
SARA LEON
& ASSOCIATES, PLLC

June 30, 2021

Via Electronic Mail: Ch313.apps@cpa.texas.gov

Data Analysis and Transparency Division

Texas Comptroller of Public Accounts

111 E. 17th Street

Austin, Texas 78774

Re: Application for a Chapter 313 Value Limitation Agreement between the Nixon-Smiley Consolidated Independent School District and Brush Country Solar Project, LLC

First Year of Qualifying Time Period – 2022

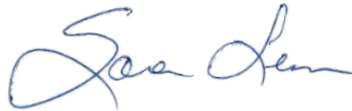
First Year of Limitation – 2024

The Nixon-Smiley Consolidated Independent School District Board of Trustees approved the enclosed Application for Appraised Value Limitation on Qualified Property at a duly called meeting held on June 14, 2021. The Application was determined to be complete on June 30, 2021. The Applicant, Brush Country Solar Project, LLC, plans to construct an estimated 100 MWac photovoltaic solar energy facility with an additional 30 MWac battery storage facility within Gonzales County, located within Nixon-Smiley Consolidated Independent School District territory.

A copy is being provided to the Gonzales 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.

Thanks so much for your kind attention to this matter.

Respectfully submitted,



Sara Hardner Leon

Enclosures

June 30, 2021

Page 2

cc: *Via Electronic Mail:* gonzcad@gvec.net
John Liford, Chief Appraiser, Gonzales County Appraisal District

Via Electronic Mail: cathy.lauer@nixonsmiley.net
Cathy Lauer, Superintendent of Schools, Nixon-Smiley Consolidated Independent School District

Via Electronic Mail: Conor.Branch@enel.com
Benjamin Branch, Head of Development Strategy & Analytics, Enel Green Power North America, Inc.

Via Electronic Mail: Steven.Precopia@enel.com
Zach Precopia, Project Manager, Enel Green Power North America, Inc.

Via Electronic Mail: robjrpena@texas-kwh.com
Robert Pena, Jr., President, Texas Energy Consultants, LLC

Application for Chapter 313 Appraised
Value Limitation by Brush Country Solar
Project, LLC to Nixon-Smiley CISD



NIXON-SMILEY

Consolidated Independent School District

June 14, 2021

Tab 1

See executed application attached.

Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Texas 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 completed application to the Comptroller, separating each section of the documents. See 34 TAC Chapter 9, Subchapter F.

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

When the Comptroller receives the notice and required information from the school district, and has determined that all assertions of confidentiality are appropriate, the Comptroller will publish all submitted non-confidential application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller's 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 and issue a certificate for a limitation on appraised value to the school board regarding the application 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 by the Comptroller), 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?

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 the same time 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. 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. 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. 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 the most recently submitted 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. Texas Franchise Tax Reporting Entity Taxpayer Name

2c. 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 <i>(complete Section 13)</i> |
| <input type="checkbox"/> Expansion of existing operation on the land <i>(complete Section 13)</i> | <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 (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. County or counties in which the proposed project will be located _____
2. 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): _____ (Name, tax rate and percent of project) | I&S (ISD): _____ (Name, tax rate and percent of project) |
| County: _____ (Name, tax rate and percent of project) | City: _____ (Name, tax rate and percent of project) |
| Hospital District: _____ (Name, tax rate and percent of project) | Water District: _____ (Name, tax rate and percent of project) |
| Other (describe): _____ (Name, tax rate and percent of project) | Other (describe): _____ (Name, tax rate and percent of project) |

SECTION 10: The Property (continued)

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

County: _____
(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 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 reinvestment zone 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 an 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? _____

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 (statement 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 statements 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 statement 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 statement 2): \$ _____

Note: Investment for the property listed in statement 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)? ☐ 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 Texas Workforce Commission 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 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 13** 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 an entity 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 payment for the \$75,000 application fee to Nixon-Smilely CISD.

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

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

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).

Not Applicable.

Tab 4

Detailed description of the project.

In Tab 4, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.

Brush Country Solar Project, LLC (“Brush Country”), is the project entity formed to facilitate the development of a utility-scale photovoltaic (“PV”) solar energy project (The “Project”). Brush Country Solar is a wholly owned subsidiary of ENEL Green Power North America, Inc., (“ENEL”). ENEL is one of the most successful independent renewable energy development companies in the U.S.

ENEL is actively evaluating renewable energy project opportunities in locations across the United States at various stages of development.

Brush Country Solar seeks to develop and interconnect 100 megawatts-ac (“MWac”) of power and 30 MWac of battery storage into the ERCOT market. Brush Country Solar is requesting an appraised value limitation from Nixon-Smiley CISD for a proposed solar energy project using PV solar energy panels and transmission facilities. Brush Country Solar has not entered into any agreements for appraised value limitation with any other ISD. The solar energy facility and its associated infrastructure will be constructed entirely within Gonzales County, Texas. A map showing the location of the solar energy facility is included as Attachment 11a.

Brush Country Solar applied to ERCOT and was assigned IGNR # 23INR0231 for the solar generating facility & IGNR # 23INR0232 for the battery storage facility. The project has not previously been known by any other names other than Brush Country Solar Project, LLC. The Project will have a total estimated capacity of 100 MWac of power and 30 MWac of battery storage all of which will be located within Nixon-Smiley CISD. The permanent battery storage facility will only be used for the Brush Country Solar, LLC project.

The Project is located on approximately 900 acres of contiguous land located within Nixon-Smiley CISD. Brush Country Solar has obtained a lease and option agreement with the property owner needed to construct the Project. The Project will consist of solar PV modules, connected to form strings, which are subsequently connected in parallel and mounted on rows of horizontal, single axis trackers. The Project will also feature central power inverters and transformers to convert DC power to AC electricity. In addition to the major equipment, there will be the supporting electrical collection system and supporting facilities to be constructed and improved as necessary, project battery storage facility with a capacity of 30 MWac, and overhead transmission lines.

Construction of the solar energy facility is expected to take approximately 12 months to complete, contingent upon favorable economics for the Project.

While the solar energy resource for Gonzales County, Texas is excellent, there are many favorable locations for solar energy projects that could be developed across the United States. Brush Country Solar considers a Limitation of Appraised Value Agreement with Nixon-Smiley CISD as a key and invaluable portion of the Project.

In today's competitive energy market, project investors and power purchasers require solar energy projects to have secured tax incentives, so that they can compete with solar energy projects across the U.S.

Solar energy facilities are operating and under development in many states throughout the country. The United States now has over 71.3 gigawatts ("GW") of installed solar capacity, enough to power millions of homes, according to the Solar Energy Industries Association ("SEIA"). In Quarter 3 of 2019, the U.S.

solar market installed over 2.6 GW, primarily driven by the utility-scale PV segment. While California has historically been the largest state market, other states are growing, such as:

North Carolina, Arizona, Florida, Nevada; together with Texas, these states make up the top six markets for

highest total installations in 2019. As represented by the depiction from SEIA's 2019 report for the top 10 states.



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

As construction is one of the most significant costs in creating a solar energy facility, the physical improvements of the Project, once completed, cannot be feasibly moved to another location. The solar modules and supporting infrastructure are long-lived assets engineered and designed specifically for this Project location. The cost of installing the improvements on the site is substantial and the cost to remove, redesign, and relocate the improvements to a different location would be prohibitive.

Brush Country Solar was formed for the express purpose of developing a photovoltaic solar energy facility that could help bring significant economic development to the area. ENEL identified Texas, and in particular Gonzales County and Nixon-Smiley CSD, for its strong solar energy resource, access to available transmission capacity and the ERCOT market, and favorable property tax incentives under the Tax Code for Chapter 312 abatement and Chapter 313 Appraised Value Limitation. For these reasons, Brush Country Solar seeks to develop and build the proposed Project as described throughout this Application.

As of May 2021, Brush Country Solar has no existing improvement in place. Brush Country Solar has invested additional capital in interconnection studies with ERCOT, environmental and wildlife studies, and in leasing land for the Project, among other development activities.

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

Tab 5

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

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

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

Brush Country Solar Project, LLC has entered into the following representative agreements and contracts for the development of a project within Nixon-Smiley CISD:

- Grants of lease and easement covering approximately 900 acres in Gonzales County;
- Interconnect Studies and Agreement; and
- Third-party contracts for development-related work, such as resource estimation, legal review, and construction planning.

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

Yes. The ENEL management team is uniquely qualified to develop and construct PV solar energy projects in the United States with favorable solar energy resource. With a combined 20+ years of experience in the renewable energy industries, the ENEL team has a proven track record of developing, financing, and constructing large-scale renewable energy projects. Our collective experience includes wind and solar projects in the U.S. Based on this experience, the management team evaluates all potential projects for feasibility, finance-ability, and the economic returns they represent in comparison to other project opportunities both OUTSIDE the State of Texas as well as WITHIN the State of Texas. Other locations being evaluated include, but are not limited to:

Oklahoma
South Carolina
Georgia Virginia
California
Nevada
Idaho
Wyoming New
Mexico Iowa
Minnesota
North Dakota
Illinois

Missouri
Nebraska
Kansas
Oklahoma
New York
Rhode Island
Connecticut
New Hampshire
Vermont

For these reasons, ENEL studies various competing sites throughout the market areas outside and inside the State of Texas where solar energy development is attractive. Without a Value Limitation program, ENEL would seek to move to alternative sites OUTSIDE of the State of Texas.

Brush Country Solar Project, LLC is currently in a period of evaluation to determine whether the identified site in Nixon-Smiley CISD represents the best location or whether redeployment of its development resources and capital to other power markets in the United States is more advisable. As such, the development resources necessary to advance the planned 100 MWac Brush Country Solar could be redeployed to other renewable energy development projects in other power markets in the United States.

Therefore, a 313 Limitation of Appraised Value Agreement is a vital tax incentive necessary to ensure the Project is on a level playing field with other solar energy projects with similar incentives. Without the requested limitation, the Project will be unable to generate sufficient operating margins and net income to produce economically competitive energy and associate returns necessary to attract tax and sponsor equity investment. Such third-party investment is mandatory to finance the projected capital costs of approximately \$112.240 M needed to purchase solar modules and other infrastructure and to fund the construction of the facility.

10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas?

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

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).

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

Not Applicable.

Tab 7

Description of Qualified Investment

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

This application covers all qualified property in the reinvestment zone and project boundary within Nixon-Smiley CISD necessary for commercial operations. The Applicant is requesting an appraised value limitation on all of property constructed or placed upon the real property described and shown in Map Exhibit within Nixon-Smiley CISD, which is located in Gonzales County, Texas. It is anticipated that 100 MWac solar energy facility with an additional 30 MWac battery storage facility will be constructed within Nixon-Smiley CISD.

The property for which the Applicant is requesting an appraised value limitation includes the following:

- Photovoltaic (PV) solar panels and DC-to-AC inverters,
- Tracker system infrastructure, foundations, & controllers,
- Collection substation including high voltage transformer, switch gear, transmission equipment, transmission tie line and towers, interconnection facilities and control systems,
- Medium-and High-Voltage electric cabling,
- DC and AC wiring, insulators, combiner boxes, conduit, and connectors,
- Permanent Project battery storage facility with a capacity of 30 MWac;
- Inverter boxes on concrete or gravel pads,
- Meteorological equipment to measure solar irradiance & weather conditions,
- High Voltage Transmission Line connecting the project to the grid,
- New or improved access roads and service roads, and
- Operations and Maintenance Building.

Additionally, the map provided does not present the location of the improvements; however, all of the improvements that make up the amount of Qualified Investment will be made within the Project Area as shown on Map Exhibit. The Applicant has obtained a grant of lease and easement covering approximately 1,300 acres in Gonzales County, Texas within the Nixon-Smiley CISD boundary.

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).

The applicant intends to construct an Operation and Maintenance building and electrical substation will be constructed within the project boundary. The Operations and Maintenance building will be utilized to house associated equipment relative to the Project. This includes junction boxes, PV panel connectors and mounting and tracking systems.

The Applicant will be placing a project battery storage facility with a capacity of 30 MWac. This permanent battery storage facility will allow excess solar energy collected from The Project to be stored and distributed when the transmission network has available capacity. The battery storage included in the Qualified Property will solely be used for the storage of electricity generated by the solar project. The storage facility design would consist of: (a) batteries installed in standard, typically 40-foot to 50-foot ISO

shipping containers, a purpose built energy storage container, or in an unoccupied structure, 20-foot-tall standard warehouse-style building (and possibly tanks for flow battery technologies); (b) power conversion systems (inverters), which can bi-directionally convert the electricity between DC and AC; (c) electrical collection and fiber-optic communications lines; (d) Heating Ventilation and Air Conditioning (HVAC) systems; (e) fire suppression systems; and (f) civil infrastructure including driveways and fencing. If lithium-ion batteries in containers are utilized for the BESS, the containers would contain racks with modules comprised of lithium-ion battery cells and the battery management system. The containers would be designed to local seismic design criteria and would contain the necessary control layer, safety mechanisms, and HVAC systems. Each container would have DC disconnect breakers to be able to disconnect the battery from the remaining storage system.

Tab 8

Description of Qualified Property

This application covers all qualified property in the reinvestment zone and project boundary within Nixon-Smiley CISD necessary for commercial operations. Brush Country Solar Project, LLC plans to construct an estimated 100 MWac photovoltaic solar energy facility with an additional 30 MWac battery storage facility in Gonzales County, located within Nixon-Smiley CISD. The Qualified Property includes:

- Photovoltaic (PV) solar panels and DC-to-AC inverters,
- Tracker system infrastructure, foundations, & controllers,
- Collection substation including high voltage transformer, switch gear, transmission equipment, transmission tie line and towers, interconnection facilities and control systems,
- Medium-and High-Voltage electric cabling,
- DC and AC wiring, insulators, combiner boxes, conduit, and connectors,
- Project battery storage facility with a capacity of 90 MWac;
- Inverter boxes on concrete or gravel pads,
- Meteorological equipment to measure solar irradiance & weather conditions,
- High Voltage Transmission Line connecting the project to the grid,
- New or improved access roads and service roads, and
- Operations and Maintenance Building.

The permanent battery storage facility will only be used for the Brush Country Solar, LLC project. The exact placement of units is subject to ongoing planning, solar energy resource evaluation, engineering, and land leasing. The Applicant will be placing a project battery storage facility with a capacity of 30 MWac. This permanent battery storage facility will allow excess solar energy collected from The Project to be stored and distributed when the transmission network has available capacity. The battery storage included in the Qualified Property will solely be used for the storage of electricity generated by the solar project. The storage facility design would consist of: (a) batteries installed in standard, typically 40-foot to 50-foot ISO shipping containers, a purpose built energy storage container, or in an unoccupied structure, 20-foot-tall standard warehouse-style building (and possibly tanks for flow battery technologies); (b) power conversion systems (inverters), which can bi-directionally convert the electricity between DC and AC; (c) electrical collection and fiber-optic communications lines; (d) Heating Ventilation and Air Conditioning (HVAC) systems; (e) fire suppression systems; and (f) civil infrastructure including driveways and fencing. If lithium-ion batteries in containers are utilized for the BESS, the containers would contain racks with modules comprised of lithium-ion battery cells and the battery management system. The containers would be designed to local seismic design criteria and would contain the necessary control layer, safety mechanisms, and HVAC systems. Each container would have DC disconnect breakers to be able to disconnect the battery from the remaining storage system.

All equipment outlined above is expected to be located within Nixon-Smiley CISD. The final number and location of units and supporting structures will be determined before construction begins. Current plans are to install all equipment in one phase. Brush Country Solar anticipates interconnecting to the existing LCRA 138-kV Nixon to Deer Creek Transmission line. The map in Attachment 11b shows the proposed project area with the anticipated improvement locations.

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 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 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*

Tab 11a

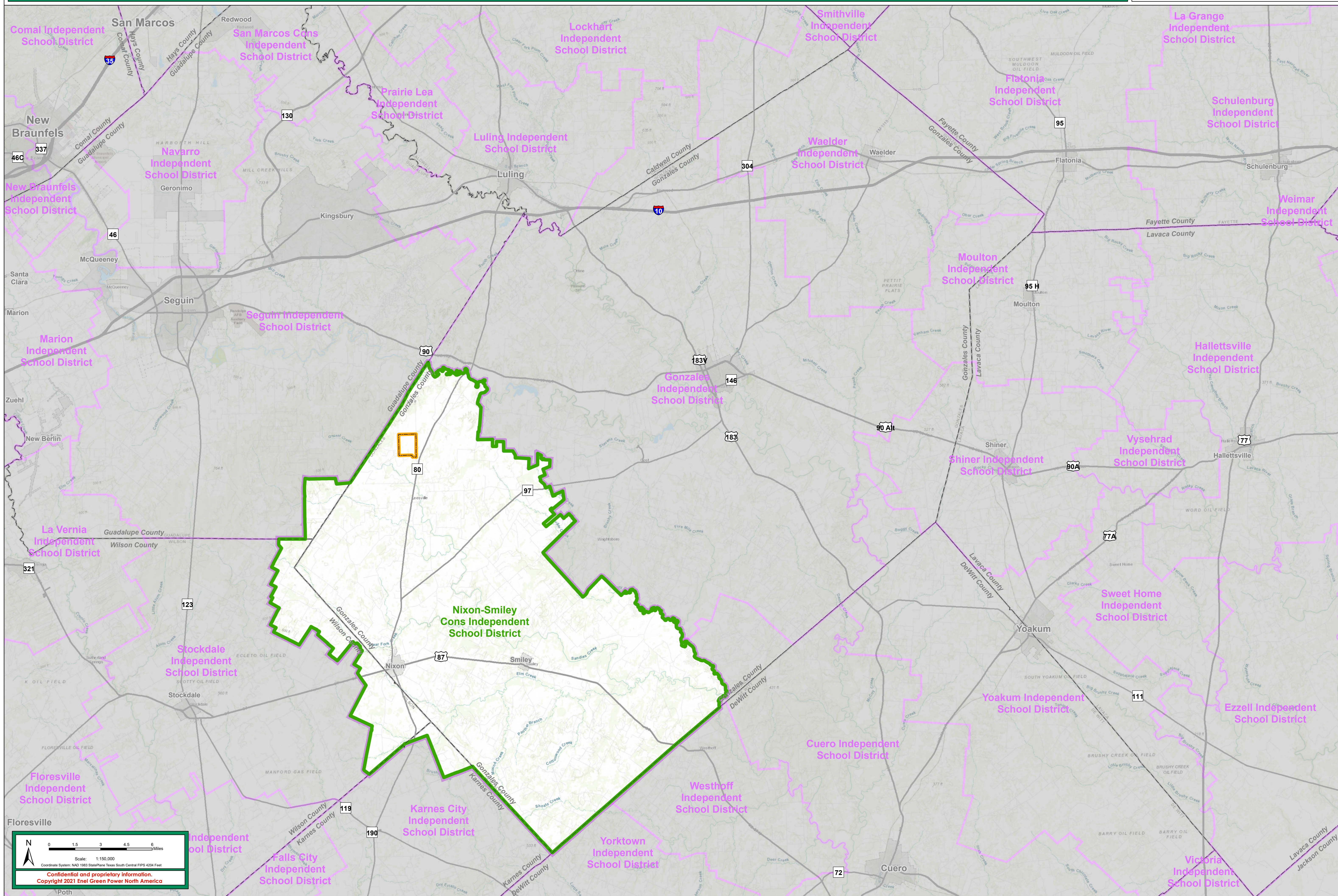
a. Project boundary and project vicinity, including county and school district boundaries.

Please see attached map.

Brush Country Solar - Vicinity Map



- Legend**
- Brush Country Solar Project Boundary and Proposed Reinvestment Zone
 - Nixon-Smiley Cons Independent School District
 - Independent School District
 - County



The following companies and organizations provided data that contributed to the production of this map.

- U.S. Geological Survey (USGS)
- Environmental Systems Research Institute (ESRI)
- U.S. Department of Agriculture (USDA)
- U.S. Federal Aviation Administration (FAA)
- WhiteStar Corporation
- Cartologic
- Verityx Inc.

Map Date: 5/26/2021



Enel Green Power North America, Inc.

100 Brickstone Square, Suite 300 – Andover,
MA 01810 – USAT +1 978 681 1900

June 14, 2021

**Re: Confidentiality of Maps Submitted with Brush Country Solar Project, LLC Chapter 313 Appraised Value
Limitation Application with Nixon-Smiley CISD**

To Whom It May Concern:

As an attachment to the Brush Country Solar Project, LLC Chapter 313 Appraised Value Limitation Application submitted to Nixon-Smiley CISD on June 14, 2021 ("Application"), we designated certain maps, the Qualified Investment and Qualified Property maps, attached thereto ("Maps") as "Confidential". We submit this letter to comply with the requirements by which both Nixon-Smiley CISD and the Comptroller's office can withhold confidential or proprietary information from public release while the Application is pending. This letter is submitted to identify the documents for which confidentiality is sought and provide the specific reasons, stating why the material is believed to be confidential.

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

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

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

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Pena, Jr." with a stylized flourish at the end.

Robert Pena, Jr.
Development

Tab 11b

- b. Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period*

CONFIDENTIAL – FOR SEPARATE FILING.

Tab 11c

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

CONFIDENTIAL – FOR SEPARATE FILING.

Tab 11d

d. Any existing property within the project area

Not Applicable.

Tab 11e

e.Any facilities owned or operated by the applicant having interconnections to the proposed project.

Not Applicable.

Tab 11f

f. Location of project, and related nearby projects within vicinity map

Not Applicable.

Tab 11g

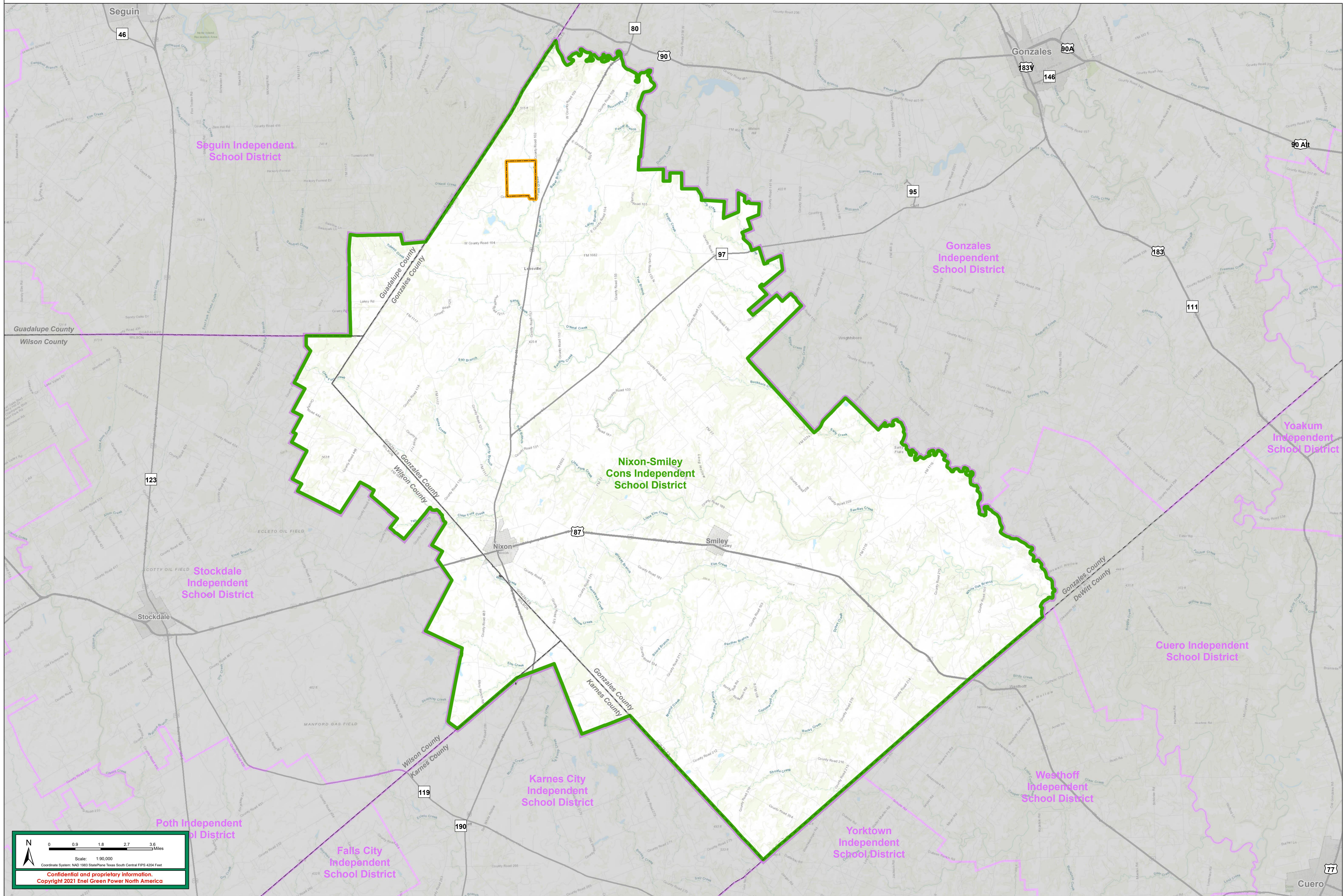
- g. Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size*

Please see attached map.

Brush Country Solar - Reinvestment Zone Within Vicinity



- Legend**
- Brush Country Solar Project Boundary and Proposed Reinvestment Zone
 - Nixon-Smiley Cons Independent School District
 - Independent School District
 - County



The following companies and organizations provided data that contributed to the production of this map.

- U.S. Geological Survey (USGS)
- Environmental Systems Research Institute (ESRI)
- U.S. Department of Agriculture (USDA)
- U.S. Federal Aviation Administration (FAA)
- WhiteStar Corporation
- Cartologic
- Verityx Inc.

Map Date: 5/26/2021

Tab 12

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

See attached waiver request.



Enel Green Power North America, Inc.

100 Brickstone Square, Suite 300 – Andover,
MA 01810 – USAT +1 978 681 1900

June 14, 2021

Cathy Lauer, Superintendent
Nixon-Smiley Consolidated Independent School District
800 N. Rancho Rd.
Nixon, TX 78140

Re: Chapter 313 Application for Appraised Value Limitation – Job Waiver Request

Dear Superintendent,

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

House Bill 1470 altered the jobs requirement by adding Section 313-025 (f-I) to permit a school district's board of trustees to make a finding that the job requirement could be waived if the job requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application. Brush Country Solar Project, LLC, requests that Nixon-Smiley CISD's Board of Trustees make such a finding and waive the job creation requirement for the permanent jobs. Based on the industry standard, the size and scope of this project will require approximately five (5) permanent jobs.

As background information on the creation of the full-time jobs by solar energy projects, these types of projects create a large number of full-time, temporary jobs during the construction phase, but require a small number of highly skilled technicians to operate a solar energy project once construction operations cease and commercial operations begin. The permanent employees of a solar energy project maintain, and service solar energy units, underground electrical connections, substations, and other infrastructure associated with the safe and reliable operation of the project. Typically, solar PV projects of 100 to 200 MW in size require one to two full-time onsite employees, although this number varies depending on the units selected as well as the support and technical assistance offered by the PV manufacturer. In addition to the onsite employees described, there may be asset managers or technicians who supervise, monitor, and support the solar energy project operations from offsite locations.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Pena, Jr.".

Robert Pena, Jr.
Development

Tab 13

Calculation of Wage Requirements – Gonzales County

Supporting data for Section 14(7)(a)

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

| Year | Period | Area | Ownership | Division | Level | Ind. Code | Industry | Avg. Weekly Wages |
|---|---------------------|-----------------|-----------|----------|-------|-----------|-----------------------|-------------------|
| 2020 | 1 st Qtr | Gonzales County | Total All | 0 | 0 | 10 | Total, All Industries | \$856.00 |
| 2020 | 2 nd Qtr | Gonzales County | Total All | 0 | 0 | 10 | Total, All Industries | \$863.00 |
| 2020 | 3 rd Qtr | Gonzales County | Total All | 0 | 0 | 10 | Total, All Industries | \$852.00 |
| 2020 | 4 th Qtr | Gonzales County | Total All | 0 | 0 | 10 | Total, All Industries | \$930.00 |
| Average weekly wage for previous four quarters | | | | | | | | \$857.25 |

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

Supporting Data for Section 14(7)(b)

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

| Year | Period | Area | Ownership | Division | Level | Ind. Code | Industry | Avg. Weekly Wages |
|---|---------------------|-----------------|-----------|----------|-------|-----------|---------------|-------------------|
| 2020 | 1 st Qtr | Gonzales County | Private | 0 | 0 | 31-33 | Manufacturing | \$908.00 |
| 2020 | 2 nd Qtr | Gonzales County | Private | 0 | 0 | 31-33 | Manufacturing | \$920.00 |
| 2020 | 3 rd Qtr | Gonzales County | Private | 0 | 0 | 31-33 | Manufacturing | \$955.00 |
| 2020 | 4 th Qtr | Gonzales County | Private | 0 | 0 | 31-33 | Manufacturing | \$1,076.00 |
| Average weekly wage for previous four quarters | | | | | | | | \$964.75 |
| 110% of Average Weekly Wages | | | | | | | | \$1,061.23 |

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

Supporting Data for Section 14(7)(c)

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

| | |
|---|-----------------|
| Average Annual Wages | \$44,565 |
| Average Weekly Wages @40hrs/week | \$857.02 |
| 110% of Average Weekly Wages | \$942.72 |

Source: 2019 Manufacturing Average Wages by Council of Government Region Wages for All Occupations. Project location region: 17. Golden Crescent Regional Planning Commission.
<https://texaslmi.com/Downloads/COGWages.pdf>

Tab 11c

c. Order, resolution or ordinance establishing the reinvestment zone

To be submitted upon final approval by Gonzales County Commissioners Court.

| Year | Period | Area | Ownership | Industry Code | Industry | Level | Average Weekly Wage |
|------|--------|----------|-----------|------------------|-----------------------|-------|------------------------|
| 2020 | 01 | Gonzales | Total All | 10 | Total, All Industries | 0 | \$ 856.00 |
| 2020 | 02 | Gonzales | Total All | 10 | Total, All Industries | 0 | \$ 863.00 |
| 2020 | 03 | Gonzales | Total All | 10 | Total, All Industries | 0 | \$ 852.00 |
| 2020 | 04 | Gonzales | Total All | 10 | Total, All Industries | 0 | \$ 930.00 |

| Year | Period | Area | Ownership | Industry Code | Industry | Level | Average Weekly Wage |
|------|--------|----------|-----------|------------------|---------------|-------|------------------------|
| 2020 | 01 | Gonzales | Private | 31-33 | Manufacturing | 2 | \$ 908.00 |
| 2020 | 02 | Gonzales | Private | 31-33 | Manufacturing | 2 | \$ 920.00 |
| 2020 | 03 | Gonzales | Private | 31-33 | Manufacturing | 2 | \$ 955.00 |
| 2020 | 04 | Gonzales | Private | 31-33 | Manufacturing | 2 | \$ 1,076.00 |

**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).

Please see attached Schedules.

| 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 | -- | 2021-2022 | 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 | | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Complete tax years of qualifying time period | QTP1 | 2022-2023 | 2022 | \$12,000,000.00 | \$0.00 | \$0.00 | \$0.00 | \$12,000,000.00 |
| | QTP2 | 2023-2024 | 2023 | \$100,240,000.00 | \$0.00 | \$0.00 | \$0.00 | \$100,240,000.00 |
| Total Investment through Qualifying Time Period [ENTER this row in Schedule A2] | | | | \$112,240,000.00 | \$0.00 | \$0.00 | \$0.00 | \$112,240,000.00 |
| | | | | Enter amounts from TOTAL row above in Schedule A2 | | | | |
| Total Qualified Investment (sum of green cells) | | | | \$112,240,000.00 | | | | |

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.

| 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 | | \$112,240,000.00 | \$0.00 | \$0.00 | \$0.00 | \$112,240,000.00 |
| Each year prior to start of value limitation period** <small>Insert as many rows as necessary</small> | 1 | 2022-2023 | 2022 | \$12,000,000.00 | | | | \$12,000,000.00 |
| | 2 | 2023-2024 | 2023 | \$100,240,000.00 | | | | \$100,240,000.00 |
| Value limitation period*** | 1 | 2024-2025 | 2024 | | | | | |
| | 2 | 2025-2026 | 2025 | | | | | |
| | 3 | 2026-2027 | 2026 | | | | | |
| | 4 | 2027-2028 | 2027 | | | | | |
| | 5 | 2028-2029 | 2028 | | | | | |
| | 6 | 2029-2030 | 2029 | | | | | |
| | 7 | 2030-2031 | 2030 | | | | | |
| | 8 | 2031-2032 | 2031 | | | | | |
| | 9 | 2032-2033 | 2032 | | | | | |
| | 10 | 2033-2034 | 2033 | | | | | |
| Total Investment made through limitation | | | | \$112,240,000.00 | | | | \$112,240,000.00 |
| Continue to maintain viable presence | 11 | 2034-2035 | 2034 | | | | | |
| | 12 | 2035-2036 | 2035 | | | | | |
| | 13 | 2036-2037 | 2036 | | | | | |
| | 14 | 2037-2038 | 2037 | | | | | |
| | 15 | 2038-2039 | 2038 | | | | | |
| Additional years for 25 year economic impact as required by 313.026(c)(1) | 16 | 2039-2040 | 2039 | | | | | |
| | 17 | 2040-2041 | 2040 | | | | | |
| | 18 | 2041-2042 | 2041 | | | | | |
| | 19 | 2042-2043 | 2042 | | | | | |
| | 20 | 2043-2044 | 2043 | | | | | |
| | 21 | 2044-2045 | 2044 | | | | | |
| | 22 | 2045-2046 | 2045 | | | | | |
| | 23 | 2046-2047 | 2046 | | | | | |
| | 24 | 2047-2048 | 2047 | | | | | |
| | 25 | 2048-2049 | 2048 | | | | | |

* 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 5/17/2021
 Applicant Name Brush Country Solar Project, LLC
 ISD Name Nixon-Smiley CISD

Form 50-296A

Revised October 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> | 1 | 2022-2023 | 2022 | N/A | N/A | | | | |
| | 2 | 2023-2024 | 2023 | N/A | N/A | | | | |
| Value Limitation Period | 1 | 2024-2025 | 2024 | N/A | N/A | \$ 112,240,000.00 | \$ 112,240,000.00 | \$ 112,240,000.00 | \$25,000,000 |
| | 2 | 2025-2026 | 2025 | N/A | N/A | \$ 103,260,800.00 | \$ 103,260,800.00 | \$ 103,260,800.00 | \$25,000,000 |
| | 3 | 2026-2027 | 2026 | N/A | N/A | \$ 94,281,600.00 | \$ 94,281,600.00 | \$ 94,281,600.00 | \$25,000,000 |
| | 4 | 2027-2028 | 2027 | N/A | N/A | \$ 85,302,400.00 | \$ 85,302,400.00 | \$ 85,302,400.00 | \$25,000,000 |
| | 5 | 2028-2029 | 2028 | N/A | N/A | \$ 76,323,200.00 | \$ 76,323,200.00 | \$ 76,323,200.00 | \$25,000,000 |
| | 6 | 2029-2030 | 2029 | N/A | N/A | \$ 67,344,000.00 | \$ 67,344,000.00 | \$ 67,344,000.00 | \$25,000,000 |
| | 7 | 2030-2031 | 2030 | N/A | N/A | \$ 58,364,800.00 | \$ 58,364,800.00 | \$ 58,364,800.00 | \$25,000,000 |
| | 8 | 2031-2032 | 2031 | N/A | N/A | \$ 49,385,600.00 | \$ 49,385,600.00 | \$ 49,385,600.00 | \$25,000,000 |
| | 9 | 2032-2033 | 2032 | N/A | N/A | \$ 40,406,400.00 | \$ 40,406,400.00 | \$ 40,406,400.00 | \$25,000,000 |
| | 10 | 2033-2034 | 2033 | N/A | N/A | \$ 31,427,200.00 | \$ 31,427,200.00 | \$ 31,427,200.00 | \$25,000,000 |
| Continue to maintain viable presence | 11 | 2034-2035 | 2034 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 12 | 2035-2036 | 2035 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 13 | 2036-2037 | 2036 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 14 | 2037-2038 | 2037 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 15 | 2038-2039 | 2038 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| Additional years for 25 year economic impact as required by 313.026(c)(1) | 16 | 2039-2040 | 2039 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 17 | 2040-2041 | 2040 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 18 | 2041-2042 | 2041 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 19 | 2042-2043 | 2042 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 20 | 2043-2044 | 2043 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 21 | 2044-2045 | 2044 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 22 | 2045-2046 | 2045 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 23 | 2046-2047 | 2046 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 24 | 2047-2048 | 2047 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |
| | 25 | 2048-2049 | 2048 | N/A | N/A | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 | \$ 22,448,000.00 |

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.

Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date 5/17/2021
Applicant Name Brush Counrty Solar Project, LLC
ISD Name Nixon-Smilely CISD

Form 50-296A

Revised October 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> | 1 | 2022-2023 | 2022 | 150 FTE's | \$48,932.00 | | | |
| | 2 | 2023-2024 | 2023 | 150 FTE's | \$48,932.00 | | | |
| Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i> | 1 | 2024-2025 | 2024 | N/A | N/A | 0 | 5 | \$49,021.44 |
| | 2 | 2025-2026 | 2025 | N/A | N/A | 0 | 5 | \$49,021.44 |
| | 3 | 2026-2027 | 2026 | N/A | N/A | 0 | 5 | \$49,021.44 |
| | 4 | 2027-2028 | 2027 | N/A | N/A | 0 | 5 | \$49,021.44 |
| | 5 | 2028-2029 | 2028 | N/A | N/A | 0 | 5 | \$49,021.44 |
| | 6 | 2029-2030 | 2029 | N/A | N/A | 0 | 5 | \$49,021.44 |
| | 7 | 2030-2031 | 2030 | N/A | N/A | 0 | 5 | \$49,021.44 |
| | 8 | 2031-2032 | 2031 | N/A | N/A | 0 | 5 | \$49,021.44 |
| | 9 | 2032-2033 | 2032 | N/A | N/A | 0 | 5 | \$49,021.44 |
| | 10 | 2033-2034 | 2033 | N/A | N/A | 0 | 5 | \$49,021.44 |
| Years Following Value Limitation Period | 11 through 25 | 2034-2049 | 2034-2048 | N/A | N/A | 0 | 5 | \$49,021.44 |

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).

Not applicable.

Tab 16

Description of Reinvestment or Enterprise Zone, including:

- a. Evidence that the area qualifies as an enterprise zone as defined by the Governor's Office*
- b. Legal description of reinvestment zone*
- c. Order, resolution or ordinance establishing the reinvestment zone*
- d. Guidelines and criteria for creating the zone*

Tab 11a

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

Not Applicable.

Tab 11b

b. Legal description of Project Area within Reinvestment Zone

To be submitted upon final approval by Gonzales County Commissioners Court.

Tab 16d

d. Guidelines and criteria for creating the zone

Please see attached.

Gonzales County State of Texas

Tax Abatement Guidelines and Criteria

The purpose of this document is to reauthorize and establish previously adopted guidelines and criteria for purposes of adopting a uniform policy of tax abatement for owners or lessees of eligible facilities willing to execute tax abatement contracts designed to provide long term significant positive economic impact to the community by utilizing the area contractors and work force to the maximum extent feasible, and by developing, redeveloping, and improving property.

In order to be eligible for designation as a reinvestment zone and receive tax abatement, the planned improvement:

1. Must be reasonably expected to have an increase in positive net economic benefit to Gonzales County of at least Ten Million Dollars (\$10,000,000.00) over the life of the abatement, computed to include (but not limited to) new sustaining payroll and /or capital improvement. The creation of new jobs (identify number and type) will also factor into the decision to grant an abatement; and
2. Must not be expected to solely or primarily have the effect of merely transferring employment from one area of Gonzales County to another.

In addition to the criteria set forth above, the Gonzales County Commissioners Court reserves the right to negotiate a tax abatement agreement in order to compete favorably with other communities.

Only projects that increase in the fair market value of the property directly resultant from the development, redevelopment, and improvement specified in the contract will be eligible for abatement and then only to the extent that such increase exceeds any reduction in the fair market value of the other property of the Applicant located within the jurisdiction creating the reinvestment zone.

All abatement contracts will be for a term no longer than allowed by law.

It is the goal of Gonzales County to grant tax abatements on terms and conditions beneficial to the economic interests of the residents of Gonzales County and to other taxing units having jurisdiction of the property. However, nothing herein shall limit the discretion of the Gonzales County Commissioners Court to consider, adopt, modify or decline any tax abatement request.

This policy is effective on the date subscribed below, and shall at all times be kept current with regard to the needs of Gonzales County and reflective of the official views of the County Commissioners Court and shall be reviewed every two years.

The adoption of these guidelines and criteria by the Gonzales County Commissioners Court does not:

1. Limit the discretion of the governing body to decide whether or not to enter into a specific tax abatement agreement;
2. Limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for tax abatement;
3. Create or deny any property, contract, or other legal right in any person to have the governing body consider or grant a specific application or request for tax abatement;

Section 1

Definitions

A. "Abatement" means the full or partial exemption from ad valorem taxes of certain property in a reinvestment zone designated by Gonzales County for economic development purposes.

B. "Affected jurisdiction" means Gonzales County and any municipality or school district, the majority of which is located in Gonzales County that levies ad valorem taxes upon and provides services to property located within the proposed or existing reinvestment zone designated by Gonzales County.

C. "Agreement" means a contractual agreement for tax abatement between a Property Owner and/or Lessee and Gonzales County.

D. "Base year value" means the assessed value on the eligible property as of January 1 preceding the execution of the agreement, plus any agreed upon value of eligible property improvements made after January 1, but before the execution of the Agreement.

E. "Economic Life" means the number of years a property is expected to be in service in a facility.

F. "Eligible facilities" means new, expanded, or modernized buildings and structures, including fixed machinery and equipment, which is reasonably likely as a result of granting abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment zone that would be a benefit to the property and that would contribute to the economic development of Gonzales County, but does not include facilities which are intended to be primarily to provide goods or services to residents for existing businesses located in Gonzales County, such as, but not limited to, restaurants and retail sales establishments, eligible facilities may include, but shall not be limited to hotels and office buildings.

G. "Expansion" means the addition of building structures, machinery, equipment, or payroll for purposes of increasing production capacity.

H. "Deferred maintenance" means improvements necessary for continued operation which do not improve productivity or alter the process technology."

I. "Facility" means property improvement completed or in process of construction which together comprise an interregional whole.

J. "Manufacturing Facility" means products, buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change, including the generation of electrical energy.

K. "Modernization" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, or equipment, or both.

L. "New facility" means property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.

M. "Other Basic Industry" means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services, which serve a market primarily outside of Gonzales County, resulting in the creation of new permanent jobs bringing in new wealth.

N. "Productive life" means the number of years a property improvement is expected to be in service in a facility.

Section 2

Abatement Authorized for Development Goals

A. Eligible facilities: Upon application, eligible facilities as defined herein shall be considered for tax abatement as hereinafter provided.

B. Creation of New Values: Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between Gonzales County and the property owner or applicant, including a Lessee, subject to such limitations as Gonzales County may require.

C. New and existing facilities: Abatement may be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between Gonzales County and the Property Owner or Lessee, subject to such limitations as Gonzales County may require.

D. Eligible property: Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements and related fixed improvements necessary to the operation and administration of the facility.

E. Ineligible Property: The following types of property shall be fully taxable and ineligible for tax abatement: land, supplies, tools, furnishings, and other forms of movable personal property, housing, deferred maintenance, property to be rented or leased except as provided in Section 2 F, property which has a productive life of less than ten years, but does not include spare parts associated with eligible facilities; property owned by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas; or any property for which abatement is not allowed by state law.

F. Owned / leased facilities: If a leased facility is permitted by state law to be granted abatement, the abatement agreement shall be applicable to the taxable value of the leased improvement, and where appropriate, shall be executed with both the Lessor and the Lessee.

G. Economic Qualifications: In order to be eligible for designation as a reinvestment zone and receive tax abatement, the planned improvement:

1. Must be reasonably expected to have an increase in positive net benefit to Gonzales County of at least Ten Million Dollars (\$10,000,000.00) over the life of the abatement, computed to include (but not limited to) new sustaining payroll and / or capital improvement. The creation of new jobs (identify number and type) will also factor into the decision to grant an abatement; and

2. Must not be expected to solely or primarily have the effect of merely transferring employment from one area of Gonzales County to another.

H. Standards for Tax Abatement/Development Goals: The following factors, among other, shall be considered in determining whether to grant tax abatement:

1. Value of existing improvements, if any;

2. Type and value of proposed improvements;

3. Productive life of proposed improvements; Number of existing jobs to be retained by proposed improvements;

4. Number and type of new jobs to be created by proposed improvements;

5. Amount of local payroll to be created;

6. Whether the new jobs to be created will be filled by persons residing or projected to reside within affected taxing jurisdiction;

7. Amount which property tax base valuation will be increased during term of abatement and after abatement, which shall include a definitive commitment that

such valuation shall not, in any case, be less than Ten Million Dollars (\$10,000,000.00.)

8. The costs to be incurred by Gonzales County to provide facilities directly resulting from the new improvements;
9. The amount of ad valorem taxes to be paid to Gonzales County during the abatement period considering:
 - a. the existing values;
 - b. the percentage of new value abated;
 - c. the abatement period; and
 - d. the value after expiration of the abatement period.
10. The population growth of Gonzales County that occurs directly as a result of new improvements;
11. The types and values of public improvements, if any, to be made by Applicant seeking abatement;
12. Whether the proposed improvements compete with existing businesses to the detriment of the local economy;
13. The impact on the business opportunities of existing businesses;
14. The attraction of other new businesses to the area;
15. The overall compatibility with the zoning ordinances and comprehensive plan for the area;
16. Whether the project obtains all necessary permits from the applicable environmental agencies.

Each eligible facility shall be reviewed on its merits utilizing the factors provided above. After such review, abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

Construction in Progress. If a qualifying facility has not been placed in service within three year after execution of the abatement Agreement, the applicant may apply for a one-year extension of the term of abatement, to be granted or denied in accordance with the Agreement. Said extension

must be applied for prior to the expiration of the one-year anniversary of execution of the abatement Agreement.

I. Denial of Abatement: Neither a reinvestment zone nor abatement agreement shall be authorized if it is determined that:

1. There would be substantial adverse effect on the provision of government services or tax base;
2. The applicant has insufficient financial capacity to perform the obligations of an abatement agreement;
3. Planned or potential use of the property would constitute a hazard to public health, safety or morals;
4. Violation of other codes or laws; or
5. Any other reason deemed appropriate by Gonzales County.

J. Taxability: From the execution of the abatement to the end of the agreement period, taxes shall be payable as follows:

1. The value of ineligible property as provided in Section 2 E shall be fully taxable; and
2. The base year value of existing eligible property as determined each year shall be fully taxable.

The additional value of new eligible property shall be fully taxable following the end of the abatement period.

Section 3

Application

- A. Any present or potential owner of taxable property in Gonzales County may request the creation of a reinvestment zone and tax abatement by filing a written application with the County Judge.
- B. The application shall consist of a written request for tax abatement, accompanied by:
 1. An analysis of the economic impact such an abatement will have on Gonzales County, including:
 - a. Estimated tax revenues annually for the term of the requested abatement, taking into account any requested abatement.

- b. A comparison between an abatement of taxes and any requested “payment in lieu of taxes” (PILOT) in terms of benefit to the County over the proposed term of the abatement period.
 - c. A statement of the expected residual taxable value of the proposed project at the end of the abatement term requested, and the remaining taxable life expectancy of the proposed project.
 - d. A statement that at the conclusion of the useful life of the project, that remediation of the property to its former state has been anticipated, and that such remediation will not result in the imposition of recovery costs upon the County or underlying land owners where the project is based upon a leasehold interest.
 - 2. A general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken.
 - 3. A descriptive list and approximate taxable value of the improvements which will be a part of the facility;
 - 4. A site map and property description, including a complete legal description of the property, and a map/property description of any requested reinvestment zone;
 - 5. A time schedule for undertaking and completing the planned improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as the County deems appropriate for evaluating the financial capacity and other factors of the applicant.
 - 6. Certification from the Gonzales County Appraisal District verifying that no taxes are past due on applicant’s property located in the proposed reinvestment zone
 - 7. Disclosure of any environmental permits required or additional environmental impacts.
 - 8. A \$1,000.00 non-refundable application fee.
- C. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the Application. The County may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the Applicant, to be attached to the Application.

- D. All checks in payment of the administrative fee shall be made payable to Gonzales County. In addition to the application fee, which shall be applied to any fee charged by legal or financial analysis of the application, the applicant shall also agree to pay reasonable consulting and attorney fees as may be incurred by Gonzales County in the examination of the application as well as the preparation and negotiation of any tax abatement agreement. Such fee reimbursement shall not exceed \$10,000.00.
- E. Gonzales County shall give notice as provided by the Property Tax Code, i.e. written notice, to the presiding officer of the governing body of each taxing unit in which the property to be subject of the agreement is located not later than the seventh day before the public hearing and publication in a newspaper of general circulation within such taxing jurisdiction not later than the seventh day before the public hearing. Before acting upon Application, Gonzales County shall, through public hearing, afford the Applicant and the designated representative of any governing body referenced hereinabove opportunity to show cause why the abatement should or should not be granted.
- F. If a city within Gonzales County designates a reinvestment zone within its corporate limits and enters into or proposes to enter into an abatement agreement with a present or potential owner of taxable property, such present or potential owner of taxable property may request tax abatement by Gonzales County, but shall follow the same application process described in Section 3(A), *et seq*, hereof. No other notice or hearing shall be required except compliance with the Open Meetings Act, unless the Commissioners Court deems them necessary in a particular case.
- G. Variance. Although a variance is not favored, exceptional circumstances may support a request for variance from the provisions of Section II, in which case such request for a variance may be made in an application or other written form to the Commissioners' Court. Such request shall include all the items listed in Section 3(B) and may include a complete description of the circumstances which prompt the applicant to request a variance. The approval process for a variance request shall be identical to that for a standard application and may be supplemented by such additional requirements as may be deemed necessary by the Commissioners' Court. To the full extent permitted by applicable law, the Commissioners' Court shall have the authority to enter into an abatement agreement with terms and conditions that vary from the terms and conditions in these Guidelines, but only so long as the Commissioners' Court determines that such variances are in the best interests of Gonzales County. Any terms or conditions contained in an abatement Agreement approved by the Commissioners' Court that vary from the terms and conditions in these Guidelines shall automatically be deemed to have been granted an approved variance by the Commissioners' Court, shall be binding and enforceable as agreed to in the abatement Agreement, and shall control in the event of any inconsistency or conflict with these Guidelines. A variance granted to any applicant shall not be deemed a variance for any subsequent applicant.
- H. Confidentiality Required. Information that is provided to the County in connection with an application or request for Tax Abatement and that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the

property for which Tax Abatement is sought may be deemed as confidential and not subject to public disclosure only if specifically identified by the Applicant, and segregated from the remaining portions of the Application. Once the Tax Abatement Agreement is executed, all attachments to the Abatement Agreement shall become public. All information in the custody of a taxing unit after the Agreement is executed is Public Record, and not confidential.

Section 4 Agreement

- A. After approval, the Commissioners Court of Gonzales County shall formally pass a Resolution and execute an agreement with the owner of the facility and Lessee as required which shall:
1. Include a list of the kind, number, location of all proposed improvements to the property and if this is not defined at the time of the agreement, then to be supplemented after construction of the facilities;
 2. Provide access to and authorize inspection of the property by the taxing unit to ensure compliance with the agreement
 3. Limit the use of the property consistent with the taxing unit's developmental goals as stated in Section 2H of the Gonzales County Tax Abatement Guidelines and Criteria;
 4. Provide for recapturing property tax revenues that are lost if the owner fails to make improvements as provided by the agreement;
 5. Include each term that was agreed upon with the property owner and require the owner of the facility to annually certify compliance with the terms of the agreement to each taxing unit; and
 6. Allow the taxing unit to cancel the agreement after notice of default and opportunity to cure if the property owner fails to comply with the terms of the agreement.
- B. The owner of the facility and Lessee shall also agree to the following:
1. A specified number of permanent full-time jobs at facility shall be created, and the owner and Lessee shall make reasonable efforts to employ persons who are residents of Gonzales County in such jobs provided, however, that there shall be no obligation to employ residents who are not:
 - a. equally or more qualified than nonresident applicants;
 - b. available for employment on terms and / or salaries comparable to those required by nonresident applicants; or

- c. able to become qualified with 72 hours training provided by Owner.
- 2. Each person employed in such job shall perform a portion, if not all, of their work in Gonzales County.
- 3. Owner shall agree that it and its contractors, if any, will use reasonably commercial efforts to maximize its use of goods and services available through Gonzales County businesses in the construction, operation, and maintenance of the improvements and the project; provided, however, that there shall be no requirement to use goods and services provided by Gonzales County residents that are not:
 - a. of similar kind, quality, or quantity to those provided by nonresidents; or
 - b. made available on terms and conditions (including pricing) comparable to those offered by nonresidents. Comparable price shall be defined as less than or equal to 105% of the nonresident price for equivalent quality, conditions and terms.
- 4. Owner or its construction contractor, if any, shall designate a coordinator of local services who will act as liaison between any individuals, businesses, and contractors residing or doing business in Gonzales County who are interested in obtaining information about providing goods or services related to the construction of the project.
- 5. Additionally, Owner or its construction contractor, if any, shall advertise in local newspapers in Gonzales County for local contractors to perform work on the construction of the project.
- 6. Owner shall agree to maintain a viable presence (as below defined) within the reinvestment zone for a period of time, as set by the Gonzales County Commissioners Court, not to exceed twenty (20) years from the date that the abatement agreement first takes effect. For purposes hereof, "Maintain a Viable Presence" means (i) the operation of the eligible facilities, as the same may from time to time be expanded, upgraded, improved, modified, changed, remodeled, repaired, restored, reconstructed, reconfigured and/or reengineered, and (ii) the retention of not fewer than the number of Qualifying Jobs as defined by Texas Tax Code Section 313.021(3)(E) to be located and performed, in part, within Gonzales County. If Owner had entered into an agreement with a school district for the limitation on appraised value of property pursuant to Chapter 313 of the Texas Tax Code for the eligible facilities, then the number of Qualifying Jobs within such agreement shall serve as the number of Qualifying Jobs required to comply with this Section 4 B(6).

7. On May 1st of each year that the agreement shall be in effect, Owner shall certify to the County Judge of Gonzales County, and to the governing body of each taxing unity, that Owner is in compliance with each applicable term set forth above.

- C. Such agreement shall normally be executed within sixty (60) days after the Applicant has forwarded all necessary information and documentation to the Commissioners Court.

Section 5

Recapture

- A. In the event that the company or individual:
 1. Allows its ad valorem taxes owed Gonzales County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or
 2. Violates any of the terms and conditions of the abatement agreement and fails to cure during the cure period;
 3. The agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within thirty (30) days of the termination.
- B. Should Gonzales County determine that the company or individual is in default according to the terms and conditions of its agreement, Gonzales County shall notify the company or individual in writing at the address stated in the agreement, and if such is not cured within thirty (30) days from the date of such notice (cure period) then the agreement may be terminated.
- C. In the event that the applicant's facility is completed and begins producing products or services, but subsequently discontinues producing a product or service for any reason for a period of one year during the abatement period, other than because of fire, explosion, or other casualty, accident, or natural disaster, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the applicant's facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the County within sixty (60) days from the date of termination.

Section 6

Administration

- A. The Chief Appraiser of the Gonzales County Appraisal District will 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 the abatement. Once value has been established, the Chief Appraiser will notify the Commissioners Court of Gonzales County of the amount of the assessment.

- B. The Agreement shall stipulate that employees and/or designated representatives of Gonzales County will have access to the applicant's facilities within the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after the giving of reasonable notice and will only be conducted in a 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 applicant, and in accordance with its safety standards.
- C. Upon completion of construction, the designated representative of Gonzales County shall annually evaluate each facility receiving abatement to ensure compliance with the agreement. A formal report shall be made to the Commissioners Court.
- D. Timely Filing. The County shall timely file, with the appropriate person, agency, department, or board of the State of Texas, all information required by the Tax Code.

Section 7

Assignment

- A. Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility only upon the approval by resolution of the Commissioners Court of Gonzales County subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with Gonzales County. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee, are liable to any jurisdiction for outstanding taxes or other obligations.
- B. An assignment shall not serve to extend the termination date of the abatement Agreement with the original Applicant, owner or lessee. An assignment may not alter venue provisions of the original agreement
- C. Approval of an assignment in conformity with this section shall not be unreasonably withheld.

Section 9

Venue

Any abatement agreement shall be conditioned upon venue for any disputes which may arise under the abatement agreement to be retained in courts of appropriate jurisdiction within Gonzales County, Texas, or appeals to Texas courts of appellate jurisdiction, or the United States District Court having jurisdiction in Gonzales County, Texas.

Section 10

Sunset Provision

These guidelines and criteria are effective upon the date of their adoption and will remain in force for two years unless amended by three quarters vote of the Commissioners Court of Gonzales County, at which time all reinvestment zones and tax abatement agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on the review, the guidelines and criteria will be modified, renewed, or eliminated.

GUIDELINES ADOPTED February 08 2021

GONZALES COUNTY COMMISSIONERS' COURT


COUNTY JUDGE


PRECINCT 1 COMMISSIONER

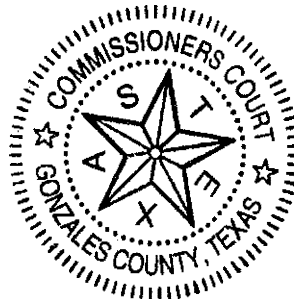
Absent
PRECINCT 2 COMMISSIONER


PRECINCT 3 COMMISSIONER


PRECINCT 4 COMMISSIONER

ATTEST:


COUNTY CLERK



Tab 17

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

Please see attached.

SECTION 16: Authorized Signatures and Applicant Certification

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

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

1. Authorized School District Representative Signature

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

print
here

Cathy Lauer

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here

Cathy L Lauer PhD

Signature (Authorized School District Representative)

6/21/21

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

Benjamin Branch

Print Name (Authorized Company Representative (Applicant))

Head of Development Strategy & Analytics

Title

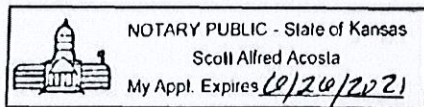
sign
here

hch

Signature (Authorized Company Representative (Applicant))

6/11/2021

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

11 day of June 2021
 Scott Alfred Acoola
 Notary Public in and for the State of Texas Kansas

My Commission expires: 6/26/2021

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.

Cathy Lauer

Superintendent

Benjamin Branch

Head of Development Strategy & Analytics

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**print
here** ▶

Cathy Lauer

Print Name (Authorized School District Representative)

Superintendent

Title

**sign
here** ▶

Signature (Authorized School District Representative)

Date

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**print
here** ▶

Benjamin Branch

Print Name (Authorized Company Representative (Applicant))

Head of Development Strategy & Analytics

Title

**sign
here** ▶

Signature (Authorized Company Representative (Applicant))

Date

6/11/2021



(Notary Seal)

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11 day of June 2021

Notary Public in and for the State of ~~Texas~~ Kansas

My Commission expires: 6/26/2021

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APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

| ATTACHMENT | |
|------------|---|
| 1 | 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 <i>(if applicable)</i> |
| 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 <i>(if applicable)</i> |
| 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 <i>(if applicable)</i> |
| 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: Maps should be high resolution files. Include map legends/markers.</p> |
| 12 | Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i> |
| 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 <i>(if applicable)</i> |
| 15 | Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i> |
| 16 | <p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as an enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone c) order, resolution or ordinance establishing the reinvestment zone d) guidelines and criteria for creating the zone |
| 17 | Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i> |