

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

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September 9, 2020

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

RE: Application to the Pawnee Independent School District from Sparta Solar, LLC

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Pawnee Independent School District is notifying Sparta Solar, LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. Please prepare the Economic Impact Report.

The Applicant submitted the Application to the school district on August 11, 2020. The Board voted to accept the application on September 8, 2020. The application has been determined complete as of September 9, 2020. The Applicant has provided the schedules in both electronic format and paper copies.

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

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Bee County Appraisal District
Sparta Solar, LLC

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)

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

August 11, 2020

Date Application Received by District

Michelle

First Name

Hartmann

Last Name

Superintendent

Title

Pawnee Independent School District

School District Name

6229 FM 798 P.O. Box 569

Street Address

6229 FM 798 P.O. Box 569

Mailing Address

Pawnee

City

361-456-7256

Phone Number

NA

Mobile Number (optional)

Texas

State

78145

ZIP

361-456-7388

Fax Number

mhartmann@pawneeisd.net

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)*

Mali	Hanley
First Name	Last Name
Consultant	
Title	
O'Hanlon, Demerath & Castillo	
Firm Name	
512-494-9949	512-494-9919
Phone Number	Fax Number
NA	mhanley@808west.com
Mobile Number (optional)	Email Address
4. On what date did the district determine this application complete?	September 9, 2020
5. Has the district determined that the electronic copy and hard copy are identical?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

Phillip	Moore
First Name	Last Name
Senior Vice President - Development	Orsted Onshore North America, LLC
Title	Organization
401 N. Michigan Ave., Suite 501	
Street Address	
401 N. Michigan Ave., Suite 501	
Mailing Address	
Chicago	Illinois 60611
City	State ZIP
512-767-7461	312-527-0538
Phone Number	Fax Number
NA	phimo@orsted.com
Mobile Number (optional)	Business Email Address
2. Will a company official other than the authorized company representative be responsible for responding to future information requests?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2a. If yes, please fill out contact information for that person.	
Tatiana	Stein
First Name	Last Name
Project Development Manager	Orsted Onshore North America, LLC
Title	Organization
401 N. Michigan Ave., Suite 501	
Street Address	
401 N. Michigan Ave., Suite 501	
Mailing Address	
Chicago	Illinois 60611
City	State ZIP
281-387-8792	312-527-0538
Phone Number	Fax Number
NA	tstei@orsted.com
Mobile Number (optional)	Business Email Address
3. Does the applicant authorize the consultant to provide and obtain information related to this application?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Wes	Jackson
First Name	Last Name
Partner	
Title	
Cummings Westlake LLC	
Firm Name	
713.266.4456 x2	713.266.2333
Phone Number	Fax Number
wjackson@cwlp.net	
Business Email Address	

SECTION 3: Fees and Payments

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

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

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

\$75,000	Check
Payment Amount	Transaction Type
Lincoln Clean Energy, LLC.	Pawnee Independent School District
Payor	Payee
August 5, 2020	
Date transaction was processed	

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

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

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Sparta Solar, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32074035927
3. Parent Company Name Orsted Onshore DevCo, LLC
4. Parent Company Tax ID 845097969
5. List the NAICS code 221114
6. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☒ No
- 6a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Corporation
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☒ Yes ☐ No
- 2a. If yes, attach in **Tab 3** a 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

Orsted Holdings N.A. Inc.

2c. List the Reporting Entity Taxpayer Number

825192216

3. Is the applicant current on all tax payments due to the State of Texas? ☒ Yes ☐ No4. 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 ☒ No3. Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☒ No4. Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☒ No5. Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☒ No6. Are you including property that is owned by a person other than the applicant? ☐ Yes ☒ No7. 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 12/31/2020
 2. Estimated commencement of construction Q2-2021
 3. Beginning of qualifying time period (MM/DD/YYYY) 04/01/2021
 4. First year of limitation (MM/DD/YYYY) 01/01/2023
- 4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):
- ☐ A. January 1 following the application date ☐ B. January 1 following the end of QTP
- ☒ C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations 07/01/2022

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Bee County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Bee County 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>Pawnee, 0.9700, 100%</u> (Name, tax rate and percent of project)	I&S (ISD): <u>Pawnee, 0.20418, 100%</u> (Name, tax rate and percent of project)
County: <u>Bee County, 0.67782, 100%</u> (Name, tax rate and percent of project)	City: <u>N/A</u> (Name, tax rate and percent of project)
Hospital District: <u>Emergency District #3, 0.02123, 100%</u> (Name, tax rate and percent of project)	Water District: <u>WBGW, 0.00435, 100%</u> (Name, tax rate and percent of project)
Other (describe): <u>Coastal Bend College, 0.17687, 100%</u> (Name, tax rate and percent of project)	Other (describe): <u>N/A</u> (Name, tax rate and percent of project)

SECTION 10: The Property *(continued)*

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

County: Bee County 312 - TBD
(Incentive type, percentage, start and end year)City: N/A
(Incentive type, percentage, start and end year)Hospital District: N/A
(Incentive type, percentage, start and end year)Water District: N/A
(Incentive type, percentage, start and end year)Other (describe): Coastal Bend College 312 - TBD
(Incentive type, percentage, start and end year)Other (describe): N/A
(Incentive type, percentage, start and end year)

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

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

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

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 20,000,000
2. What is the amount of appraised value limitation for which you are applying? 25,000,000
- 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 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**);
 - 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
 - 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:
- 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**);
 - 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**);
 - 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
 - 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:
- legal description of the land (**Tab 9**);
 - 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**);
 - owner (**Tab 9**);
 - the current taxable value of the land, attach estimate if land is part of larger parcel (**Tab 9**); and
 - 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:
- evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (**Tab 16**);
 - legal description of reinvestment zone (**Tab 16**);
 - order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
 - guidelines and criteria for creating the zone (**Tab 16**); and
 - 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? N/A

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**:
- maps and/or detailed site plan;
 - surveys;
 - appraisal district values and parcel numbers;
 - inventory lists;
 - existing and proposed property lists;
 - model and serial numbers of existing property; or
 - 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):\$ 429,420.00
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? 2
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 743.75
- b. Qualifying job wage minimum option §313.021(5)(A)
- 110% of the average weekly wage for manufacturing jobs in the county is 978.18
- c. Qualifying job wage minimum option §313.021(5)(B)
- 110% of the average weekly wage for manufacturing jobs in the region is 1,254.80
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? 50,865.36
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 50,866.00
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**.

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

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

Tab Item 3

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

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

Sparta Solar, LLC was registered in 2020, therefore it will be filed as part of the affiliate group on Form 05-166 (Texas Franchise Tax Extension Affiliate List) for Orsted Holdings N.A. Inc. on the 2021 report.

**Response to Section 5 question 2a.,
documentation of combined group
membership, received by CPA**

Tab Item 4

Detailed Description of the Project

Sparta Solar, LLC is requesting a Chapter 313 Appraised Value Limitation Agreement from Pawnee ISD for a proposed solar powered electric generating facility (the "Project") to be constructed entirely in Pawnee ISD on approximately 2,500 acres of privately owned land in Bee County, Texas. The installed capacity of the proposed project is expected to be approximately 250 megawatts (MW). Solar panel type and size have yet to be finalized.

Construction of the Project is expected to commence in the second quarter of 2021 and is anticipated to start commercial operations in the third quarter of 2022. Construction of the project will include the following: solar modules/panels, metal mounting system with tracking capabilities, underground conduit, communication cables, electric collection system wiring, combiner boxes, DC-to-AC converter stations, a project substation including breakers, a transformer, and meters, overhead transmission lines, inverter boxes on concrete pads, fencing for safety and security, telephone and internet communication system, access and service roads, and meteorological equipment to measure solar radiation and weather conditions.

Tab Item 5

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

Sparta Solar, LLC is being developed by Orsted Onshore North America, LLC (“Orsted”), a developer, owner, and operator of solar and wind projects.

Orsted has successfully developed projects involving over \$1 billion in capital investments in some of the largest electricity markets in the United States, including California, Nebraska, New Jersey, South Dakota, and Texas.

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

The Applicant has purchased the land for this Project. The purchase of the property does not obligate Applicant to construct the Project, and Applicant can sell the property without incurring any significant liability.

The Project applied to ERCOT on May 7, 2020 and has been assigned GINR number 22INR0352.

The Applicant is a national wind and solar developer with the ability to locate projects of this type in other states within the United States and other regions within Texas with favorable solar characteristics. The Applicant is actively assessing and developing other projects outside of Texas that are competing for limited investment funds. In addition to its projects in Texas, the developer is assessing or developing projects in California, Nevada, Colorado, Texas, Nebraska, Illinois, Mississippi, Michigan, Missouri, Indiana, Florida, New York, Maryland, and Virginia. The appraised value limitation is critical to the ability of the Project to move forward in Pawnee ISD.

Without the use of the available tax incentives, the economics of the Project become far less attractive and the likelihood of selling the electricity at a competitive price will significantly decrease. The Applicant for this project is competing against other developers who have been offered or are in the process of applying for Value Limitation Agreements with other school districts. Obtaining the limitation is critical to the economic and competitive viability of this Project. Without the limitation approval, the Applicant would likely terminate the Project, including the aforementioned contracts, purchases, leases, and limited improvements, in order to reallocate resources in areas with more favorable economics.

Sparta Solar has a project website available to the public. Orsted has websites for several of its development projects, and none are intended to imply that further investment of resources into the projects are a foregone conclusion. Rather, the project websites are intended as resource for the communities to find information about potential developments in their community, communicate with Orsted, and learn more about the respective project technologies.

Tab Item 6

The entire proposed project will be located within the Pawnee Independent School District.

Tab Item 7

Description of Qualified Investment

Sparta Solar, LLC plans to construct a 250 MW solar farm (the “Project”) in Bee County. This application covers all qualified property in the reinvestment zone and project boundary within Pawnee ISD. The Project area is expected to be approximately 2,500 acres.

The Applicant is requesting an appraised value limitation on all the property constructed or placed upon the real property within Pawnee ISD. Solar equipment selection is ongoing at this time and has not been finalized. The exact number of PV panels and their capacity will vary depending upon the panels and the inverters selected, manufacturer’s availability and prices, ongoing engineering design optimization, and the final megawatt generating capacity of the Project when completed.

Construction of the project will include the following: solar modules/panels, metal mounting system with tracking capabilities, underground conduit, communication cables, electric collection system wiring, combiner boxes, DC-to-AC converter stations, a project substation including breakers, a transformer, and meters, overhead transmission lines, inverter boxes on concrete pads, fencing for safety and security, telephone and internet communication system, access and service roads, and meteorological equipment to measure solar irradiation and weather conditions.

Construction of the project is anticipated to begin in second quarter of 2021 with completion and commercial operation in the third quarter of 2022.

Tab Item 8

Description of Qualified Property

Sparta Solar, LLC plans to construct a 250 MW solar (the “Project”) in Bee County. This application covers all qualified property in the reinvestment zone and project boundary within Pawnee ISD. The Project area is expected to be approximately 2,500 acres.

The Applicant is requesting an appraised value limitation on all the property constructed or placed upon the real property within Pawnee ISD. Solar equipment selection is ongoing at this time and has not been finalized. The exact number of PV panels and their capacity will vary depending upon the panels and the inverters selected, manufacturer’s availability and prices, ongoing engineering design optimization, and the final megawatt generating capacity of the Project when completed.

Construction of the project will include the following: solar modules/panels, metal mounting system with tracking capabilities, underground conduit, communication cables, electric collection system wiring, combiner boxes, DC-to-AC converter stations, a project substation including breakers, a transformer, and meters, overhead transmission lines, inverter boxes on concrete pads, fencing for safety and security, telephone and internet communication system, access and service roads, and meteorological equipment to measure solar irradiation and weather conditions.

The Applicant has purchased approximately 2,500 acres of the land for this Project that will also be qualified property. The purchase of the property does not obligate Applicant to construct the Project, and Applicant can sell the property without incurring any significant liability.

Construction of the project is anticipated to begin in second quarter of 2021 with completion and commercial operation in the third quarter of 2022.

Tab Item 9

Description of Land

Described here and seen as the Project Boundary in Tab 11.

Section	Survey	Abstract	County	Approx Acres
	J.R. JOHNSON SURVEY	A-206	BEE	605
	T.B. BARTON SURVEY	A-114	BEE	608
	C B SHAIN SURVEY	A-305	BEE	960
SECTION 4	W.M SANFORD SURVEY	A-531	BEE	320

Tab Item 10

Description of all property not eligible to become qualified property

1. Property ID: 14932 : Residential brick farm house with garage, porch and storage building. Abandoned. Market Value \$167,480.
2. Property ID: 7323: Residential brick farm house with garage, porch, storage building and barn. Total Improvement Value \$260,270.
3. Property ID: 19537: Farm building with carport. Total Improvement Value \$1,670.

[New Property Search](#)

[Go To Previous Page](#)

Parcel ID: 14932
Owner Name: SPRINGER WENDEL L
Account Number: 10206-00020-00041-000000
Situs Address: 10611 FM 673

Building Sequence	Type	Class	Year Built	Homesite Value	Condition	Percent Good	Square Feet	Replacement Value	Total Value
1	RES FRM	3+	1986	YES	AV	60%	1,210	140,320	84,190
2	GAR FAT	3+	1986	YES	AV	60%	440	25,840	15,500
3	RES FRM	3	1987	YES	AV	60%	792	93,830	56,300
4	PCH FRM	3	1987	YES	AV	60%	288	8,320	4,990
5	STG FDE	1	0	YES	AV	60%	288	3,090	1,860
6	STG FDE	2	0	YES	AV	60%	144	5,640	3,390
7	FVO		0	YES		100%	480	600	600
8	STG	2	0	YES	AV	65%	200	1,000	650

Total Building Value: \$ 167,480

[New Property Search](#)[Go To Previous Page](#)

Parcel ID: 7323
Owner Name: SUTHERLAND KRISCHINA M & RAYMOND
Account Number: 10114-00011-00000-000000
Situs Address: 10410 FM 673

Building Sequence	Type	Class	Year Built	Homesite Value	Condition	Percent Good	Square Feet	Replacement Value	Total Value
1	RES BRK	8	0	YES	GD	55%	3,440	425,220	233,670
2	SCN PCH	8	0	YES	GD	55%	360	16,700	9,180
3	PCH BRK	8	0	YES	GD	55%	160	5,300	2,910
4	STG BDE	6-	0	YES	AV	50%	324	9,840	3,930
5	STG BDE	6-	0	YES	AV	50%	380	11,540	5,770
6	PCH BRK	6-	0	YES	AV	50%	95	1,050	530
7	BARN	1	0	YES	FARM	20%	3,000	12,900	2,580
8	FVO		0	YES		100%	0	1,500	1,500

Total Building Value: \$ 260,270

[New Property Search](#)[Go To Previous Page](#)

Parcel ID: 19537
Owner Name: SUTHERLAND KRISCHINA M & RAYMOND
Account Number: 10114-00010-00000-002013
Situs Address: CR 124

Building Sequence	Type	Class	Year Built	Homesite Value	Condition	Percent Good	Square Feet	Replacement Value	Total Value
1	FVO		0	NO		20%	784	1,500	1,500
2	SHED POLE	DP1	0	NO	FARM	20%	440	840	170
3	SHED POLE	DP1	0	NO	FARM	20%	1,500	3,440	0
4	FARM BLDG	WOOD	0	NO	FARM	20%	384	1,970	0

Total Building Value: \$ 1,670

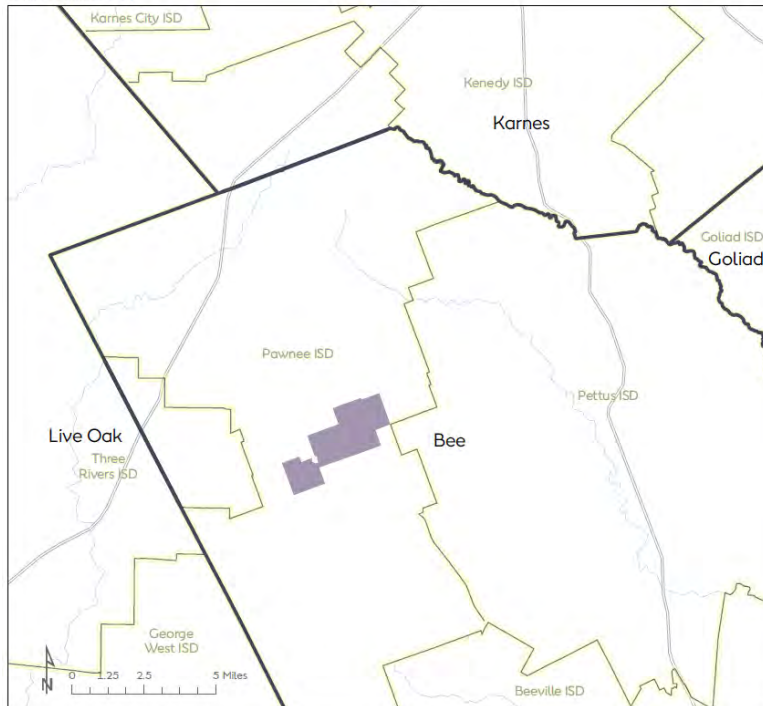
[New Property Search](#)[Go To Previous Page](#)

Tab 11

Maps

Vicinity Map includes School District Boundaries, County Boundaries, and Project Boundary

Project Location Map

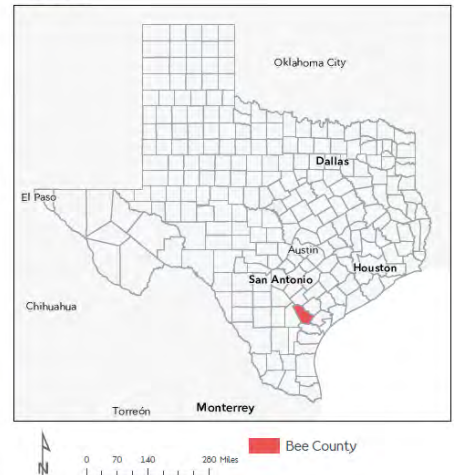


Legend

- ISD Boundary
- County Boundary
- Project Boundary - Purchased Land

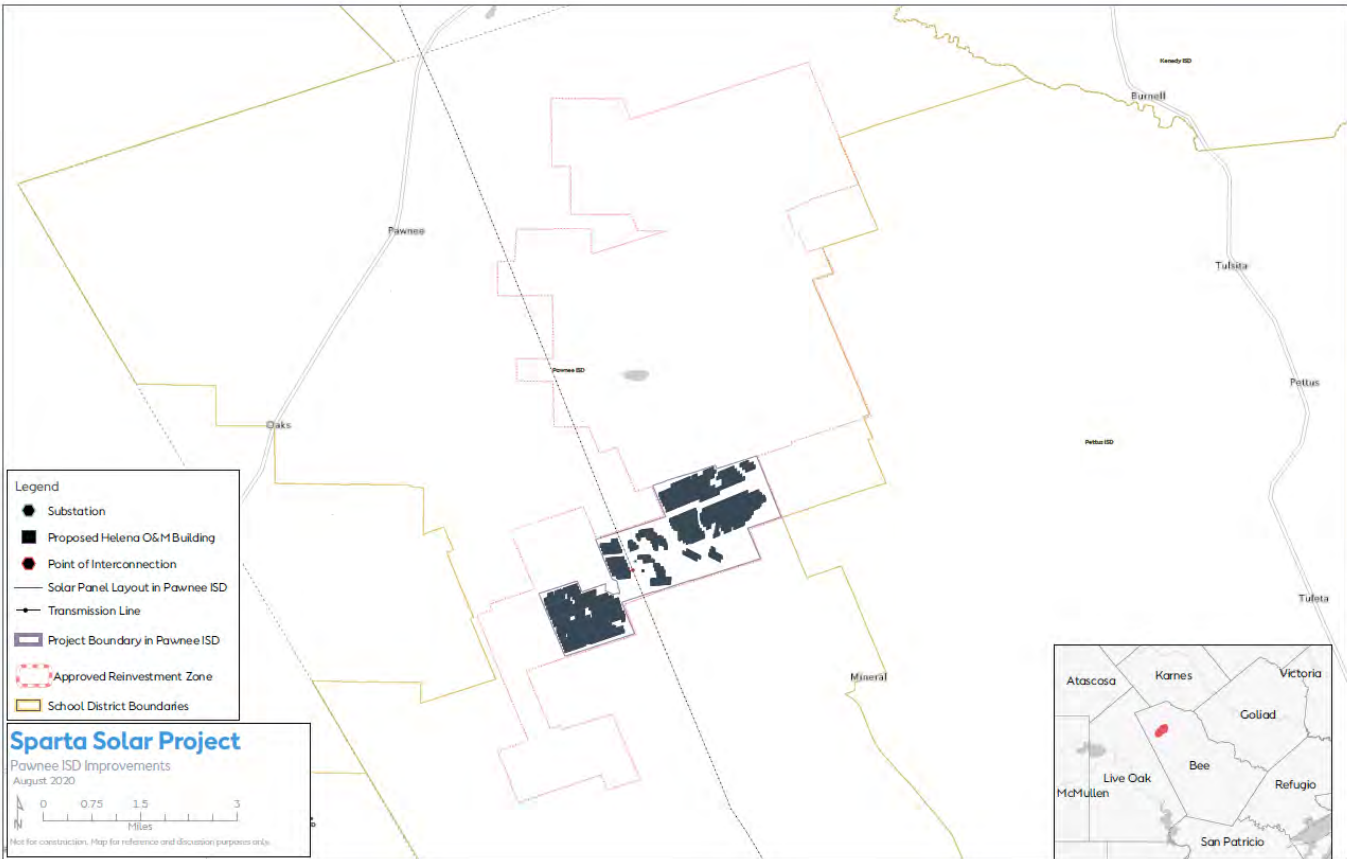
Sparta Solar Center
Bee County TX

Context Map



Maps (Cont.)

Location of Project Boundary, Reinvestment Zone, School District Boundaries, Qualified Investment, and Qualified Property



Tab 12

Request For Waiver of Job Creation Requirement

August 3, 2020

Superintendent Hartmann
Pawnee ISD
6229 FM 798 PO Box 569
Pawnee, TX 78145

Re: Chapter 313 Job Waiver Request

Dear Superintendent Hartmann,

Please consider this letter to be Sparta Solar, LLC's formal request to waive the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-1).

The governing body of a school district may waive the new jobs creation requirement in Section 313.021(2)(A)(iv)(b) or 313.051(b) and approve an application if the governing body makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property that is described in this application. Solar energy projects create many full-time jobs during the construction phase, but these jobs are temporary by nature. Once the project is in operation, a small crew of full-time employees will maintain and operate the facility. The industry standard is approximately 1 job per 200 MW, and based upon our experience in the solar industry, we expect that two (2) employees would be needed to operate a 250 MW facility, and we can commit to creating two (2) full-time positions to fill those needs. All would be qualifying jobs as described in Section 313.021(3) of the Texas Tax Code.

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

The project stands to provide significant benefits to the community with respect to increased tax base.

Kind Regards,



Tatiana Stein
Project Development Manager
Sparta Solar, LLC

Tab Item 13

Calculation of three possible wage requirements with TWC documentation

Quarterly Employment and Wages (QCEW)

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

Year	Period	Area	Ownership	Ind-Code	Industry	Avg. Weekly Wages
2019	2 nd Qtr	Bee	Total All	10	Total, All Industries	\$717
2019	3 rd Qtr	Bee	Total All	10	Total, All Industries	\$715
2019	4 th Qtr	Bee	Total All	10	Total, All Industries	\$825
2020	1 st Qtr	Bee	Total All	10	Total, All Industries	\$718
Average						\$743.75

$$110\% \text{ of } \$743.75 = \$818.13$$

Drag a column header and drop it here to group by that column							
Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage	
2019	01	Bee	Total All	10	Total, All Industries	692	
2019	02	Bee	Total All	10	Total, All Industries	717	
2019	03	Bee	Total All	10	Total, All Industries	715	
2019	04	Bee	Total All	10	Total, All Industries	825	
2020	01	Bee	Total All	10	Total, All Industries	718	

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for Manufacturing Jobs in Bee County

Year	Period	Area	Ownership	Ind-Code	Industry	Avg. Weekly Wages
2019	2 nd Qtr	Bee	Private	31-33	Manufacturing	\$920
2019	3 rd Qtr	Bee	Private	31-33	Manufacturing	\$816
2019	4 th Qtr	Bee	Private	31-33	Manufacturing	\$935
2020	1 st Qtr	Bee	Private	31-33	Manufacturing	\$886
Average						\$889.25

$$110\% \text{ of } \$889.25 = \$978.18$$

Drag a column header and drop it here to group by that column							
Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage	
2019	01	Bee	Private	31-33	Manufacturing	763	
2019	02	Bee	Private	31-33	Manufacturing	920	
2019	03	Bee	Private	31-33	Manufacturing	816	
2019	04	Bee	Private	31-33	Manufacturing	935	
2020	01	Bee	Private	31-33	Manufacturing	886	

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for Manufacturing Jobs in Region

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

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

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

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

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

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

Data published: July 2019

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

Annual wage figure assumes a 40-hour work week.

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

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

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

Tab Item 14

Form 50-296A, Schedules A-C Attached.

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

Date 8/3/2020
Applicant Name Sparta Solar, LLC
ISD Name Pawnee 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		2020 - 2021	2020				\$ 5,300,500.00	\$ 5,300,500.00
	Stub	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2021	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								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				\$ 213,851,200.00		\$ -		\$ 213,851,200.00
Complete tax years of qualifying time period	QTP1	2022-2023	2022	\$ 53,462,800.00	\$ -	\$ -		\$ 53,462,800.00
	QTP2	2023-2024	2023	\$ -	\$ -	\$ -		\$ -
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$ 267,314,000.00	\$ -	\$ -	\$ 5,300,500.00	\$ 272,614,500.00
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$ 267,314,000.00				

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.

Date 8/3/2020
Applicant Name Sparta Solar, LLC
ISD Name Pawnee ISD

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

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		Enter amounts from TOTAL row in Schedule A1 in the row below				
				\$ 267,314,000.00	\$ -	\$ -	\$ 5,300,500.00	\$ 272,614,500.00
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2020-2021	2020					
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	Stub	2021-2022	2021					
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	QTP1	2022-2023	2022					
Value limitation period***	QTP2/VLP1	2023-2024	2023					
	2	2024-2025	2024					
	3	2025-2026	2025					
	4	2026-2027	2026					
	5	2027-2028	2027					
	6	2028-2029	2028					
	7	2029-2030	2029					
	8	2030-2031	2030					
	9	2031-2032	2031					
	10	2032-2033	2032					
Total Investment made through limitation				\$ 267,314,000.00	\$ -	\$ -	\$ 5,300,500.00	\$ 272,614,500.00
Continue to maintain viable presence	11	2033-2034	2033					
	12	2034-2035	2034					
	13	2035-2036	2035					
	14	2036-2037	2036					
	15	2037-2038	2037					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2038-2039	2038					
	17	2039-2040	2039					
	18	2040-2041	2040					
	19	2041-2042	2041					
	20	2042-2043	2042					
	21	2043-2044	2043					
	22	2044-2045	2044					
	23	2045-2046	2045					
	24	2046-2047	2046					
	25	2047-2048	2047					

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

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

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

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

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

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

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

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

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

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

Date

8/3/2020

Applicant Name

Sparta Solar, LLC

Form 50-296A

ISD Name

Pawnee ISD

Revised February 2020

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	Stub	2021-2022	2021	\$ 367,360.00	\$ -	\$ -	\$ -	\$367,360	\$367,360
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	QTP1	2022-2023	2022	\$ 5,300,500.00	\$0	\$106,925,600	\$106,925,600	\$112,226,100	\$112,226,100
Value Limitation Period	QTP2/1	2023-2024	2023	\$ 5,300,500.00	\$0	\$233,937,174	\$233,937,174	\$239,237,674	\$25,000,000
	2	2024-2025	2024	\$ 5,300,500.00	\$0	\$201,456,384	\$201,456,384	\$206,756,884	\$25,000,000
	3	2025-2026	2025	\$ 5,300,500.00	\$0	\$169,878,047	\$169,878,047	\$175,178,547	\$25,000,000
	4	2026-2027	2026	\$ 5,300,500.00	\$0	\$139,955,987	\$139,955,987	\$145,256,487	\$25,000,000
	5	2027-2028	2027	\$ 5,300,500.00	\$0	\$111,336,281	\$111,336,281	\$116,636,781	\$25,000,000
	6	2028-2029	2028	\$ 5,300,500.00	\$0	\$92,362,333	\$92,362,333	\$97,662,833	\$25,000,000
	7	2029-2030	2029	\$ 5,300,500.00	\$0	\$71,872,715	\$71,872,715	\$77,173,215	\$25,000,000
	8	2030-2031	2030	\$ 5,300,500.00	\$0	\$49,747,048	\$49,747,048	\$55,047,548	\$25,000,000
	9	2031-2032	2031	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$25,000,000
	10	2032-2033	2032	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$25,000,000
Continue to maintain viable presence	11	2033-2034	2033	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	12	2034-2035	2034	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	13	2035-2036	2035	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	14	2036-2037	2036	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	15	2037-2038	2037	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2038-2039	2038	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	17	2039-2040	2039	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	18	2040-2041	2040	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	19	2041-2042	2041	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	20	2042-2043	2042	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	21	2043-2044	2043	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	22	2044-2045	2044	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	23	2045-2046	2045	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	24	2046-2047	2046	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900
	25	2047-2048	2047	\$ 5,300,500.00	\$0	\$49,222,400	\$49,222,400	\$54,522,900	\$54,522,900

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 8/3/2020
 Applicant Name Sparta Solar, LLC
 ISD Name Pawnee ISD

Form 50-296A

Revised February 2020

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	N/A	N/A	N/A	N/A	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	Stub	2021-2022	2021	150 FTE	\$ 45,000.00	0	0	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	QTP1	2022-2023	2022	100 FTE	\$ 45,000.00	0	0	N/A
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1/QTP2	2023-2024	2023	N/A	N/A	0	2	50,866.00
	2	2024-2025	2024	N/A	N/A	0	2	50,866.00
	3	2025-2026	2025	N/A	N/A	0	2	50,866.00
	4	2026-2027	2026	N/A	N/A	0	2	50,866.00
	5	2027-2028	2027	N/A	N/A	0	2	50,866.00
	6	2028-2029	2028	N/A	N/A	0	2	50,866.00
	7	2029-2030	2029	N/A	N/A	0	2	50,866.00
	8	2030-2031	2030	N/A	N/A	0	2	50,866.00
	9	2031-2032	2031	N/A	N/A	0	2	50,866.00
	10	2032-2033	2032	N/A	N/A	0	2	50,866.00
Years Following Value Limitation Period	11 through 25	2033-2048	2033-2047	N/A	N/A	0	2	50,866.00

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

Tab Item 15

Economic Impact Analysis

Not applicable.

Tab Item 16

Description of Reinvestment Zone

Helena Reinvestment Zone No. 1 was established by the Pawnee Independent School District on July 14, 2020. The Resolution (includes legal description and map) and Guidelines and Criteria for creating the zone are attached.

PAWNEE INDEPENDENT SCHOOL DISTRICT

RESOLUTION CREATING HELENA REINVESTMENT ZONE No. 1

WHEREAS, Section 312.0025 of the Texas Tax Code permits a school district to designate a reinvestment zone if that designation is reasonably likely to contribute to the expansion of primary employment in the reinvestment zone, or attract major investment in the reinvestment zone that would be a benefit to property in the reinvestment zone and to the school district and contribute to the economic development of the region of this state in which the school district is located; and,

WHEREAS, the Pawnee Independent School District (the "District") desires to encourage the development of primary employment and to attract major investment in the District and contribute to the economic development of the region in which the school district is located; and,

WHEREAS, a public hearing is required by Chapter 312 of the Texas Tax Code prior to approval of a reinvestment zone; and,

WHEREAS, the District published notice of a public hearing regarding the possible designation of the area described in the attached **Exhibit A** as a reinvestment zone for the purposes of Chapter 313 of the Texas Tax Code; and,

WHEREAS, the District wishes to create a reinvestment zone within the boundaries of the school district in Bee County, Texas as shown on the map attached as **Exhibit B**; and,

WHEREAS, the District has given written notice of the proposed action and the Public Hearing to all political subdivisions and taxing authorities having jurisdiction over the property proposed to be designated as the reinvestment zone, described in the attached **Exhibits A & B**; and,

WHEREAS, all interested members of the public were given an opportunity to make comments at the public hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE PAWNEE INDEPENDENT SCHOOL DISTRICT:

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the Board of Trustees of the Pawnee Independent School District, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

Resolution.

SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject of the meeting of the Pawnee Independent School District Board of Trustees, at which this Resolution was adopted, was posted at a place convenient and readily accessible at all times, as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended; and that a public hearing was held prior to the designation of such reinvestment zone, and that proper notice of the hearing was published in newspapers of general circulation in Bee County of the State of Texas, and furthermore, such notice was, in fact, delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this 14th day of July, 2020.

PAWNEE INDEPENDENT SCHOOL DISTRICT

By:



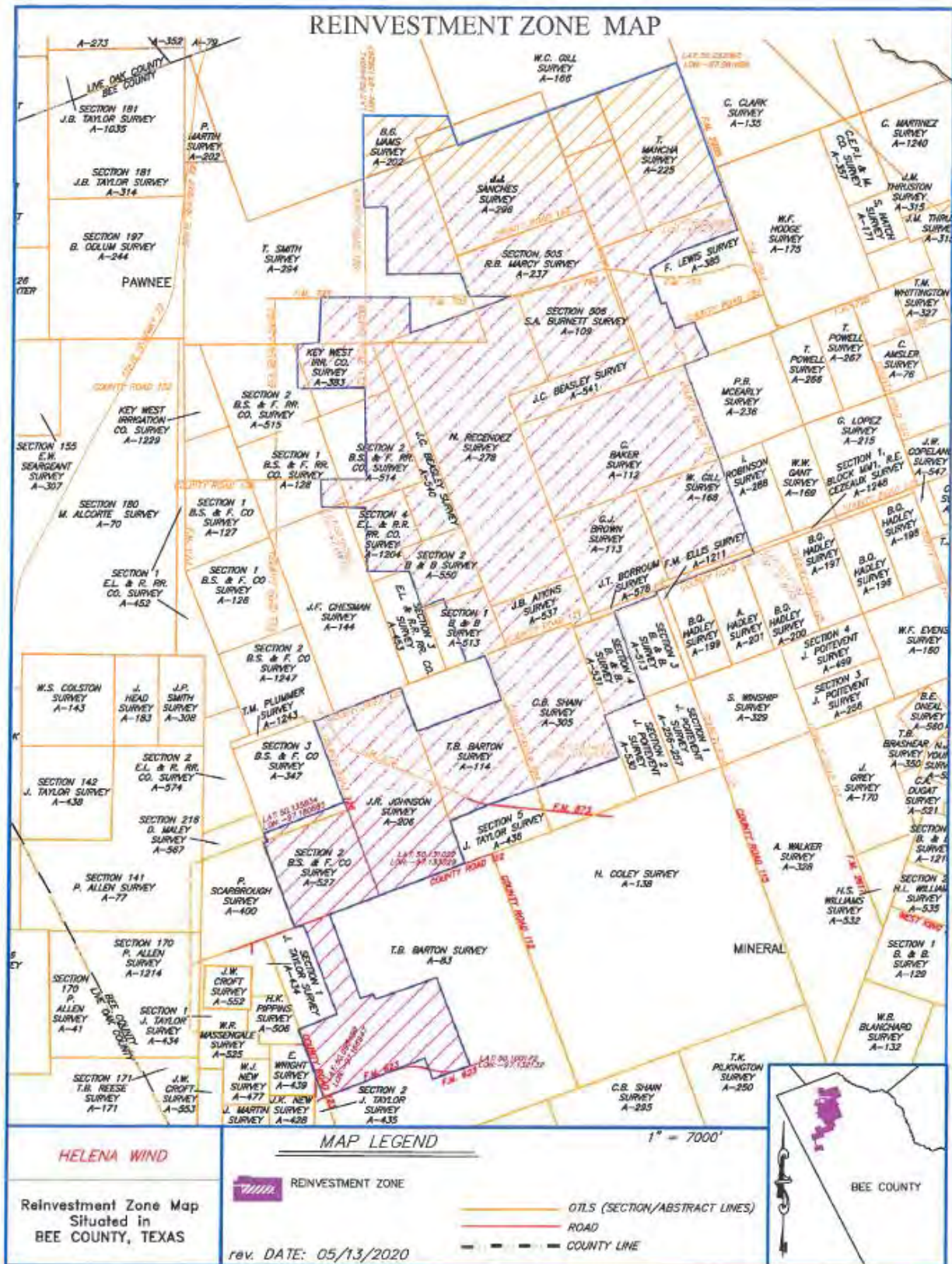
President
Board of Trustees

ATTEST



Secretary
Board of Trustees

HELENA WIND - RZ		BEE COUNTY, TEXAS		
All or Portions of the following Sections within Reinvestment Zone - See Attached Map				
SECTION	BLOCK	SURVEY	ABSTRACT	COUNTY
		B.G. IJAMS SURVEY	A-202	BEE
		W.C. GILL SURVEY	A-166	BEE
		T. SMITH SURVEY	A-294	BEE
		J.J. SANCHES SURVEY	A-296	BEE
		T. MANCHA SURVEY	A-225	BEE
SECTION 505		R.B. MARCY SURVEY	A-237	BEE
		F. LEWIS SURVEY	A-385	BEE
SECTION 506		S.A. BURNETT SURVEY	A-109	BEE
		J.C. BEASLEY SURVEY	A-541	BEE
		N. RECENDEZ SURVEY	A-278	BEE
		J.C. BEASLEY SURVEY	A-540	BEE
		KEY WEST IRR. CO. SURVEY	A-383	BEE
SECTION 2		B.S. & F. RR. CO. SURVEY	A-515	BEE
SECTION 2		B.S. & F. RR. CO. SURVEY	A-514	BEE
SECTION 1		B.S. & F. RR. CO. SURVEY	A-128	BEE
SECTION 4		E.L. & R.R. RR. CO. SURVEY	A-1204	BEE
SECTION 2		B & B SURVEY	A-550	BEE
SECTION 1		B & B SURVEY	A-513	BEE
		C. BAKER SURVEY	A-112	BEE
		W. GILL SURVEY	A-168	BEE
		G.J. BROWN SURVEY	A-113	BEE
SECTION 1	MM1	R.E. CEZEAUX SURVEY	A-1248	BEE
		F.M. ELLIS SURVEY	A-1211	BEE
		J.T. BORROUM SURVEY	A-578	BEE
SECTION 4		B. & B. SURVEY	A-531	BEE
		C.B. SHAIN SURVEY	A-305	BEE
		T.B. BARTON SURVEY	A-114	BEE
		J.R. JOHNSON SURVEY	A-206	BEE
SECTION 3		E.L. & R.R. RR. CO. SURVEY	A-453	BEE
SECTION 3		B.S. & F. CO SURVEY	A-347	BEE
SECTION 2		B.S. & F. CO SURVEY	A-527	BEE
		T.B. BARTON SURVEY	A-83	BEE
		J.F. CHESMAN SURVEY	A-144	BEE



GUIDELINES AND CRITERIA

Tax Abatement or Phase-In

Bee County, Texas

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

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

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

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

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

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

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

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

Section I Definitions

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

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

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

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

the number of new jobs.)

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

Section 2 Requirements For Phase-In

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

improvements necessary to the operation and administration of the facility.

5. **Ineligible Property.** The following types of property shall be fully taxable and ineligible for phase-in: land; inventories; supplies; tools; furnishings, and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodation; retail facilities; Base Year Value investments; property to be rented or leased to third parties except as provided in Section 2.6; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas; and property in a Reinvestment Zone that is owned or leased by a member of the Bee County Commissioners Court.
6. **Lease Facilities.** If a new facility is to be constructed by a third party owner for lease to an Applicant otherwise eligible for tax phase-in, then the building owner may also be eligible for phase-ins. To calculate the applicable category for Phase-In, the investment of both entities will be added and each shall be eligible to receive Phase-In at the same rate as would have been available if one owner was accomplishing the entire project.
7. **Economic Qualifications.** In order to be eligible to receive tax phase-in, the planned new facility or planned expansion to modernization of an existing facility must meet the following qualifications:
 - a. Be reasonably expected to increase the appraised value of the property in the amount of not less than One Hundred Thousand (\$100,000) Dollars after construction is completed.
 - b. For new construction projects expected to create less than ten (10) New Jobs, project must be of strategic importance to the community and align with the strategic economic plan of the County.
 - c. Companies seeking to qualify for tax phase-in on the basis of job retention shall document that without the creation of a reinvestment zone and/or tax phase-in, the company will either reduce or cease operations.

8. Maximum Available Abatements Per Year *

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

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

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above.

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

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

Section 3 Application

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

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

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

Section 4 Public Hearing

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

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

c. create any property, contract, or other legal right in any person or entity to have Bee County consider or grant a specific application or request for tax phase-in.

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

Section 5 Agreement

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

Section 6 Recapture

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

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

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

Section 7 Administration

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

Section 8 Sunset Provision

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

Tab Item 17

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

Attached

SECTION 16: Authorized Signatures and Applicant Certification

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

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

1. Authorized School District Representative Signature

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

print
here

Michelle Hartmann

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here

Signature (Authorized School District Representative)

September 8, 2020

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

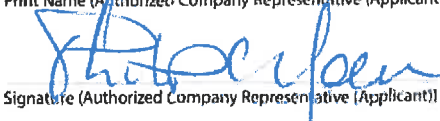
print
here

Phillip Moore

Print Name (Authorized Company Representative (Applicant))

Senior Vice President - Development

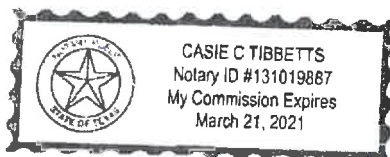
Title

sign
here

Signature (Authorized Company Representative (Applicant))

Date

8/4/2020



(Notary Seal)

GIVEN under my hand and seal of office this, the

6th day of August, 2020



Notary Public in and for the State of Texas

My Commission expires: 3/21/2021

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.