,

WHEREAS, the Commissioners Court of Leon County desires to adopt Guidelines and Criteria for Property Tax Abatement.

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

The foregoing Resolution was lawfully moved by Dean Stanford, duly seconded by David Grimes, and duly adopted by the Leon County Commissioner's Court, the 26th day of February, 2020.

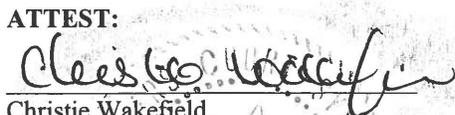

Byron Ryder
County Judge


Joey Sullivan
Leon County Commissioner Pct 1


David Ferguson
Leon County Commissioner Pct 2


Dean Stanford
Leon County Commissioner Pct 3


David Grimes
Leon County Commissioner Pct 4

ATTEST:

Christie Wakefield
Leon County Clerk

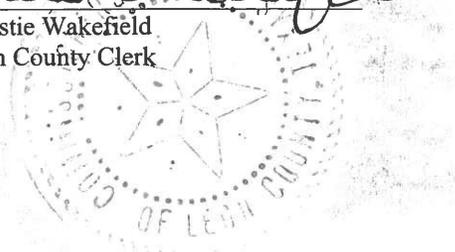


Exhibit A

Guidelines and Criteria

10

EXHIBIT A

**GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN REINVESTMENT ZONES CREATED
IN THE JURISDICTION OF
LEON COUNTY, TEXAS**

STATE OF TEXAS }
 }
COUNTY OF Leon }

WHEREAS, the creation and retention of job opportunities that bring new wealth is one of the highest civic priorities; and,

WHEREAS, new jobs and investments will benefit the area economy, provide needed opportunities, strengthen the real estate market, and generate tax revenue to support local services; and,

WHEREAS, Leon County (the "County") must compete with other localities across the nation currently offering tax inducements to attract new and modernization projects; and,

WHEREAS, any tax incentives offered in The County would reduce needed tax revenue unless these tax incentives are strictly limited in application to those new and existing industries that bring new wealth to the community; and,

WHEREAS, the abatement of property taxes, when offered to attract primary jobs or investments in industries that bring in money from outside a community instead of merely recirculating dollars within a community, has been shown to be an effective method of enhancing and diversifying an area's economy; and,

WHEREAS, Texas law requires any eligible taxing jurisdiction to establish guidelines and criteria as to eligibility for tax abatement agreements prior to the granting of any future tax abatement, which guidelines and criteria are to remain unchanged for a two-year period unless amended by minimum votes, as provided by said state law; and,

WHEREAS, these guidelines and criteria shall not be construed as implying or suggesting that the County, or any other taxing jurisdiction, is under any obligation to provide tax abatement or other incentives to any applicant, and all applicants shall be considered on a case-by-case basis; and,

WHEREAS, these guidelines and criteria are approved for circulation to all affected taxing jurisdictions for consideration as a common policy for all jurisdictions that choose to participate in tax abatement agreements; and

WHEREAS, the Commissioners Court of Leon County, Texas (the "Commissioners Court") has approved and authorized these guidelines and criteria;

NOW THEREFORE BE IT RESOLVED THAT, said guidelines and criteria are as follows:

Sec. 1. Definitions

- A. "Abatement" means the full or partial exemption from ad valorem taxes of certain real property, and certain personal property, in a reinvestment zone designated by the County for economic development purposes.
- B. "Affected jurisdiction" or "taxing entity" means the County of Leon, and any other taxing jurisdiction with any substantial parts of its area located in The County; and that levies ad valorem taxes and provides services to property located in said County; and that chooses to participate in Tax Abatement Agreements by, or pursuant to, these guidelines.
- C. "Agreement" or "Tax Abatement Agreement" means a contractual agreement between a property owner or lessee, or both, and an affected jurisdiction for the purposes of Abatement.

- D. “Base year value” means the assessed value of eligible property January 1 preceding the execution of the agreement, plus the agreed-upon value of eligible property improvements made after January 1 but before the execution of the agreement.
- E. “Deferred maintenance” means improvements necessary for continued operations that do not improve productivity or alter the process technology.
- F. “Distribution Center Facility” means permanent buildings and structures, including fixed machinery and equipment, used or to be used, primarily to receive, store, service, or distribute goods or materials owned by the facility operator.
- G. “Expansion” means the addition of permanent building and structures, fixed machinery and equipment for purposes of increasing production capacity.
- H. “Facility” means property improvements completed or in the process of construction that together comprise an integral whole.
- I. “Manufacturing Facility” means permanent buildings and structures, including fixed 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.
- J. “Modernization” means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of permanent buildings and structures, alteration, or installation of permanent buildings and structures, fixed machinery and equipment. Modernization shall include improvements for the purposes of increasing productivity or updating the technology of machinery or equipment or both.
- K. “Natural Gas Energy Resource” means a resource which produces energy derived from natural gas energy technologies.
- L. “New Facility” means a property previously undeveloped that is placed into service by means other than by, or in conjunction with, expansion or modernization.
- M. “Other basic industry” means permanent buildings and structures, including fixed machinery and equipment not elsewhere described, used or to be used, for the production of products or services that primarily serve a market that result in the creation of new permanent jobs, and that bring in new wealth.
- N. “Productive life” means the number of years a property improvement is expected to be in service in a facility.
- O. “Regional entertainment facility” means permanent buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment through the admission of the general public.
- P. “Research facility” means permanent buildings and structures, including fixed machinery and equipment, used or to be used primarily for the research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- Q. “Regional service facility” means permanent buildings and structures, including fixed machinery and equipment, used or to be used, to service goods.
- R. “Renewable Energy Resource” means a resource which produces energy derived from renewable energy technologies, as defined in PUC Substantive Rule 25.5.

Sec. 2. Criteria for Abatement and Designation a Reinvestment Zone.

- A. Authorized facility. A facility may be eligible for Abatement if it is a manufacturing facility, natural gas energy resource, research facility, distribution center or regional service facility, regional entertainment facility, renewable energy resource, or other basic industry.
- B. Creation of new value. Abatement may be granted only for the additional value of eligible property improvements made subsequent to, and specified in, a Tax Abatement Agreement between the County and the property owner or lessee, subject to such limitation as the County may require.
- C. New and existing facilities. Abatement may be for new facilities and improvements to existing facilities purposes of modernization or expansion.
- D. Eligible property. Abatement may be extended to the value of permanent buildings and structures, fixed machinery and equipment, and certain other personal property, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility.
- E. Ineligible property. The following types of property shall be fully taxable and ineligible for Abatement: land; inventories; supplies; housing; hotel accommodations; deferred maintenance investments; property owned or used by the State of Texas or its political subdivision or by any organization owned, operated, or directed by a political subdivision of the State of Texas.
- F. Value and term of Abatement. A Tax Abatement Agreement granted by the County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100% of the ad valorem property taxes assessed.
- G. Economic qualification. In order to be eligible to receive Abatement the planned improvement:
 - 1. Must be reasonably expected to have an increase in positive net benefit to the County of at least \$100,000 in the case of new businesses and \$50,000 in the case of existing businesses over the life of the Tax Abatement Agreement (such amounts computed to include, but not limited to, new payroll and new capital investment);
 - 2. must be expected to prevent the loss of employment, retain employment, or create employment on a permanent basis; and
 - 3. must not be expected to solely or primarily have the effect of transferring employment from one part of the County to another.
- H. Existing business. Recognizing the importance of improvements to the community of those existing businesses that modernize or expand over and above normal repair and upkeep, such existing businesses may be granted an Abatement in an amount and for a period of time determined by the County in its discretion based on the value added by the improvements.
- I. Taxability. From the execution of the Tax Abatement Agreement to the end of the Tax Abatement Agreement period taxes shall be assessed as follows:
 - 1. the value of ineligible property as provided in Section 2E shall be fully taxable; and,
 - 2. the base year value of existing eligible property shall be fully taxable;
 - 3. ad valorem property taxes on the additional value of new eligible property shall be abated during the term of and in the manner provided in the Tax Abatement Agreement; and
 - 4. the additional value of new eligible property shall be fully taxable at the end of the Abatement period.

Sec. 3. Application and Hearing

- A. Any present or potential owner of taxable property in the jurisdiction of the taxing entities of the County of Leon, Texas may request tax abatement by filing a written request with the Commissioners Court.
- B. The application shall consist of a completed application form accompanied by:
 - 1. a general description of the proposed use and the general nature and extent of the modernization, expansion, or new improvements to be undertaken;
 - 2. a descriptive list of the improvements that will be a part of the facility; a map and property description; and
 - 3. a time schedule for undertaking and completing the planned improvements.

In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property shall be given for the tax year immediately preceding the application. The application form may require any financial and other information that may be appropriate for evaluating the financial capacity of the applicant and any other factors.

- C. After receipt of an application, the Commissioners Court shall determine within forty-five (45) days how to proceed with the application. Within this time frame the Commissioners Court shall choose to deny the application, consider the application, or consider the application on an expedited basis.
- D. Consideration of Application.
 - 1. The Commissioners Court will consider the application at a meeting duly convened under the Texas Open Meetings Act. Additional information may be requested as needed.
 - 2. The Commissioners Court may consider an order calling a public hearing to consider the establishment of a reinvestment zone if needed. A public hearing requiring the designation of a reinvestment zone shall be called in the manner required by Texas Tax Code § 312.401 and § 312.201. At least thirty (7) days prior to the hearing, the County shall send written notice to the presiding officers of all taxing units with jurisdiction over the property for which abatement is sought and publish notice of the hearing time, place, and subject in the local newspaper.
 - 3. The Commissioners Court may hold the public hearing and determine whether the project is “feasible and practical and whether it would be of benefit for the land to be included in the zone”.
 - 4. The Commissioners Court may consider adoption of an order approving the items and conditions of an abatement agreement between the County and the applicant.
 - 5. The Commissioners Court may consider ratification of and participation in a tax abatement agreement between Leon County and the applicant. As required by Texas Tax Code § 312.402 and § 312.2041, at least seven (7) days prior to entering into a tax abatement agreement, the Commissioners Court shall give written notice of its intent to do so to the presiding officers of all taxing units with jurisdiction over the property for which the abatement is sought along with a copy of the proposed tax abatement agreement.
- E. Expedited Consideration of Application. If the County determines that the application should receive expedited consideration, then the County Judge shall schedule an opportunity to obtain public input on

the application at the Commissioners Court's next meeting. At least thirty (30) days prior to the meeting, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place and subject in the local newspaper. Also, at this time, the County must give written notice of its intent to enter into a tax abatement agreement to the presiding officers of all taxing units with jurisdiction over the property for which the abatement is sought, along with a copy of the proposed tax abatement agreement. During the Commissioners Court meeting, the Commissioners Court shall evaluate the application against the criteria in Sections 2 and shall decide whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then immediately consider for approval the tax abatement agreement between the applicant and the County. After consideration, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or the decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.

- F. Confidentiality. As required by Section 312.003 of the Texas Tax Code, information that is provided to the County in connection with an application or a request for a tax abatement under this chapter that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which the abatement is sought is confidential and not subject to public disclosure until the tax abatement is executed.
- G. When the abatement is disapproved, an applicant may be granted a review, or rehearing, in which a new application and hearing may be required.
- H. Tax abatement may not be approved if the County finds that the application was filed after the commencement of the construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.
- I. Request for variance from the provisions of Section 2 may be made in written form to the Commissioners Court. Such request shall include all the items listed in Section 3 (b) above, together with a complete description of the circumstances that prompt the applicant to request variance. The approval process for a variance shall be identical to that for a standard application and may be supplemented by such additional requirements as may be deemed necessary by the County.

Sec. 4. Standards for Denying Approval of Abatement.

- A. If any affected jurisdiction is able to conclusively show cause in the public hearing why the granting of the abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity, or the providing of services, the County shall deny the approval of abatement.
- B. An abatement agreement shall not be granted if it is determined that:
 - 1. there would be substantial adverse effect on the providing of government services or tax bases;
 - 2. the applicant has insufficient financial capacity;
 - 3. planned or potential use of the property would constitute a hazard to public safety, health, or morals; or,
 - 4. codes or laws would be violated.
- C. The adoption of these guidelines and criteria by the Leon County Commissioners Court does not limit the discretion of the Leon County Commissioners Court to decide whether or not to enter into a specific tax abatement agreement

Sec. 5. Effect of Approval of Application

The Commissioners Court acts only for the taxing entity of Leon County and for no other taxing entity within the County. The Commissioners Court approval or disapproval of an application has no effect on any other taxing entity within the jurisdiction or their right to approve or disapprove an application. Only the governing bodies of the affected jurisdictions may grant tax abatements, and enter into tax abatement agreements with applicants. The Commissioners Court retains the option of considering a proposed project for receipt of any application under these guidelines and criteria which do not meet certain requirements of these guidelines and criteria as deemed necessary by the Commissioners Court, so long as the Commissioners Court finds that the project as proposed will encourage, develop and stimulate economic development, producing additional tax revenue, job opportunities, or other business opportunities for the County.

Sec. 6. Tax Abatement Agreements

The Commissioners Court after approval of an application shall enter into an agreement with the applicant. Such agreements shall be executed with the owner of the facility, and with the lessee when required. Such agreements shall include:

- 1. the method for calculating value to be abated and the base year value;
- 2. the percentage of value to be abated each year as provided in Sec. 2 (G, H and I);
- 3. the commencement date and the termination date of abatement;
- 4. the proposed use of the facility, nature of construction, time schedule, map, property description, and improvements;
- 5. contractual obligations in the event of default, violation of terms or conditions, delinquent taxes recapture, administration, and assignment.
- 6. size of investment and average number of jobs involved. Such agreement shall normally be executed within 30 days after the applicant has forwarded all necessary information and documentation to the County; and
- 7. the agreement shall stipulate that employees, or designated representatives, or both, of the County will have access to the reinvestment zone during the terms of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of 24 hours prior notice and will be conducted in such a manner that they will not unreasonably interfere with the construction or operation or both of the facility. All inspections will be made in the presence of one or more representatives of the company or individual and in accordance with the safety standards of the company or individual.

Sec. 7 Recapture

- A. If the facility is completed and begins producing products or services, but subsequently discontinues producing products or services 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 during which the facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the affected jurisdiction within 60 days from the date of termination.
- B. If the Commissioners Court determines that the company or individual is in default according to the terms and conditions of its agreement, the Commissioners Court shall notify the company or individual in writing at the address stated in the agreement, and if such default is not cured within 60

days from the date of such notice (“cure period”), then the agreement may be terminated; provided, however if such failure cannot be cured within such sixty (60)-day period and the company or individual has commenced remedial action to cure such failure (and continued to diligently and timely pursue the completion of such remedial action), the company or individual shall be entitled to a total of one hundred eighty (180) days after receipt of notice within which to cure such default.

- C. If the company or individual (1) allows its ad valorem taxes owed to the County, or any other taxing entity in the County, to become delinquent after all applicable notice and cure periods and fails to timely and properly follow the legal procedures for their protest or contest or both; or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure-period, the agreement may then be terminated, and all taxes previously abated by virtue of the agreement will be recaptured and paid within 60 days of the termination.

Sec. 8. Administration

- A. The Chief Appraiser of the Leon County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, any company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the chief appraiser shall notify the affected jurisdictions that levy taxes of the amount of the assessment.
- B. Upon completion of construction, a designated representative of the County shall annually evaluate each facility receiving abatement to ensure compliance with the agreement and shall make a report to the Commissioners Court regarding the findings of each evaluation.

Sec. 9. Assignment

Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the affected jurisdiction, subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with the affected jurisdiction. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner, or the new lessee are liable to any taxing entity in the County for outstanding delinquent taxes or other obligations. Approval shall not be unreasonably withheld, conditioned or delayed.

Sec. 10. Sunset Provision

The guidelines and criteria are effective upon the date of their adoption and will remain in force for two years from the Effective Date (defined below) unless amended by a three-quarters vote of the Commissioners Court, at which time the tax abatement contracts created according to these provisions will be reviewed to determine whether or not the goals have been achieved. Based on that review, the guidelines and criteria may be further modified, renewed or eliminated.

Sec. 11. Variances from Guidelines and Criteria

The Commissioners Court shall have the authority to enter into an abatement agreement with terms and conditions that vary from the terms and conditions in these guidelines and criteria so long as the Commissioners Court determines that such variances are in the best interests of the County. Any terms or conditions contained in an abatement agreement approved by the Commissioners Court that vary from the terms and conditions in these guidelines and criteria shall automatically be deemed to have been granted an approved variance by the Commissioners Court and shall be binding and enforceable as agreed to in the abatement agreement.

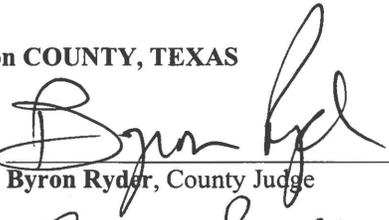
Sec. 12. Abatement Application Fee

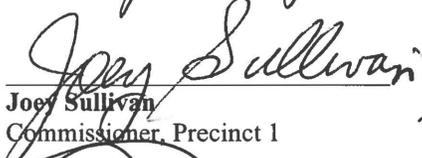
Leon County requires an application fee of \$1,000.00 (one thousand dollars) to accompany an application or request for tax abatement.

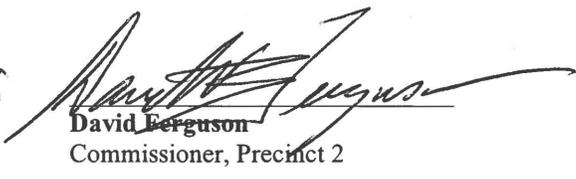
The foregoing was lawfully approved by Leon County Commissioner’s Court, effective as the 26th day of February 2020 (the “Effective Date”).

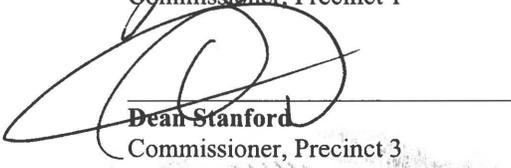
Leon COUNTY, TEXAS

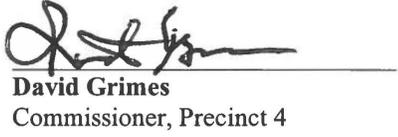
By:


Byron Ryder, County Judge

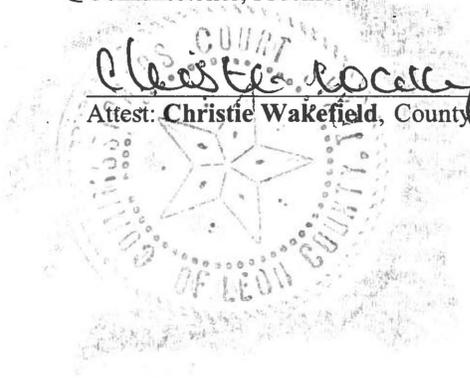

Joey Sullivan
Commissioner, Precinct 1


David Ferguson
Commissioner, Precinct 2


Dean Stanford
Commissioner, Precinct 3


David Grimes
Commissioner, Precinct 4


Attest: Christie Wakefield, County Clerk



Tab 17

Signature and Certification Page

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.

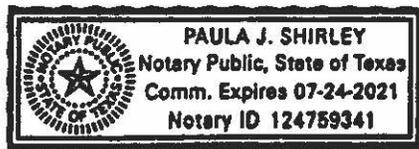
print here → David Bains Title Superintendent
 Print Name (Authorized School District Representative)
 sign here → David Bains Date 7-15-2020
 Signature (Authorized School District Representative)

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 → Caton Fenz Title Chief Executive Officer
 Print Name (Authorized Company Representative (Applicant))
 sign here → [Signature] Date 7/2/2020
 Signature (Authorized Company Representative (Applicant))



(Notary Seal)

GIVEN under my hand and seal of office this, the

2 day of July, 2020
Paula Shirley
 Notary Public in and for the State of Texas
 My Commission expires: 7-24-2021

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