

September 23, 2020

Via Electronic Mail: Ch313.apps@cpa.texas.gov
Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 E. 17th Street
Austin, Texas 78774

Re: Application for Appraised Value Limitation on Qualified Property from Grizzly Ridge Solar, LLC to Hamilton Independent School District

Beginning of Qualifying Time Period: 02 / 01 / 2021
First Year of Value Limitation Period: 01 / 01 / 2022

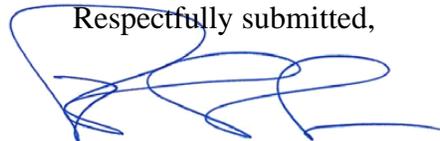
Dear Local Government Assistance and Economic Analysis Division:

The Board of Trustees of the Hamilton Independent School District (the "District") accepted the enclosed Application for Appraised Value Limitation on Qualified Property (the "Application") at a duly called meeting held on September 21, 2020. The Application was determined to be complete by the District on September 23, 2020. The Applicant, Grizzly Ridge Solar, LLC, is proposing to construct a solar electric generating facility in Hamilton County, Texas.

An electronic copy of the Application is being provided to the Hamilton County Appraisal District by copy of this correspondence. The Board of Trustees believes this project will be beneficial to the District and looks forward to your review and certification of this Application.

Thank you so much for your kind consideration to the foregoing.

Respectfully submitted,



Rick L. Lambert

RLL:sj

cc: *Via Electronic Mail: hcadinformation@embarqmail.com*
Mr. Richard Petree, Chief Appraiser, Hamilton County Appraisal District

Via Electronic Mail: ctarpley@hamiltonisd.org
Mr. Clay Tarpley, Superintendent of Schools, Hamilton ISD

Via Electronic Mail: hardinb@diodeventures.com
Mr. Bradley Hardin, President, Diode Ventures, LLC

Via Electronic Mail: ksiazekp@diodeventures.com

Mr. Paul Ksiazek, Senior Project Director, Diode Ventures, LLC

Via Electronic Mail: ross@meterskyenergy.com

Mr. Ross Metersky, President, Metersky Energy LLC

TAB 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**

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

Date Application Received by District

First Name

Last Name

Title

School District Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

Email Address

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Mobile Number (optional)

Email Address

4. On what date did the district determine this application complete?

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

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

Business Email Address

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

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

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

Business Email Address

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

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.

Payment Amount

Transaction Type

Payor

Payee

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? _____
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) _____
3. Parent Company Name _____
4. Parent Company Tax ID _____
5. List the NAICS code _____
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) _____
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

2c. List the Reporting Entity Taxpayer Number

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

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

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

SECTION 7: Project Description

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

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? Yes No
3. Does the applicant have current business activities at the location where the proposed project will occur? Yes No
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 _____
2. Estimated commencement of construction _____
3. Beginning of qualifying time period (MM/DD/YYYY) _____
4. First year of limitation (MM/DD/YYYY) _____
- 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 _____

SECTION 10: The Property

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

SECTION 10: The Property (continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4. Attach a description of the qualified investment [See §313.021(1).] The description must include:

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

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

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

1. Attach a detailed description of the qualified property. [See §313.021(2)] The description must include:

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

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

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

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

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

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

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. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14))
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
 - b. Qualifying job wage minimum option §313.021(5)(A)
-110% of the average weekly wage for manufacturing jobs in the county is
 - c. Qualifying job wage minimum option §313.021(5)(B)
-110% of the average weekly wage for manufacturing jobs in the region is
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?
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property?
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
9. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No
 - 9a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 - 10a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

TAB 2

Proof of Payment of Application Fee

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

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

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

TAB 3

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

Texas Franchise Tax Affiliate Schedule Form 05-166 is provided for Black & Veatch Corporation & Affiliates for 2019. Grizzly Ridge Solar, LLC was formed March 4, 2020 and will be reflected on the 2020 Texas Franchise Tax Affiliate Schedule Form 05-166.

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

TAB 4

Detailed Description of the Project

The Grizzly Ridge Solar Project (“Project”) is a proposed solar powered electric generating facility to be located in Hamilton County. The Project will be approximately 100 MWac and will be located on up to 3,274 acres in the Hamilton Independent School District.

The Project is not currently known by any other project names.

The Project will be comprised of approximately 303,000 solar panels and 26 central inverters and is being developed by Diode Ventures, LLC.

Construction of the Project will include, but is not limited to:

- collection systems
- transmission lines
- electrical interconnections
- roads
- control systems necessary for commercial generation of electricity
- solar panels
- foundations
- racking and mounting structures
- inverters
- transformers
- supervisory control and data acquisition (SCADA)
- combiner boxes
- meteorological equipment
- maintenance and operations building
- paving
- fencing
- electrical substations
- generation transmission tie line and associated towers, and interconnection
- facilities and control systems necessary for commercial generation of electricity.

Construction of the Project is expected to commence in the first quarter of 2021 and is anticipated to be complete in the first quarter of 2022.

TAB 5

Documentation to assist in determining if limitation is a determining factor

Grizzly Ridge Solar, LLC has entered into lease agreements with certain landowners. These leases include an option period (or feasibility period) whereby Grizzly Ridge Solar, LLC can terminate the lease agreements, at its discretion, without commencing construction of the project.

The Project applied to ERCOT and was assigned GINR# 21INR0375 on July 8, 2019.

Grizzly Ridge Solar, LLC, the applicant, is 100% owned by Diode Ventures, LLC (“Diode”). Diode is a privately-owned company whose mandate is to develop, acquire, own and manage power generation and related infrastructure projects throughout Europe and North America. Diode’s leadership has a proven track record of identifying, developing and managing power generation and related infrastructure projects.

As a developer with international scope and capabilities, Diode has the ability to locate projects of this type in other countries as well as in states within the United States and other regions within Texas with favorable project characteristics. Diode is exploring projects outside of Texas. In addition, Diode is actively assessing and developing other projects that are competing for limited investment funds. With Texas wholesale electricity prices already below the international average, it is necessary to limit the property tax liabilities for a solar project in order to be able to offer electricity at prices that are marketable to Texas customers at competitive rates. Global markets that have various available subsidies for renewable energy projects, and which have higher average contracted power rates, offer an attractive incentive for developers to build projects in those markets over Texas.

The property tax liability of a project without tax incentives in Texas would reduce the return to investors and financiers to an unacceptable level at today’s contracted power rates under a power purchase agreement (“PPA”). Therefore, Diode would be unable to finance and build the Project in Texas even with a signed PPA because of the low price in the PPA. Without the 313 Value Limitation, Diode would be forced to halt development of the Project and invest in other projects in other states, where the rate of return is higher. Grizzly Ridge Solar, LLC has entered into a Chapter 312 Agreement with Hamilton County as just part of the economic incentives package needed to make the Project economically viable and move forward as proposed in this application.

TAB 6

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

Not Applicable

TAB 7

Description of Qualified Investment

Grizzly Ridge Solar, LLC plans to construct an approximately 100 MWac solar powered electric generating facility in Hamilton County.

This application covers all qualified property within Hamilton ISD necessary for the commercial operations of the Project. All panels will be located in Hamilton ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 303,000 solar panels and approximately 26 inverters.

Construction of the Project will include, but is not limited to:

- collection systems
- transmission lines
- electrical interconnections
- roads
- control systems necessary for commercial generation of electricity
- solar panels
- foundations
- racking and mounting structures
- inverters
- transformers
- supervisory control and data acquisition (SCADA)
- combiner boxes
- meteorological equipment
- maintenance and operations building
- paving
- fencing
- electrical substations
- generation transmission tie line and associated towers, and interconnection
- facilities and control systems necessary for commercial generation of electricity.

Construction of the Project is expected to commence in the first quarter of 2021 and is anticipated to be complete in the first quarter of 2022.

TAB 8

Description of Qualified Property

Grizzly Ridge Solar, LLC plans to construct an approximately 100 MWac solar powered electric generating facility in Hamilton County.

This application covers all qualified property within Hamilton ISD necessary for the commercial operations of the Project. All panels will be located in Hamilton ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 303,000 solar panels and approximately 26 inverters.

Construction of the Project will include, but is not limited to:

- collection systems
- transmission lines
- electrical interconnections
- roads
- control systems necessary for commercial generation of electricity
- solar panels
- foundations
- racking and mounting structures
- inverters
- transformers
- supervisory control and data acquisition (SCADA)
- combiner boxes
- meteorological equipment
- maintenance and operations building
- paving
- fencing
- electrical substations
- generation transmission tie line and associated towers, and interconnection
- facilities and control systems necessary for commercial generation of electricity.

Construction of the Project is expected to commence in the first quarter of 2021 and is anticipated to be complete in the first quarter of 2022.

TAB 9

Description of Land

Not Applicable

TAB 10

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

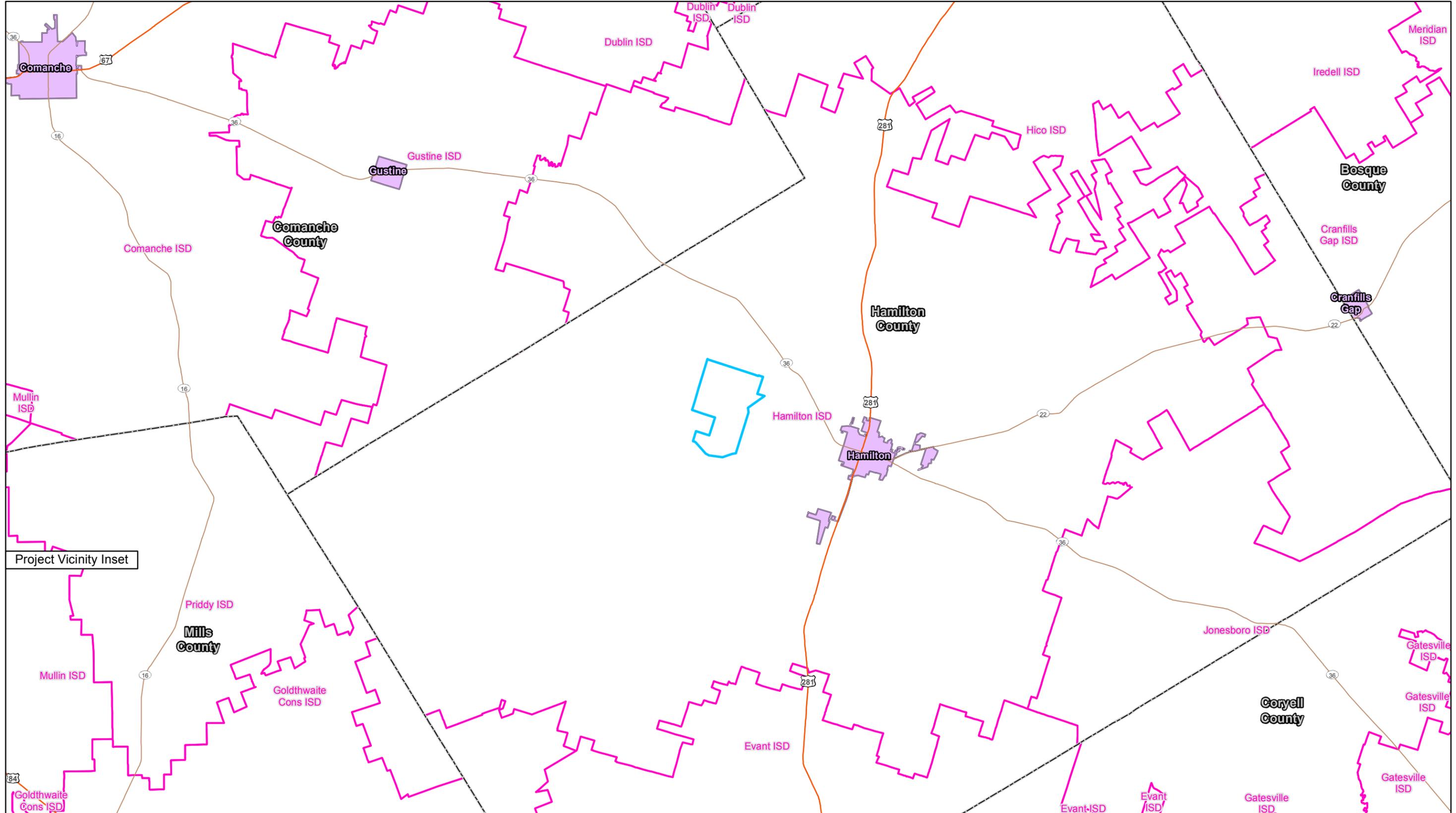
Not Applicable

TAB 11

Maps

Maps that clearly show:

- 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 building 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



Project Vicinity Inset

Data Source(s): Westwood (2020); ESRI WMS World Streets Basemap (Accessed 2017); ESRI (Various Dates); Census Bureau (Various Dates); TxDOT (2016). Data and map are approximate.



Legend

- Reinvestment Zone
- County Boundary
- Municipal Boundary
- School Districts
- Interstate Highway
- US Highway
- State Highway



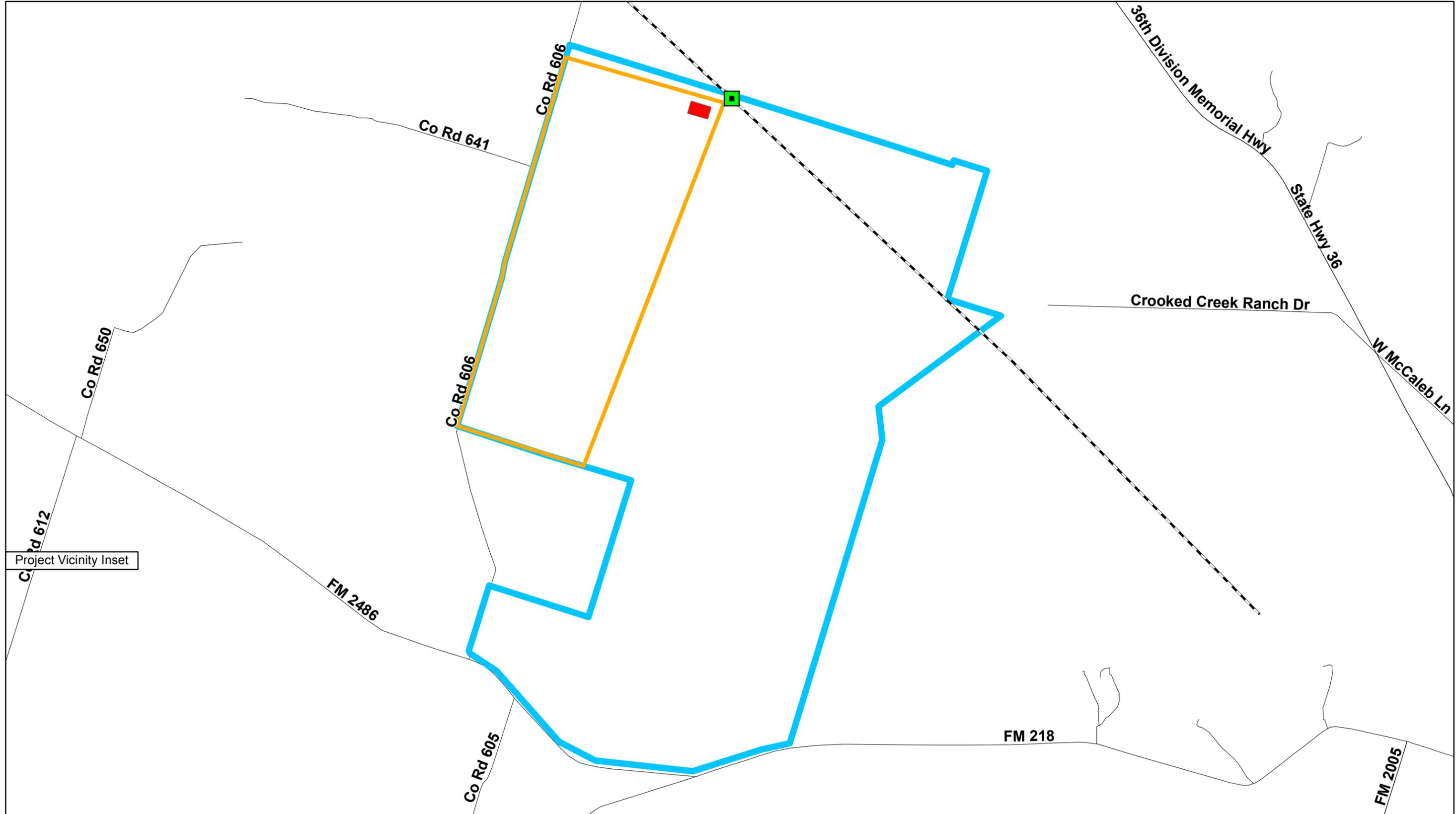
NOTE: Reinvestment Zone does not include public roadways

Grizzly Ridge Solar Project

Hamilton County, Texas

Vicinity Map

September 2, 2020



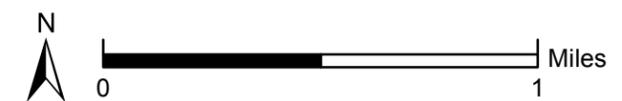
Project Vicinity Inset

Data Source(s): Westwood (2020); ESRI WMS World Streets Basemap (Accessed 2017); ESRI (Various Dates); Census Bureau (Various Dates); TxDOT (2016). Data and map are approximate.



Legend

-  Reinvestment Zone
-  Project Boundary
-  Proposed Substation
-  Proposed Point of Interconnection
-  Existing Transmission Line
-  Road



NOTE: Reinvestment Zone does not include public roadways

Grizzly Ridge Solar Project

Hamilton County, Texas

Project Map

September 2, 2020

TAB 12

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

See Attached



DIODE VENTURES
11401 Lamar Avenue, Overland Park, KS 66211
Info@diodeventures.com

August 28, 2020
Mr. Clay Tarpley
Hamilton Independent School District
400 South College Street
Hamilton, TX 77461

Re: Grizzly Ridge Solar Project
Chapter 313 Application for Appraised Value Limitation
Job Creation Requirement Waiver Request

Dear Mr. Tarpley,

Grizzly Ridge Solar, LLC, a subsidiary of Diode Ventures, LLC, is submitting a Texas Tax Code, Chapter 313 application for appraised value limitation on qualified property with a request for a waiver of the jobs creation requirement. Pursuant to Section 313.025(f-1), the governing body of a school district may waive the new jobs creation requirement or 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.

For this size of a utility scale solar project, it is expected that approximately 150 temporary construction jobs will be created over an estimated one-year construction period. During commissioning and operations, highly skilled technicians with specific training and experience will provide maintenance of the project components and operate the facility. The current industry standard for solar energy sites is one worker per 115 MW. One employee can operate more than one facility with support and technical assistance provided by the PV manufacturer. Additionally, there may be asset managers or technicians who supervise, monitor and support the project from other locations.

Therefore, Grizzly Ridge Solar, LLC is requesting that Hamilton ISD Board of Trustees make a finding that the jobs creation requirement may be waived for this facility.

Sincerely,

Bradley Hardin
President

DocuSigned by:

13675855E6C74B3...

TAB 13

Calculation of non-qualifying wage target and two possible wage requirements with TWC documentation

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

Average Weekly Wage for (All Jobs, All Industries)

County: Hamilton
 Ownership: Total All
 Industry: Total, All Industries

Year	Quarter	Average Weekly Wage
2019	2	\$700
2019	3	\$736
2019	4	\$784
2020	1	\$738
	Average	\$740

110% of Average Weekly Wage for (All Jobs, All Industries)

County: Hamilton
 Ownership: Private
 Industry: Manufacturing

Year	Quarter	Average Weekly Wage
2019	2	\$717
2019	3	\$769
2019	4	\$837
2020	1	\$733
	Average	\$764
	110% of Average	\$840

110% of Average Weekly Wage for Manufacturing Jobs in Region

Region: Central Texas Council of Governments
 Average Hourly Wages: \$21.07
 Average Weekly Wages: \$843 (40 hours/week)
 110% of Average Weekly Rate: \$927

Minimum Required Annual Wage is
 $\$927/\text{week} * 52 \text{ weeks/year} = \$48,204$

Quarterly Employment and Wages (QCEW)

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2019	2	Hamilton	Total All	10	Total, All Industries	700
2019	3	Hamilton	Total All	10	Total, All Industries	736
2019	4	Hamilton	Total All	10	Total, All Industries	784
2020	1	Hamilton	Total All	10	Total, All Industries	738

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2019	2	Hamilton	Private	31-33	Manufacturing	717
2019	3	Hamilton	Private	31-33	Manufacturing	769
2019	4	Hamilton	Private	31-33	Manufacturing	837
2020	1	Hamilton	Private	31-33	Manufacturing	733

**2019 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	COG Number	Wages	
		Hourly	Annual
Panhandle Regional Planning Commission	1	\$22.31	\$46,399
South Plains Association of Governments	2	\$18.97	\$39,448
NORTEX Regional Planning Commission	3	\$20.38	\$42,395
North Central Texas Council of Governments	4	\$32.92	\$68,476
Ark-Tex Council of Governments	5	\$20.09	\$41,780
East Texas Council of Governments	6	\$28.95	\$60,211
West Central Texas Council of Governments	7	\$21.83	\$45,406
Rio Grande Council of Governments	8	\$18.15	\$37,749
Permian Basin Regional Planning Commission	9	\$21.87	\$45,499
Concho Valley Council of Governments	10	\$26.74	\$55,625
Heart of Texas Council of Governments	11	\$22.41	\$46,614
Capital Area Council of Governments	12	\$29.37	\$61,091
Brazos Valley Council of Governments	13	\$17.60	\$36,613
Deep East Texas Council of Governments	14	\$21.06	\$43,796
South East Texas Regional Planning Commission	15	\$25.52	\$53,079
Houston-Galveston Area Council	16	\$28.85	\$60,015
Golden Crescent Regional Planning Commission	17	\$21.43	\$44,565
Alamo Area Council of Governments	18	\$26.64	\$55,401
South Texas Development Council	19	\$18.70	\$38,889
Coastal Bend Council of Governments	20	\$34.94	\$72,668
Lower Rio Grande Valley Development Council	21	\$20.05	\$41,698
Texoma Council of Governments	22	\$18.40	\$38,280
Central Texas Council of Governments	23	\$21.07	\$43,821
Middle Rio Grande Development Council	24	\$22.74	\$47,296
Texas		\$27.25	\$56,673

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

Data published: August 2020.

Data published annually, next update will likely be July 31, 2021

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 implementing Chapter 313, Texas Tax Code.

TAB 14

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

See attached Schedules A1, A2, B, and C

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

Date 9/8/2020
 Applicant Name Grizzly Ridge Solar, LL
 ISD Name Hamilton ISD

Form 50-296A
 Revised February 2020

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district		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	--								\$0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				\$100,000,000	\$0	\$0	\$0	\$100,000,000	
Complete tax years of qualifying time period	QTP1		2022	\$10,000,000	\$0	\$0	\$0	\$10,000,000	
	QTP2		2023	\$0	\$0	\$0	\$0	\$0	
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$110,000,000	\$0	\$0	\$0	\$110,000,000	
				Enter amounts from TOTAL row above in Schedule A2					
Total Qualified Investment (sum of green cells)				\$110,000,000					

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

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

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

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

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

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

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

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

Date 9/8/2020
 Applicant Name Grizzly Ridge Solar, LLC
 ISD Name Hamilton ISD

Form 50-296A
 Revised February 2020

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A	Column B	Column C	Column D	Column E
				New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <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		\$110,000,000	\$0			
Enter amounts from TOTAL row in Schedule A1 in the row below								
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2020-2021	2020	\$0	\$0			
	0	2021-2022	2021	\$0	\$0			
Value limitation period***	1	2022-2023	2022	\$0	\$0			
	2	2023-2024	2023	\$0	\$0			
	3	2024-2025	2024	\$0	\$0			
	4	2025-2026	2025	\$0	\$0			
	5	2026-2027	2026	\$0	\$0			
	6	2027-2028	2027	\$0	\$0			
	7	2028-2029	2028	\$0	\$0			
	8	2029-2030	2029	\$0	\$0			
	9	2030-2031	2030	\$0	\$0			
	10	2031-2032	2031	\$0	\$0			
Total Investment made through limitation				\$110,000,000	\$0			
Continue to maintain viable presence	11	2032-2033	2032					
	12	2033-2034	2033					
	13	2034-2035	2034					
	14	2035-2036	2035					
	15	2036-2037	2036					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037					
	17	2038-2039	2038					
	18	2039-2040	2039					
	19	2040-2041	2040					
	20	2041-2042	2041					
	21	2042-2043	2042					
	22	2043-2044	2043					
	23	2044-2045	2044					
	24	2045-2046	2045					
	25	2046-2047	2046					

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row**.
 ** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.
 *** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.
 For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.
 Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 Only tangible personal property that is specifically described in the application can become qualified property.
 Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.
 Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

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

Date **9/8/2020**
 Applicant Name **Grizzly Ridge Solar, LLC**
 ISD Name **Hamilton ISD**

Form 50-296A
 Revised February 2020

				Qualified Property			Estimated Taxable Value		
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	0	2021-2022	2021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Value Limitation Period	1	2022-2023	2022	\$ -	\$ -	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 20,000,000
	2	2023-2024	2023	\$ -	\$ -	\$ 104,500,000	\$ 104,500,000	\$ 104,500,000	\$ 20,000,000
	3	2024-2025	2024	\$ -	\$ -	\$ 93,500,000	\$ 93,500,000	\$ 93,500,000	\$ 20,000,000
	4	2025-2026	2025	\$ -	\$ -	\$ 82,500,000	\$ 82,500,000	\$ 82,500,000	\$ 20,000,000
	5	2026-2027	2026	\$ -	\$ -	\$ 71,500,000	\$ 71,500,000	\$ 71,500,000	\$ 20,000,000
	6	2027-2028	2027	\$ -	\$ -	\$ 60,500,000	\$ 60,500,000	\$ 60,500,000	\$ 20,000,000
	7	2028-2029	2028	\$ -	\$ -	\$ 49,500,000	\$ 49,500,000	\$ 49,500,000	\$ 20,000,000
	8	2029-2030	2029	\$ -	\$ -	\$ 38,500,000	\$ 38,500,000	\$ 38,500,000	\$ 20,000,000
	9	2030-2031	2030	\$ -	\$ -	\$ 27,500,000	\$ 27,500,000	\$ 27,500,000	\$ 20,000,000
	10	2031-2032	2031	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 20,000,000
Continue to maintain viable presence	11	2032-2033	2032	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	12	2033-2034	2033	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	13	2034-2035	2034	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	14	2035-2036	2035	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	15	2036-2037	2036	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	17	2038-2039	2038	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	18	2039-2040	2039	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	19	2040-2041	2040	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	20	2041-2042	2041	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	21	2042-2043	2042	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	22	2043-2044	2043	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	23	2044-2045	2044	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	24	2045-2046	2045	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000
	25	2046-2047	2046	\$ -	\$ -	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
 Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date **9/8/2020**
 Applicant Name **Grizzly Ridge Solar, LLC**
 ISD Name **Hamilton ISD**

Form 50-296A
 Revised February 2020

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A Number of Construction FTE's	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	0	n/a	0	0	n/a
	0	2021-2022	2021	150	\$62,000	0	0	n/a
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2022-2023	2022	150	\$62,000	0	1	\$48,204
	2	2023-2024	2023	n/a	n/a	0	1	\$48,204
	3	2024-2025	2024	n/a	n/a	0	1	\$48,204
	4	2025-2026	2025	n/a	n/a	0	1	\$48,204
	5	2026-2027	2026	n/a	n/a	0	1	\$48,204
	6	2027-2028	2027	n/a	n/a	0	1	\$48,204
	7	2028-2029	2028	n/a	n/a	0	1	\$48,204
	8	2029-2030	2029	n/a	n/a	0	1	\$48,204
	9	2030-2031	2030	n/a	n/a	0	1	\$48,204
	10	2031-2032	2031	n/a	n/a	0	1	\$48,204
Years Following Value Limitation Period	11 through 25	2032-2047	2032-2046	n/a	n/a	0	1	\$48,204

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

TAB 15

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

None

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

a) Evidence that the area qualifies as an enterprise zone as defined by the Governor's office:
Not Applicable

b) Legal description of reinvestment zone:

546.47 acres out of The Wright Coley Survey, Abstract 1116
151.52 acres out of The A. Puddy Survey, Abstract 1299
259.30 acres out of The Andrew Givens Survey, Abstract 234
102.10 acres out of The John Chew Survey, Abstract 159
64.60 acres out of The W. W. Hill Survey, Abstract 1513
336.30 acres out of The S. D. Felt Survey, Abstract 1258
336.24 acres out of The WACO Manufacturing Company Survey, Abstract 898
618.67 acres out of The John Cheevers Survey, Abstract 154
362.48 acres out of The Andrew J. Curry Survey, Abstract 132
201.63 acres out of The John Person Survey, Abstract 679
130.27 acres out of The S. D. Felt Survey Abstract 1204
31.40 acres out of The J. B. Woods Survey, Abstract 887
66.66 acres out of The F. M. McKee Survey, Abstract 553
17.85 acres out of The WM. Fream Survey, Abstract 1008
48.09 acres out of The G. W. Carlile Survey, Abstract 166

c) Order, resolution, or ordinance established the reinvestment zone:
See attached Hamilton County Resolution creating the Reinvestment Zone.

d) Guidelines and criteria for creating the zone:
See attached Hamilton County guidelines.

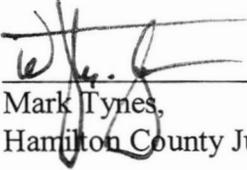
RESOLUTION

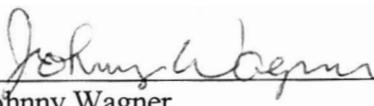
BE IT RESOLVED BY THE HAMILTON COUNTY COMMISSIONERS COURT, at a public meeting duly held after proper notice, and immediately following a public hearing which was duly noticed as required by law, finds that the designation of the specific tract of real property located in Hamilton County, Texas, located approximately 4 1/3 miles west of the Hamilton County Courthouse in Hamilton, Texas, on the north side of the intersection of FM 218 and FM 2486, and legally described in that certain General Warranty Deed dated December 21, 2012, which filed in Volume 468, Page 658 of the Real Property Records of Hamilton County, Texas, as a reinvestment zone would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of Hamilton County, Texas.

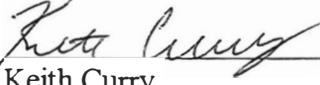
BE IT FURTHER RESOLVED that the Hamilton County Commissioners' Court hereby ORDERS that the above referenced tract of real property located in Hamilton County, Texas, is designated as "Reinvestment Zone" for a period of five (5) years commencing as of the date of this Order.

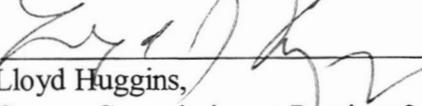
BE IT FURTHER RESOLVED that the *Policy on Tax Abatement and Other Economic Development Incentives for Hamilton County, Texas*, his hereby approved and re-adopted for an additional two (2) year period as provided by law.

The foregoing Resolutions were adopted on this the 23rd day of June, 2020, by a vote of 5 ayes and 0 nays.


Mark Tynes,
Hamilton County Judge


Johnny Wagner,
County Commissioner, Precinct 1


Keith Curry,
County Commissioner, Precinct 2


Lloyd Huggins,
County Commissioner, Precinct 3


Dickie Clary,
County Commissioner, Precinct 4

Attest 
Leanne Jackson
Hamilton County Clerk

SEP 08 2020

**Policy on Tax Abatement and Other Economic Development
Incentives for the County of Hamilton, Texas**

Deanna Jackson
County Clerk, Hamilton Co., Texas

Section A. Purpose

The County of Hamilton, Texas, (County hereinafter), is committed to the promotion of economic development in all parts of the County and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider providing tax abatement and/or other incentives to stimulate economic development in the County. It is the policy of the County that such incentives will be provided to appropriate businesses in accord with the procedures and criteria outlined in this document. However, nothing in this policy shall imply or suggest, or be construed to imply or suggest, that the County is under any obligation to provide any incentive to any applicant. All such applicants for tax abatement and/or other economic incentives shall be considered on an individual basis.

Section B. Criteria for Tax Abatement and other Economic Development Incentives

The following criteria must be met for an applicant to be considered eligible to contract for tax abatement and/or any other economic development incentive:

1. An investment by the applicant of at least \$ 100,00.00 in property improvements is required. This shall include personal (capital equipment) or real property improvements. Tax abatement may be granted to owners of real and personal property for projects where real property is leased and special terms and conditions may be set in the agreement governing each specific tax abatement. Inventory and supplies shall not be included.
2. The project must meet the requirements of the building codes and other applicable County requirements and City Codes where in the city limits or extraterritorial jurisdiction of the cities of Hamilton or Hico.
3. In addition to the minimum requirements stated above, the following criteria will be considered in determining what level of tax abatement and/or other incentives will be provided to the applicant:
 - a. Expansion of the local tax base.
 - b. Creation of permanent full-time employment with a minimum of 2 new employees and projected 5-year growth in number of employees. Tax abatement shall encourage employee benefits such as health insurance and allow the tax-collecting entities to request information during the term of the abatement regarding employee benefits.
 - c. The types and cost of public improvements (e.g. streets, water, sewer, drainage) and services (e.g. fire, police) which will be required of the City and County.
 - d. The types and cost of public improvements which will be made by the applicant.
 - e. The type of Commercial activity (e.g. office, retail, etc.).
 - f. The amount of time necessary to complete the project by the property owner.

SEP 08 2020

**Policy on Tax Abatement and Other Economic Development
Incentives for the County of Hamilton, Texas**

Joanna Apelson
Clerk, Hamilton Co., Texas

Section A. Purpose

The County of Hamilton, Texas, (County hereinafter), is committed to the promotion of economic development in all parts of the County and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider providing tax abatement and/or other incentives to stimulate economic development in the County. It is the policy of the County that such incentives will be provided to appropriate businesses in accord with the procedures and criteria outlined in this document. However, nothing in this policy shall imply or suggest, or be construed to imply or suggest, that the County is under any obligation to provide any incentive to any applicant. All such applicants for tax abatement and/or other economic incentives shall be considered on an individual basis.

Section B. Criteria for Tax Abatement and other Economic Development Incentives

The following criteria must be met for an applicant to be considered eligible to contract for tax abatement and/or any other economic development incentive:

1. An investment by the applicant of at least \$ 100,00.00 in property improvements is required. This shall include personal (capital equipment) or real property improvements. Tax abatement may be granted to owners of real and personal property for projects where real property is leased and special terms and conditions may be set in the agreement governing each specific tax abatement. Inventory and supplies shall not be included.
2. The project must meet the requirements of the building codes and other applicable County requirements and City Codes where in the city limits or extraterritorial jurisdiction of the cities of Hamilton or Hico.
3. In addition to the minimum requirements stated above, the following criteria will be considered in determining what level of tax abatement and/or other incentives will be provided to the applicant:
 - a. Expansion of the local tax base.
 - b. Creation of permanent full-time employment with a minimum of 2 new employees and projected 5-year growth in number of employees. Tax abatement shall encourage employee benefits such as health insurance and allow the tax-collecting entities to request information during the term of the abatement regarding employee benefits.
 - c. The types and cost of public improvements (e.g. streets, water, sewer, drainage) and services (e.g. fire, police) which will be required of the City and County.
 - d. The types and cost of public improvements which will be made by the applicant.
 - e. The type of Commercial activity (e.g. office, retail, etc.).
 - f. The amount of time necessary to complete the project by the property owner.

g. The extent to which the proposed project carries out the goals and objectives of the County.

h. The impact on the environment and on existing businesses.

i. Community perception of the project.

j. Salary ranges for new employees.

k. A cost/benefit analysis shall be presented by the applicant to demonstrate increased tax receipts to the County at the end of the abatement, payroll additions, turnover of payroll in the community, and investment by the business.

4. Preference will be given to businesses which use local suppliers and labor force, and which require no new public facilities.

Section C. Types of Incentives

1. It is the intent of the County to offer tax abatement and/or other economic development incentives on a case by case basis so that the total package of incentives may be designed specifically for each project which is proposed.

2. The criteria outlined in Section B., above, will be used to determine whether or not it is in the best interest of the County to provide any tax abatement and/or other economic development incentives to a particular applicant. The extent to which a proposed project furthers the goals and objectives of the County and the projected impact of the project on the County will be used to determine the types and value of the incentives provided. Abatement may be up to 100% or can be set at an amount the County determines. The County may provide for an abatement on a sliding scale. Generally, tax abatement will not be provided to any applicant for a period greater than 5 years.

Section D. Application Procedures

Any person, organization, joint venture, partnership, association or corporation desiring that the County consider providing a tax abatement and/or other economic development incentives to encourage the location of a business or expand a business operation in the County must comply with the following application procedures.

1. Applicant shall file an application on a form provided by the County requesting the type and value of economic development incentives with the office of the County Judge.

2. Additionally, Applicant shall file a copy of the above referenced application with the City of Hamilton Economic Development Corporation, the City of Hico Economic Development Corporation, and the City of Evant Municipal Development District (collectively or individually EDC hereinafter) and request that they review the project and application and that each EDC submit a written recommendation (positive, negative or otherwise) to the County Judge.

3. Each application shall be accompanied by the following information:

a. A plat showing the precise location of the property, all roadways within 200 feet of the site, and all existing zoning and land uses on the site. This requirement may be waived at the discretion of the Commissioners Court.

- b. A complete legal description of the property.
- c. A brief description of the proposed improvements or expansions, the type of business operation proposed, the number of jobs created, the expected source of applicants for such jobs, the estimated annual payroll of all new jobs, the projected date of beginning construction and operation, salary ranges for employees and employee benefits.
- d. A time schedule of the planned improvements.
- e. A summary description of the new facility or expansion.
- f. A cost/benefit analysis.
- g. Any other information about the proposed project which may be required by the County.
- h. True and correct copies of any and all applications, photos, plats, maps and other written documents shall be submitted to any other taxing entity related to the proposed project.

4 The application will be reviewed by the County Judge for completeness and accuracy and comments will be received from the appropriate departments. Once this information is compiled, the application, review comments and recommendations will be forwarded to the members of the Commissioners' Court.

5. All requirements of Chapter 312 of the Texas Tax Code, known as the Property Redevelopment and Tax Abatement Act, shall be followed.

6. Applications for tax abatement and/or other economic development incentives made to the County will be denied if the County finds that the application for abatement was filed after the commencement of construction, alteration or installation of improvements related to the proposed modernization, expansion or a new facility.

Section E. Approval of Tax Abatement and Other Economic Development Incentives by the Commissioners' Court

1. If the Commissioners' Court determines that it is in the best interest of the County to provide incentives to a particular applicant, a resolution shall be adopted approving the terms and conditions of a tax abatement and/or other economic development incentive agreement with the applicant which will enumerate the types of incentives to be provided, and the conditions which are applicable to them.

2. Any tax abatement and economic incentive agreement must include at least the following items:

- a. A description of each of the types of incentives to be provided and their duration.
- b. A legal description of the property on which the agreement will operate.

c. Detailed information regarding the type, number, location and cost of all improvements on the property.

d. A plan which provides access to and inspection of the property and proposed improvements to ensure that the improvements are made according to the specifications and conditions of the agreement.

e. A provision limiting the uses of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that the property tax abatement and/or other economic development incentives are in effect.

f. A method to provide for the recovery of property tax revenues and all waived fees and costs which are lost as a result of the agreement. A non-compliance penalty shall require payment of all abated taxes immediately if the abatement agreement is cancelled.

g. Require the owner of the property to certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the agreement.

h. Provide that the governing body of the County may cancel or modify the agreement if the property owner fails to comply with the agreement.

i. Require the property owner to pay timely all assessed ad valorem taxes on the property subject to the agreement or the agreement shall be cancelled by the County.

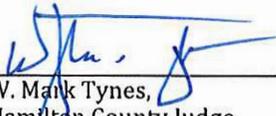
j. Require the property owner to add a minimum of 2 new employees.

k. Provide the County with information on employee benefits and salary.

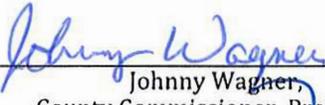
Section F. Duration of Guidelines

The guidelines and criteria adopted herein shall be effective from the date they are adopted by the Commissioners' Court and shall remain in effect for 2 years unless otherwise repealed or modified by a % vote of the Commissioners' Court.

The foregoing Resolution was adopted on this the 8th day of SEPT, 2020 by a vote of 5 ayes and 0 nays.



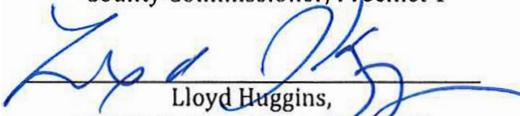
W. Mark Tynes,
Hamilton County Judge



Johnny Wagner,
County Commissioner, Precinct 1



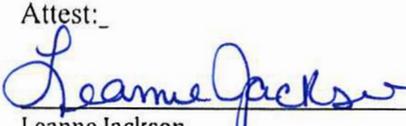
Keith Allen Curry,
County Commissioner, Precinct 2



Lloyd Huggins,
County Commissioner, Precinct 3



Dickie Clary,
County Commissioner, Precinct 4

Attest:


Leanne Jackson,
Hamilton County Clerk

TAB 17

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

See Attached

SECTION 16: Authorized Signatures and Applicant Certification

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

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

1. Authorized School District Representative Signature

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

print here

Clay Tarpley
Print Name (Authorized School District Representative)

SUPERINTENDENT
Title

sign here

Clay Tarpley
Signature (Authorized School District Representative)

9/21/2020
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

BRADLEY HARDIN
Print Name (Authorized Company Representative (Applicant))

PRESIDENT - DIODE VENTURES
Title

sign here

[Handwritten Signature]
Signature (Authorized Company Representative (Applicant))

9/1/2020
Date

GIVEN under my hand and seal of office this, the

1 day of September

Jessica L Mayeaux
Notary Public in and for the State of Texas Kansas

My Commission expires: 11/14/2023



(Notary Seal)

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.