



August 3, 2021

Haskell Consolidated Independent School District  
ATT: Lonnie Hise  
605 N. Avenue East  
Haskell, Texas 79521-0937

**RE: Inertia Wind Project, LLC Application for Appraised Value Limitation on Qualified Property**

Dear Superintendent Hise:

In accordance with Section 313 of the Texas Property Tax Code, please find attached an application for an appraised value limitation on qualified property between Inertia Wind Project, LLC and Haskell Consolidated Independent School District.

Inertia Wind Project, LLC is a 298.6 MW wind energy generation project. A portion of the facility will be located within a proposed reinvestment zone in eastern Haskell County and Haskell Consolidated Independent School District.

Enclosed are additional details and further information regarding the description, location, qualified investment, and job creation associated with the development of Inertia Wind Project, LLC

If you have any questions or would like to request further information, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink that reads "Mike Fry". The signature is written in a cursive, flowing style.

Mike Fry-Director, Energy Services  
[mfry@keatax.com](mailto:mfry@keatax.com)



# Inertia Wind Project, LLC

***Application for Appraised Value Limitation on Qualified Property  
with Haskell Consolidated Independent School District***



*Tab 1: Pages 1 through 11 of Application*



## Application for Appraised Value Limitation on Qualified Property

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

**INSTRUCTIONS:** This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the 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/](http://comptroller.texas.gov/economy/local/ch313/). There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

## SECTION 1: School District Information

## 1. Authorized School District Representative

August 31, 2021

Date Application Received by District

Lonnie

First Name

Hise

Last Name

Superintendent

Title

Haskell CISD

School District Name

605 N Avenue E Haskell, Texas 79521-0937

Street Address

605 N Avenue E

Mailing Address

Haskell

City

Texas

State

79521-0937

ZIP

940-864-2602

Phone Number

N/A

Fax Number

N/A

Mobile Number (optional)

lhise@haskell.esc14.net

Email Address

2. Does the district authorize the consultant to provide and obtain information related to this application? .....



Yes



No



SECTION 1: School District Information *(continued)*3. Authorized School District Consultant *(If Applicable)*

Shelly	Leung
First Name	Last Name
Director of Economic Development	
Title	
Powell Law Group,LLP	
Firm Name	
512-494-1177	N/A
Phone Number	Fax Number
N/A	sleung@plg-law.com
Mobile Number <i>(optional)</i>	Email Address

4. On what date did the district determine this application complete? ..... September 1, 2021

## SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

Anthony	Pedroni
First Name	Last Name
VP of Development	NextEra Energy Resources
Title	Organization
700 Universe Blvd., Juno Beach, FL 33408	
Street Address	
700 Universe Blvd.	
Mailing Address	
Juno Beach	FL 33408
City	State ZIP
561-691-7171	N/A
Phone Number	Fax Number
N/A	anthony.pedroni@nexteraenergy.com
Mobile Number <i>(optional)</i>	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.

Melissa	Bruni
First Name	Last Name
Project Director	NextEra Energy Resources
Title	Organization
700 Universe Blvd. Juno Beach, FL 33408	
Street Address	
700 Universe Blvd.	
Mailing Address	
Juno Beach	FL 33408
City	State ZIP
561-691-7171	N/A
Phone Number	Fax Number
N/A	melissa.bruni@nexteraenergy.com
Mobile Number <i>(optional)</i>	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)

Garrett

First Name

Peters

Last Name

Sr. Tax Manager

Title

KE Andrews

Firm Name

469-331-1304

Phone Number

N/A

Fax Number

gpeters@keatax.com

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.

\$ 75,000.00

Payment Amount

Check

Transaction Type

NextEra Energy Resources

Haskell CISD

Payor

Payee

08/18/2021

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? Inertia Wind Project, LLC
2. Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32073253257
3. Parent Company Name NextEra Energy
4. Parent Company Tax ID 32074667869
5. NAICS code 22115
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  
Application # not assigned yet; Throckmorton ISD; 2023

## SECTION 5: Applicant Business Structure

1. Business Organization of Applicant (*corporation, limited liability corporation, etc*) LLC
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

Inertia Wind Project, LLC

2c. Reporting Entity Taxpayer Number

32073253257

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 checked="" 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 ..... December 1, 2021
  2. Estimated commencement of construction ..... January 1, 2022
  3. Beginning of qualifying time period (MM/DD/YYYY) ..... January 1, 2022
  4. First year of limitation (YYYY) ..... January 1, 2023
- 4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):
- ☐ A. January 1 following the application date ☐ B. January 1 following the end of QTP
- ☒ C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations ..... December 31, 2022

## SECTION 10: The Property

1. County or counties in which the proposed project will be located ..... Haskell County
2. Central Appraisal District (CAD) that will be responsible for appraising the property ..... Haskell CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☒ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 

M&O (ISD): <u>Haskell CISD, .9664; 100%</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>Haskell CISD, .3315; 100%</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Haskell County, .49209; 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>Haskell Hospital Dist. .193576; 100%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Rolling Plains GCD, .02616; 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Haskell Water Dist. #1, .168834; 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>

SECTION 10: The Property *(continued)*

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

County: Abatement, 70%; 2023-2032  
(Incentive type, percentage, start and end year)City: N/A  
(Incentive type, percentage, start and end year)Hospital District: Abatement, 70%; 2023-2032  
(Incentive type, percentage, start and end year)Water District: N/A  
(Incentive type, percentage, start and end year)Other (describe): N/A  
(Incentive type, percentage, start and end year)Other (describe): N/A  
(Incentive type, percentage, start and end year)

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

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

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

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

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

**NOTE:** The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at [comptroller.texas.gov/economy/local/ch313/](http://comptroller.texas.gov/economy/local/ch313/).1. At the time of application, what is the estimated minimum qualified investment required for this school district? \$ 30,000,000.002. What is the amount of appraised value limitation for which you are applying? \$ 30,000,000.00**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? Please See Tab 16

## 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): ..... \$ 0.00
5. In **Tab 10**, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to statement 2): ..... \$ 0.00

**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
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) ..... 0
3. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ..... ☒ 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 ..... \$ 745.75
- b. Qualifying job wage minimum option §313.021(5)(A)  
-110% of the average weekly wage for manufacturing jobs in the county is ..... \$ 900.63
- c. Qualifying job wage minimum option §313.021(5)(B)  
-110% of the average weekly wage for manufacturing jobs in the region is ..... \$ 960.51
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? ..... \$ 49,946.60
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... \$ 49,946.60
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ..... ☒ Yes ☐ No
9. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ..... ☐ Yes ☒ No
- 9a. If yes, attach in **Tab 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 Application Fee*

Attached.





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*

Inertia Wind Project, LLC is a 298 MW wind energy generation facility that will be located across Haskell and Throckmorton County. In its entirety, the facility will be comprised of approximately 108 GE model turbines. The subject of this application though is the portion of the facility located in Haskell CISD which is 194 MW. Please refer to Tab 6 for more detailed information regarding the location of the project across multiple jurisdictions.

Inertia Wind Project, LLC is being developed by NextEra Energy. NextEra Energy is the world's largest producer of wind and solar energy. As a leader in the renewable energy industry, NextEra Energy is committed to investing in clean energy through its expansive portfolio of wind and solar facilities, as well as battery storage capacity. They are dedicated to shaping the future of American energy through their commitment to investing in technologies that provide clean energy and economic growth in communities across the country.

**Please Note: This application covers all qualified property in the reinvestment zone and project boundary within Haskell CISD including the following:**

- Turbines
- Substation
- Transmission Line
- Operation & Maintenance Building
- Interconnection Facilities
- Underground Electrical Collection Cables
- Meteorological & Associated Towers
- Access Roads to Turbines
- Foundations, Roadways, Pavings, & Fencing

### Generation of Wind Energy:

Wind generation facilities operate through capturing wind energy with a two or three propeller-like blades mounted on a rotor to generate electricity. As wind blow, pockets of low-pressure air form on the downwind side of the blade. This low-pressure air then pulls the blade towards it, creating a lift and turning the rotor. The force of the lift is stronger than the drag or the wind's force against the front side of the blade. The combination of the lift and drag causes the rotor to spin thus turning a shaft that spins a generator to create electricity.



## *Tab 5: Documentation to Assist in Determining if Limitation is a Determining Factor*

Throughout the United States the production of renewable energy has been increasing as the cost of these systems has decreased and technological advancements have improved efficiency. In 2020, Texas ranked 1<sup>st</sup> in net generation from wind energy.<sup>1</sup> The state's geographic position and containment of several large population centers has made Texas a favorable location for renewable energy development.

Renewable energy developers face many challenges in the determination of project location—one of these factors being the selection of an area where the greatest return on investment can be achieved. There are several factors that contribute to Texas favorability for development, one however that does not is the state's notoriously high property tax burden—ranking in the top 10 across the United States.

An appraised value limitation on qualified property allows developers to significantly diminish the property tax liability that composes a substantial ongoing cost of operation that directly impacts the economic rate of return for the project. In the absence of an appraised value limitation, the development of renewable energy facilities becomes financially uncertain as the rate of return often fails to meet the minimum return required to proceed. In the event an appraised value limitation agreement is not received by Inertia Wind Project, LLC it is rather certain that the capital allotted for the development of this project will be reallocated for use in another state where either the property tax burden is lower or economic incentives can be secured namely locations where NextEra Energy is currently active including Oklahoma, Colorado, California, and 34 other states. Thus, an appraised value limitation agreement between Inertia Wind Project, LLC and Haskell Consolidated Independent School District is the determining factor in the decision to locate this facility within the state of Texas.

**Please note: The IGNR# for this project is 22INR0236.**

---

<sup>1</sup> U.S. Energy Information Administration



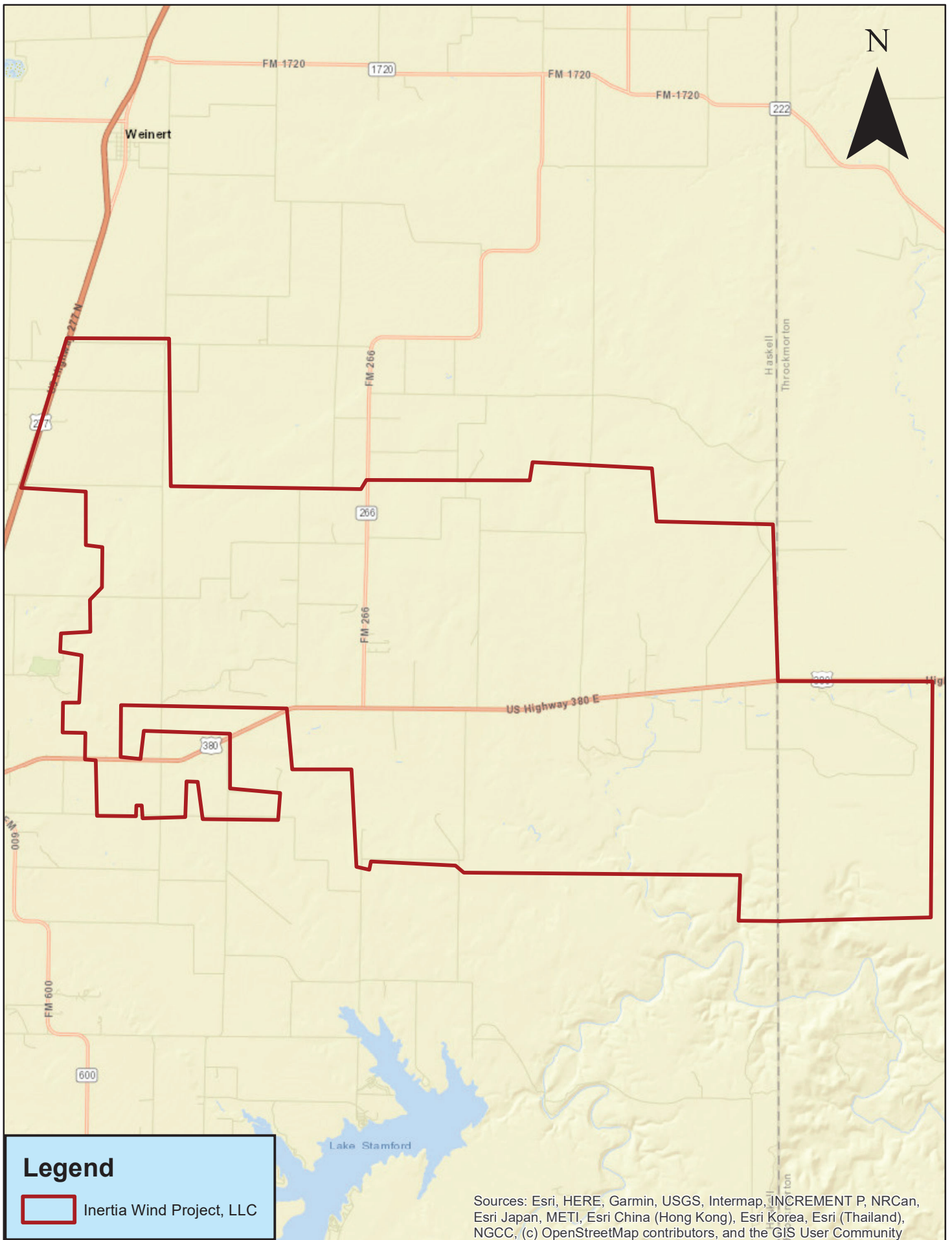
*Tab 6: Description of how Project is Located in More than One District, Including List of Percentage in Each District and, if Determined to be a Single Unified Project, Documentation from the Office of the Governor (if applicable)*

The following is a description of Inertia Wind Project, LLC location across multiple jurisdictions:

Jurisdiction	Percentage of Project
Haskell CISD	65%
Throckmorton ISD	25%
Paint Creek ISD	10%



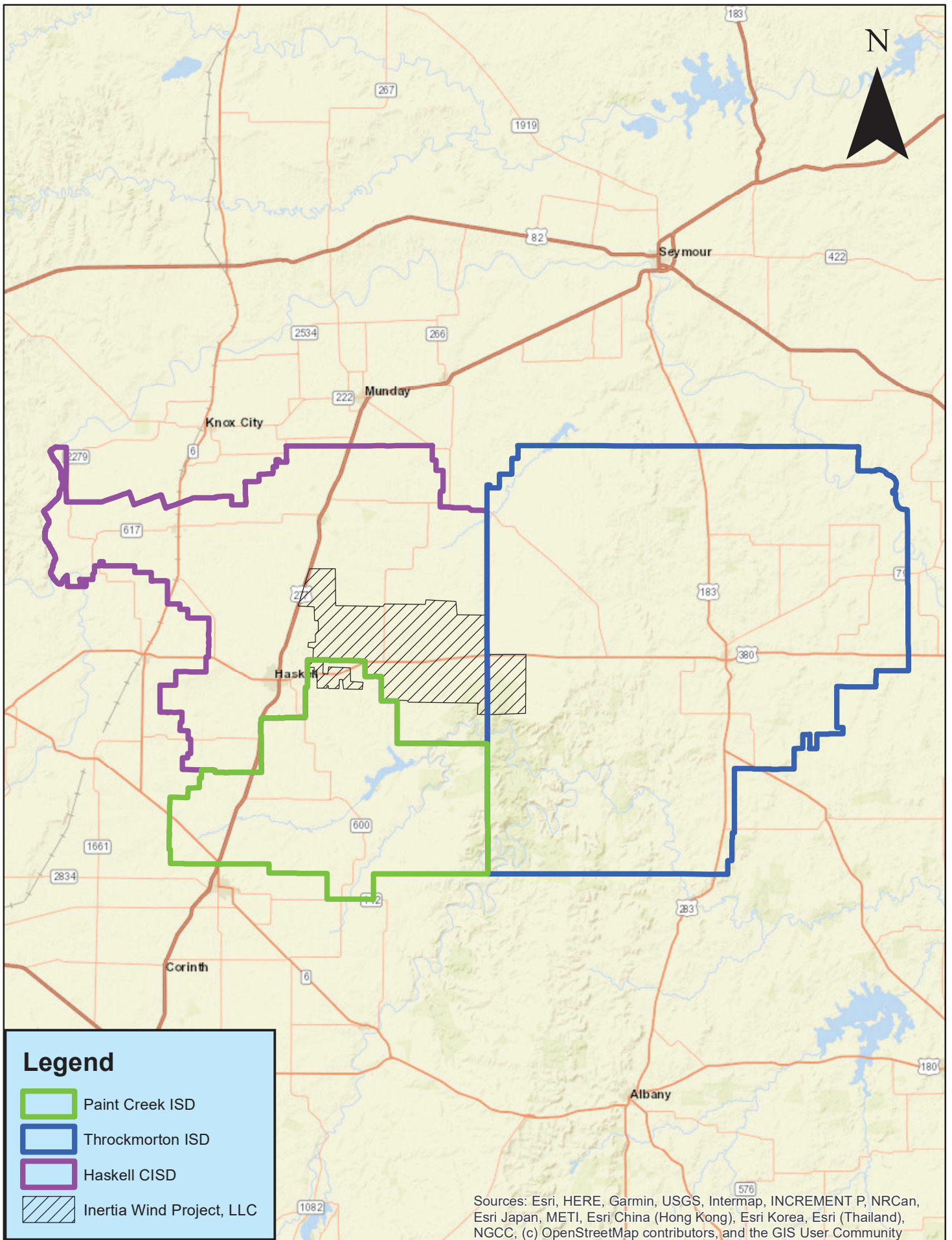
# Inertia Wind Project, LLC



0 1.5 3 6 Miles



# Inertia Wind Project, LLC



0 5 10 20 Miles

## *Tab 7: Description of Qualified Investment*

Inertia Wind Project, LLC is a 194 MW wind energy generation facility that will be located in eastern Haskell County in Haskell Consolidated Independent School District. The facility will be comprised of 70 primary, GE turbines.

Inertia Wind Project, LLC requests that the limitation covers all qualified investment and qualified property located within Haskell Consolidated Independent School District. It is our request that the limitation includes all eligible and ancillary equipment including the following:

- Turbines
- Substation
- Transmission Line
- Operation & Maintenance Building
- Interconnection Facilities
- Underground Electrical Collection Cables
- Meteorological & Associated Towers
- Access Roads to Turbines
- Foundations, Roadways, Pavings, & Fencing

**Please Note: This application covers all qualified property in the reinvestment zone and project boundary within Haskell Consolidated Independent School District.**





## *Tab 8: Description of Qualified Property*

Inertia Wind Project, LLC is a 194 MW wind energy generation facility that will be located in eastern Haskell County in Haskell Consolidated Independent School District. The facility will be comprised of 70 primary, GE turbines.

Inertia Wind Project, LLC requests that the limitation covers all qualified investment and qualified property located within Haskell Consolidated Independent School District. It is our request that the limitation includes all eligible and ancillary equipment including the following

- Turbines
- Substation
- Transmission Line
- Operation & Maintenance Building
- Interconnection Facilities
- Underground Electrical Collection Cables
- Meteorological & Associated Towers
- Access Roads to Turbines
- Foundations, Roadways, Pavings, & Fencing

**Please Note: This application covers all qualified property in the reinvestment zone and project boundary within Haskell Consolidated Independent School District.**



## *Tab 9: Description of Land*

Not Applicable.



*Tab 10: Description of All Property Not Eligible to Become Qualified  
Property (if applicable)*

Not Applicable.



2424 Ridge Road  
Rockwall, TX 75087



469.298.1594



[www.keatax.com](http://www.keatax.com)

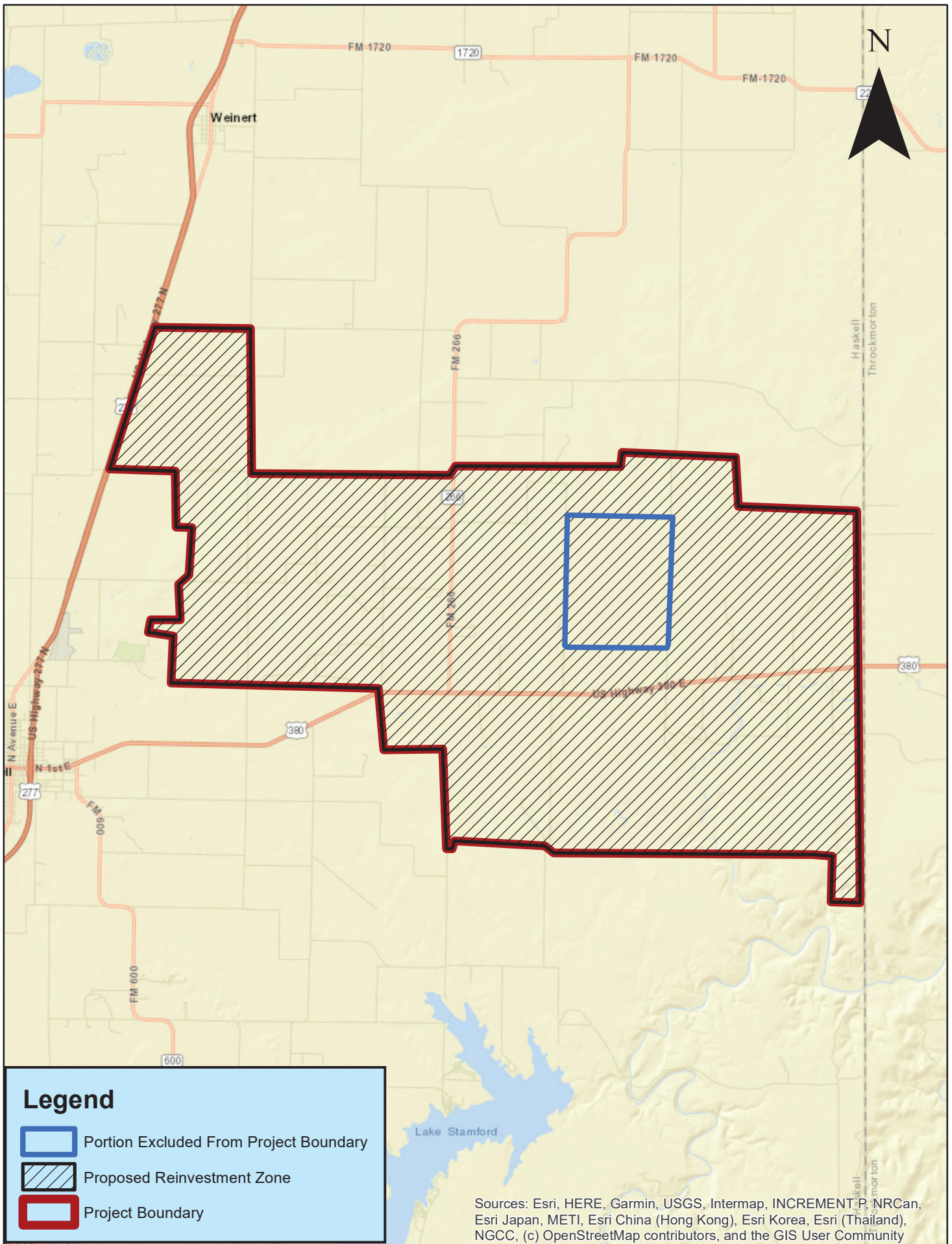


## *Tab 11: Maps*

Please See Attached.

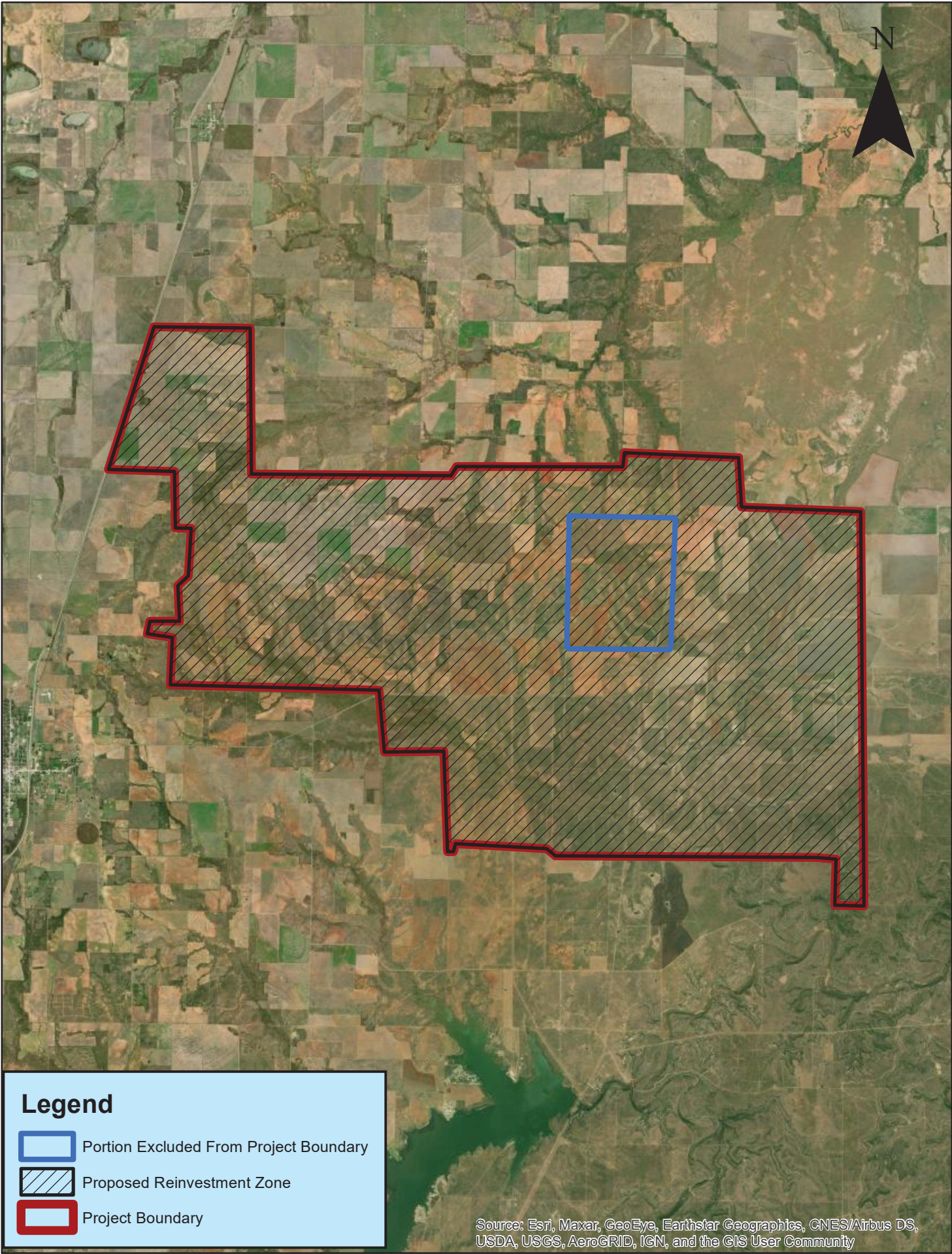


# Inertia Wind Project, LLC



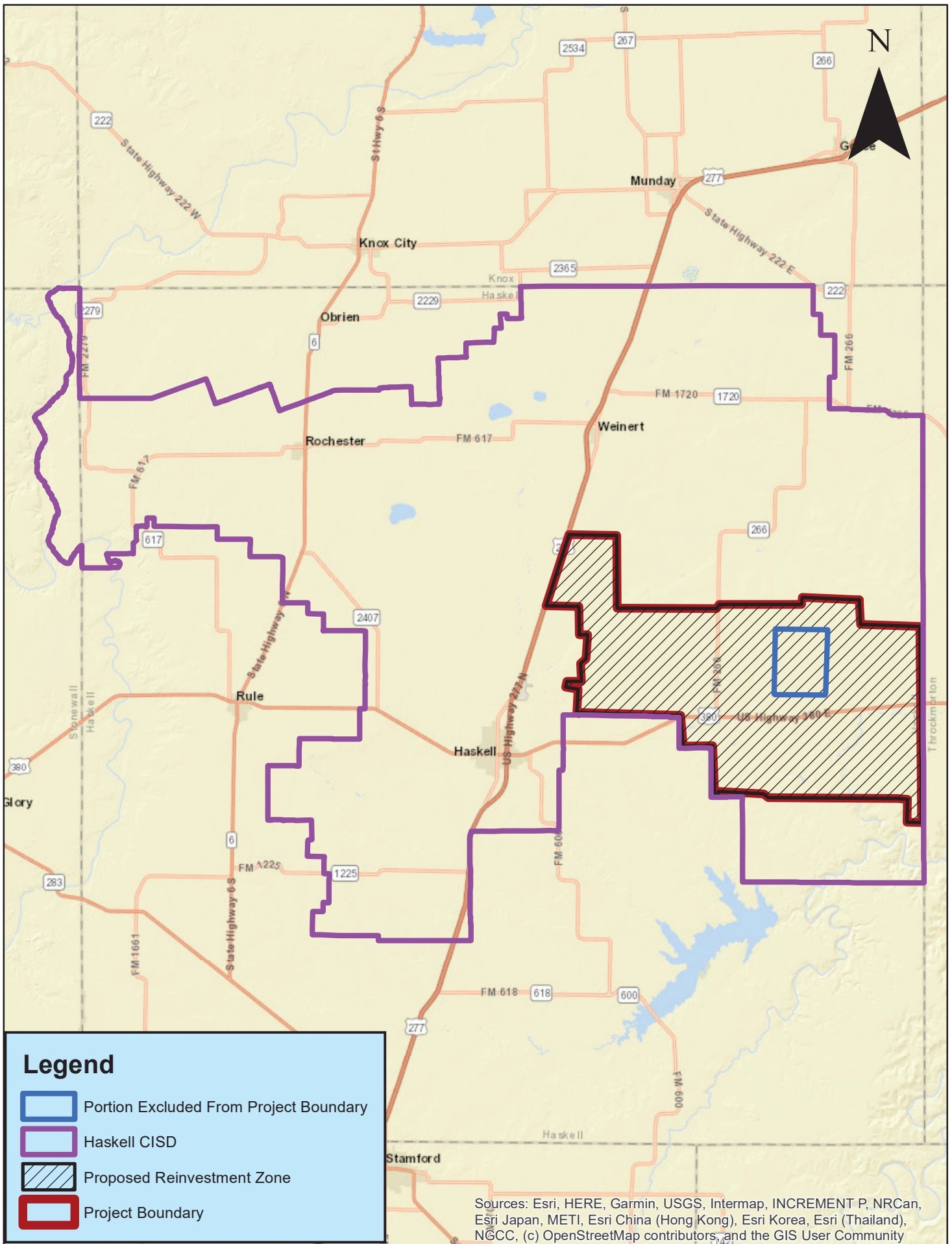


# Inertia Wind Project, LLC





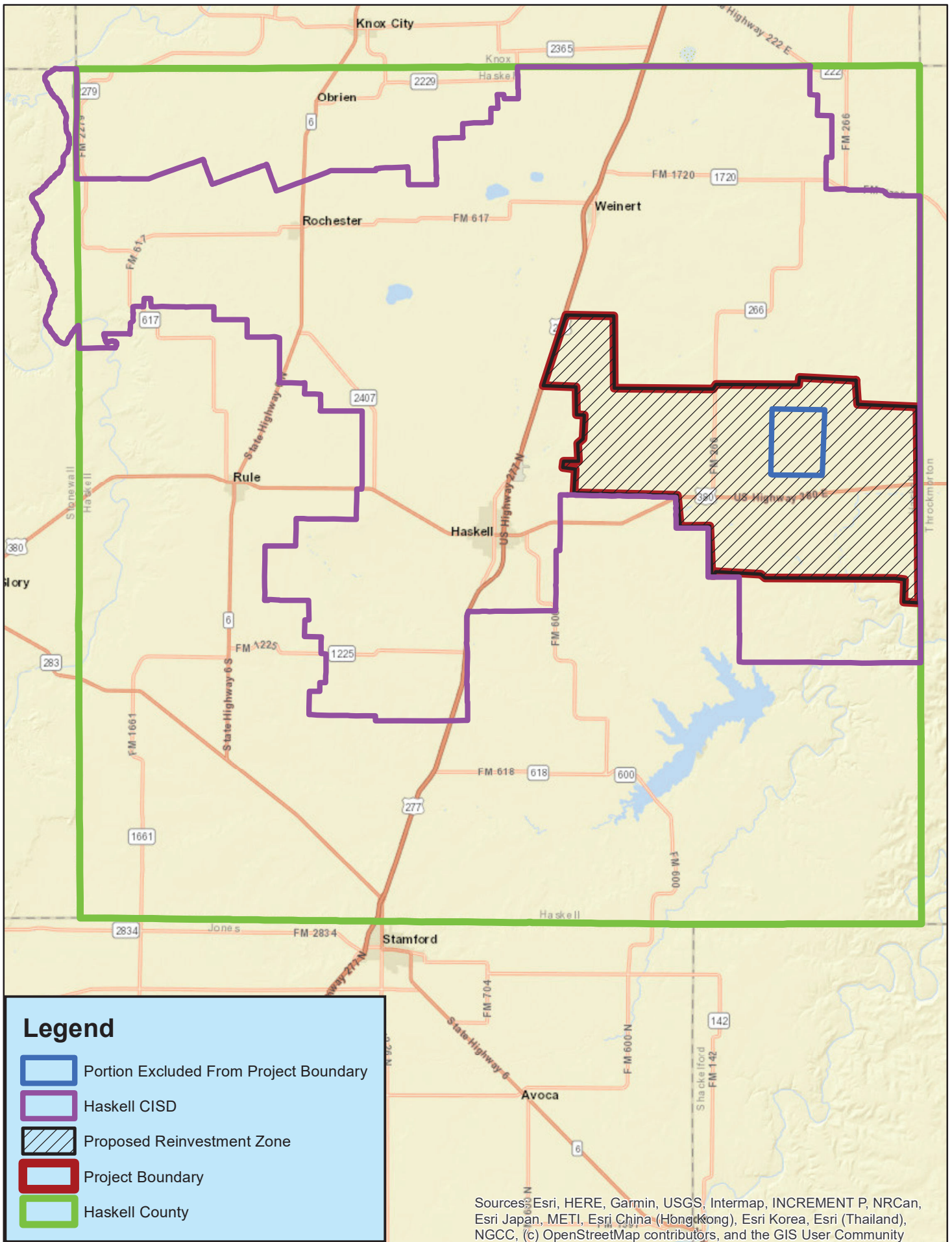
# Inertia Wind Project, LLC



0 3 6 12 Miles

# Inertia Wind Project, LLC

N



0 3 6 12 Miles



*Tab 12: Request for Waiver of Job Creation Requirement and  
Supporting Information (if applicable)*

Please See Attached.



August 3, 2021

Haskell Consolidated Independent School District  
ATT: Lonnie Hise  
605 N. Avenue East  
Haskell, Texas 79521-0937

**RE: Inertia Wind Project, LLC Application for Appraised Value Limitation on Qualified Property  
Job Waiver Request**

Dear Superintendent Hise:

Inertia Wind Project, LLC is requesting that Haskell CISD's Board of Trustees waive the job requirement provision as allowed by Section 313.025 (f-1) of the Texas Property Tax Code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of this facility.

Inertia Wind Project, LLC requests that Haskell CISD makes such finding and waive the job creation requirement for 10 permanent jobs. Inertia Wind Project, LLC has committed to create 2 full time permanent position for the operation and maintenance of the facility. The qualifying position will be compensated at the rate of 110% of the regional manufacturing wage as well as offer company benefits. Such positions shall be employed by Inertia Wind Project, LLC or by the contractor it employs to operate and maintain the facility.

Renewable energy project create many jobs during the development of the facility. It is anticipated that 200-300 construction jobs will be created by Inertia Wind Project, LLC; however, once construction is complete the facility will require a relatively low number of permanent workers. The current industry standard for wind energy sites is 1 worker per 35-40 turbines.

Inertia Wind Project, LLC kindly requests that you consider the approval of the job waiver request for this project. Undoubtedly, the establishment of this facility will be very beneficial to Haskell CISD, Haskell County, and the advancement of renewable energy in Texas.

Your consideration of this request is greatly appreciated. If you have any questions, please contact us.

Sincerely,



Mike Fry  
Director, Energy Services  
[mfry@keatax.com](mailto:mfry@keatax.com)



*Tab 13: Calculation of Three Possible Wage Requirements and Supporting Information (if applicable)*

*Calculation 1: Haskell County Average Weekly Wage: \$745.75*

<i>Quarter</i>	<i>Area</i>	<i>Ownership</i>	<i>Industry</i>	<i>Average Weekly Wage</i>
<i>Q2 2020</i>	<i>Haskell County, TX</i>	<i>Total All</i>	<i>All Industries</i>	<i>\$722.00</i>
<i>Q3 2020</i>	<i>Haskell County, TX</i>	<i>Total All</i>	<i>All Industries</i>	<i>\$732.00</i>
<i>Q4 2020</i>	<i>Haskell County, TX</i>	<i>Total All</i>	<i>All Industries</i>	<i>\$786.00</i>
<i>Q1 2021</i>	<i>Haskell County, TX</i>	<i>Total All</i>	<i>All Industries</i>	<i>\$743.00</i>

## Quarterly Census of Employment and Wages (QCEW) Report

[Customize the report/Help with Accessibility](#)

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2020	01	Haskell	Total All	Total, All Industries	796
2020	02	Haskell	Total All	Total, All Industries	722
2020	03	Haskell	Total All	Total, All Industries	732
2020	04	Haskell	Total All	Total, All Industries	786
2021	01	Haskell	Total All	Total, All Industries	743

*Calculation 2: 110% Haskell County Average Manufacturing Wage:  
\$900.63*

<i>Quarter</i>	<i>Area</i>	<i>Ownership</i>	<i>Industry</i>	<i>Average Weekly Wage</i>
<i>Q1 2019</i>	<i>Haskell County, TX</i>	<i>Private</i>	<i>Manufacturing</i>	<i>\$774.00</i>
<i>Q4 2019</i>	<i>Haskell County, TX</i>	<i>Private</i>	<i>Manufacturing</i>	<i>\$944.00</i>
<i>Q1 2020</i>	<i>Haskell County, TX</i>	<i>Private</i>	<i>Manufacturing</i>	<i>\$771.00</i>
<i>Q1 2021</i>	<i>Haskell County, TX</i>	<i>Private</i>	<i>Manufacturing</i>	<i>\$786.00</i>

## Quarterly Census of Employment and Wages (QCEW) Report

[Customize the report/Help with Accessibility](#)

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2019	01	Haskell	Private	Manufacturing	774
2019	04	Haskell	Private	Manufacturing	944
2020	01	Haskell	Private	Manufacturing	771
2021	01	Haskell	Private	Manufacturing	786

*Calculation 3: 110% Regional Manufacturing Wage: \$960.51 weekly or \$49,946.60 annually*

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

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

Please See Attached.





PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will not become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property [SEE NOTE]	Column E Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		\$ 218,351,250.00	Enter amounts from TOTAL row in Schedule A1 in the row below			
Each year prior to start of value limitation period	0	2021-2022	2021					\$ 218,351,250.00
Each year prior to start of value limitation period	0	2022-2023	2022					\$ 218,351,250.00
Value limitation period***	1	2023-2024	2023					
	2	2024-2025	2024					
	3	2025-2026	2025					
	4	2026-2027	2026					
	5	2027-2028	2027					
	6	2028-2029	2028					
	7	2029-2030	2029					
	8	2030-2031	2030					
	9	2031-2032	2031					
	10	2032-2033	2032					
Total Investment made through limitation				\$ 218,351,250.00				\$ 218,351,250.00
Continue to maintain viable presence	11	2033-2034	2033					
	12	2034-2035	2034					
	13	2035-2036	2035					
	14	2036-2037	2036					
	15	2037-2038	2037					
	16	2038-2039	2038					
	17	2039-2040	2039					
	18	2040-2041	2040					
	19	2041-2042	2041					
	20	2042-2043	2042					
Additional years for 25 year economic impact as required by 313.026(c)(1)	21	2043-2044	2043					
	22	2044-2045	2044					
	23	2045-2046	2045					
	24	2046-2047	2046					
	25	2047-2048	2047					

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

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

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

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

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

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

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

Column D: 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 9.105.1. 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 E: 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)

				Qualified Property			Estimated Taxable Value			
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions	
Each year prior to start of Value Limitation Period	0	2021-2022	2021							
	0	2022-2023	2022							
Value Limitation Period	1	2023-2024	2023			\$ 218,351,250.00	\$ 218,351,250.00	\$ 218,351,250.00	\$ 30,000,000.00	
	2	2024-2025	2024			\$ 203,066,662.50	\$ 203,066,662.50	\$ 203,066,662.50	\$ 30,000,000.00	
	3	2025-2026	2025			\$ 185,598,562.50	\$ 185,598,562.50	\$ 185,598,562.50	\$ 30,000,000.00	
	4	2026-2027	2026			\$ 170,313,975.00	\$ 170,313,975.00	\$ 170,313,975.00	\$ 30,000,000.00	
	5	2027-2028	2027			\$ 152,845,875.00	\$ 152,845,875.00	\$ 152,845,875.00	\$ 30,000,000.00	
	6	2028-2029	2028			\$ 137,561,287.50	\$ 137,561,287.50	\$ 137,561,287.50	\$ 30,000,000.00	
	7	2029-2030	2029			\$ 120,093,187.50	\$ 120,093,187.50	\$ 120,093,187.50	\$ 30,000,000.00	
	8	2030-2031	2030			\$ 104,808,600.00	\$ 104,808,600.00	\$ 104,808,600.00	\$ 30,000,000.00	
	9	2031-2032	2031			\$ 87,340,500.00	\$ 87,340,500.00	\$ 87,340,500.00	\$ 30,000,000.00	
	10	2032-2033	2032			\$ 72,055,912.50	\$ 72,055,912.50	\$ 72,055,912.50	\$ 30,000,000.00	
Continue to maintain viable presence	11	2033-2034	2033			\$ 54,587,812.50	\$ 54,587,812.50	\$ 54,587,812.50	\$ 54,587,812.50	
	12	2034-2035	2034			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	13	2035-2036	2035			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	14	2036-2037	2036			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	15	2037-2038	2037			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2038-2039	2038			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	17	2039-2040	2039			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	18	2040-2041	2040			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	19	2041-2042	2041			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	20	2042-2043	2042			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	21	2043-2044	2043			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	22	2044-2045	2044			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	23	2045-2046	2045			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	24	2046-2047	2046			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	
	25	2047-2048	2047			\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	\$ 43,670,250.00	

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

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021					
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2022-2023	2022	250	\$ 45,000.00			
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2023-2024	2023				2	\$ 49,946.60
	2	2024-2025	2024				2	\$ 49,946.60
	3	2025-2026	2025				2	\$ 49,946.60
	4	2026-2027	2026				2	\$ 49,946.60
	5	2027-2028	2027				2	\$ 49,946.60
	6	2028-2029	2028				2	\$ 49,946.60
	7	2029-2030	2029				2	\$ 49,946.60
	8	2030-2031	2030				2	\$ 49,946.60
	9	2031-2032	2031				2	\$ 49,946.60
	10	2032-2033	2032				2	\$ 49,946.60
Years Following Value Limitation Period	11 through 25	2033-2048	2033-2048				2	\$ 49,946.60

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*

Currently, it is anticipated that Haskell Consolidated Independent School District will create the reinvestment zone prior to the execution of the agreement. Please find attached their letter of intent.





# HASKELL CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

605 NORTH AVENUE E • P. O. BOX 937 • HASKELL, TEXAS 79521 • (940) 864-2602

August 31, 2021

*Via Electronic Mail and Hand Delivery*  
Local Government Assistance & Economic Analysis  
Texas Comptroller of Public Accounts  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

Re: Application for Appraised Value Limitation on Qualified Property from Inertia Wind Project, LLC to Haskell Consolidated Independent School District

*Intent of the Haskell Consolidated Independent School District to Establish the Inertia Wind Project Reinvestment Zone #1*

Dear Local Government Assistance and Economic Analysis Division:

The Board of Trustees of the Haskell Consolidated Independent School District (the "District") intends to conduct a public hearing to consider and act upon a Resolution designating a certain area as a Reinvestment Zone, under Texas Tax Code § 321.0025, in portions of Haskell County, Texas; establishing the boundaries thereof; and providing for an effective date. The project is to be located within the proposed *Inertia Wind Project Reinvestment Zone #1*.

To determine whether to designate the proposed *Inertia Wind Project Reinvestment Zone #1*, the Board of Trustees will consider, in accordance to Board Policy CCGB (LEGAL), whether the Reinvestment Zone: (i) meets the criteria set forth in Texas Tax Code § 312.0025 for the creation of a reinvestment zone, as set forth in the Property Redevelopment and Tax Abatement Act, as amended; and (ii) is reasonably likely to contribute to the expansion of primary employment in the Reinvestment Zone, or attract major investment in the Reinvestment Zone that would be a benefit to property in the Reinvestment Zone and to the District and contribute to the economic development of the region of this State in which the District is located. (See **Exhibit A**).

The adoption of this measure will be complete when the District considers the final approval of the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes by and between the District and Applicant.

Thank you for your attention to the foregoing. Should you have any questions, please do not hesitate to contact the District's Authorized Representative Mr. Rick Lambert via email at [rlambert@plg-law.com](mailto:rlambert@plg-law.com) (with copy to [sleung@plg-law.com](mailto:sleung@plg-law.com)) or via telephone at (512) 494-1177.

Sincerely,

Lonnie Hise, Superintendent of Schools  
Haskell CISD

Enclosure

**EXHIBIT A**

**BOARD POLICY CCGB (LEGAL)—LOCAL REVENUE SOURCES; AD VALOREM TAXES**

<b>Table of Contents</b>	<b>Tax Increment Financing Act..... 2</b>
	Board of Directors ..... 2
	Tax Increments ..... 2
	<b>Property Redevelopment and Tax Abatement Act ..... 4</b>
	Reinvestment Zone for Chapter 313 ..... 4
	<b>Texas Economic Development Act ..... 5</b>
	Definitions ..... 5
	School District Categories ..... 10
	Minimum Amounts of Qualified Investment ..... 10
	Eligibility ..... 10
	Application for Limitation on Appraised Value ..... 11
	Confidential Business Information ..... 12
	Action on Application ..... 13
	Fees ..... 15
	Approval ..... 16
	Continued Eligibility ..... 18
	Agreement..... 19
	Compliance and Enforcement ..... 22
	Disclosure of Appraised Value Limitation Information ..... 22
	Accessibility of Documents ..... 22

**Tax Increment  
Financing Act**

Board of Directors

Except as provided at Large Municipality below, each district that levies taxes on real property in a reinvestment zone designated by a county or municipality in accordance with the Tax Increment Financing Act, Tax Code Chapter 311, may appoint one member of the reinvestment zone board of directors if the district has approved the payment of all or part of the tax increment produced by the district into the tax increment fund for the zone. A district may waive its right to appoint a director. *Tax Code 311.009(a), (b)*

*Large  
Municipality*

In a reinvestment zone designated by a municipality which is wholly or partially located in a county with a population of less than 1.8 million in which the principal municipality has a population of 1.1 million or more, each taxing unit that approves the payment of all or part of its tax increment into the tax increment fund is entitled to appoint a number of members to the board in proportion to the taxing unit's pro rata share of the total anticipated tax increment to be deposited into the tax increment fund during the term of the zone. *Tax Code 311.0091(a)–(c)*

Tax Increments  
*Amount*

The amount of a district's tax increment for a year is the amount of property taxes levied and assessed by the district for that year on the captured appraised value of real property taxable by the district and located in a reinvestment zone or the amount of property taxes levied and collected by the district for that year on the captured appraised value of real property taxable by the district and located in a reinvestment zone. The board of the district shall determine which of the methods is used to calculate the amount of the district's tax increment.

"Captured  
Appraised  
Value"

The captured appraised value of real property taxable by a district for a year is the total taxable value of all real property taxable by the district and located in a reinvestment zone for that year less the tax increment base of the district.

"Tax Increment  
Base"

The tax increment base of a district is the total taxable value of all real property taxable by the district and located in a reinvestment zone for the year in which the zone was designated under Tax Code Chapter 311.

*Tax Code 311.012*

*Collection and  
Deposit*

Each district that taxes real property located in a reinvestment zone shall provide for the collection of its taxes in the zone as for any other property taxed by the district. Each district shall pay into the tax increment fund for the zone an amount equal to the tax increment produced by the district, less the sum of:



1. Property taxes produced from the tax increments that are, by contract executed before the designation of the area as a reinvestment zone, required to be paid by the district to another political subdivision; and
2. A portion, not to exceed 15 percent, of the tax increment produced by the district as provided by the reinvestment zone financing plan or a larger portion as provided at Agreement Required below.

*Tax Code 311.013(a)–(b)*

Notwithstanding any termination of the reinvestment zone and unless otherwise specified by an agreement between the district and the municipality or county that created the zone, a district shall make the required payment not later than the 90th day after the later of the delinquency date for district property taxes or the date the municipality or county that created the zone submits to the district an invoice specifying the tax increment produced by the district and the amount the district is required to pay into the tax increment fund for the zone. A district is not required to pay into a tax increment fund the applicable portion of a tax increment attributable to delinquent taxes until those taxes are collected. *Tax Code 311.013(c), (i)*

A district whose taxable value is reduced under Government Code 403.302(d)(4) (determination of district property values by the comptroller) shall pay into the tax increment fund, in addition to the amount otherwise required to be paid, an amount equal to the amount by which the amount of taxes the district would have been required to pay into the fund in the current year if the district levied taxes at the rate the district levied in 2005 exceeds the amount the district is otherwise required to pay into the fund in the year of the reduction. This additional amount may not exceed the amount the district receives in state aid for the current tax year under Education Code 48.253 (additional state aid for tax increment financing payments). The district shall pay the additional amount after the district receives the state aid to which the district is entitled for the current tax year under Education Code 48.253. *Tax Code 311.013(n)*

*Agreement  
Required*

A district is not required to pay into the tax increment fund any of its tax increment produced from property located in a reinvestment zone designated under Tax Code 311.005(a) or in an area added to a reinvestment zone under Tax Code 311.007 unless the district enters into an agreement to do so with the governing body of the municipality or county that designated the zone. *Tax Code 311.013(f)*

A district that participates in a zone is not required to increase the percentage or amount of the tax increment to be contributed by the district because of an amendment to the project plan or reinvestment zone financing plan for the zone unless the board by official action approves the amendment. *Tax Code 311.011(g)*

A district is not required to pay into the tax increment fund any of its tax increment produced from property located in an area added to the reinvestment zone under Tax Code 311.007(a) or (b) unless the board enters into an agreement to do so with the governing body of the municipality or county that created the zone. *Tax Code 311.013(k)*

If the governing body of the municipality or county that designated a reinvestment zone extends the term of all or a portion of the zone, a district is not required to participate in the zone or portion of the zone for the extended term unless the district enters into a written agreement to do so. *Tax Code 311.007(c)*

Notwithstanding the designation of a later termination date under Tax Code 311.017(a), a district that taxes real property located in the reinvestment zone is not required to pay any of its tax increment into the tax increment fund for the zone after the termination date designated in the ordinance or order creating the zone unless the board enters into an agreement to do so with the governing body of the municipality or county that created the zone. *Tax Code 311.017(a-1)*

**Property  
Redevelopment and  
Tax Abatement Act**

On or after September 1, 2001, a school district may not enter into a tax abatement agreement under Tax Code Chapter 312. *Tax Code 312.002(f)*

**Reinvestment Zone  
for Chapter 313**

Notwithstanding any other provision of Tax Code Chapter 312 to the contrary, the board, in the manner required for official action and for purposes of Tax Code Chapter 313, Subchapter B or C [see Texas Economic Development Act below], may designate an area entirely within the territory of the district as a reinvestment zone if the board finds that, as a result of the designation and the granting of a limitation on appraised value, for property located in the reinvestment zone, the designation is reasonably likely to:

1. Contribute to the expansion of primary employment in the reinvestment zone; or
2. Attract major investment in the reinvestment zone that would:
  - a. Be a benefit to property in the reinvestment zone and to the district; and

- b. Contribute to the economic development of the region of this state in which the district is located.

The board may seek the recommendation of the commissioners court of each county and the governing body of each municipality that has territory in the district before designating an area as a reinvestment zone.

*Tax Code 312.0025*

**Texas Economic  
Development Act**

In implementing the Texas Economic Development Act, Tax Code Chapter 313, districts should strictly interpret the criteria and selection guidelines provided by Chapter 313 and approve only those applications for an ad valorem tax benefit that:

1. Enhance the local community;
2. Improve the local public education system;
3. Create high-paying jobs; and
4. Advance the economic development goals of Texas.

*Tax Code 313.004(3)*

Definitions

*Agreement*

“Agreement” means the written agreement between the board and the approved applicant on the form adopted by reference in 34 Administrative Code 9.1052 (Forms) to implement a limitation on the appraised value for district maintenance and operations ad valorem property tax purposes on an entity’s qualified property, required by Tax Code 313.027(d).

*Agreement  
Holder*

“Agreement holder” means an entity that has executed an agreement with a district.

*Applicant*

“Applicant” means an entity that has applied for a limitation on appraised value for district maintenance and operations ad valorem property tax purposes on the entity’s property, as provided by Tax Code Chapter 313.

*Application*

“Application” means an application for limitation of appraised value for district maintenance and operations ad valorem property tax purposes on an entity’s qualified property on the form adopted by reference in 34 Administrative Code 9.1052 (Forms), the schedules attached thereto, and the documentation submitted by an entity for the purpose of obtaining an agreement for a limitation on appraised value from a district.

*Application  
Review Start  
Date*

“Application review start date” means the later date of either the date on which the district issues its written notice that an applicant has submitted a completed application or the date on which the

comptroller issues its written notice that an applicant has submitted a completed application.

*Completed  
Application*

“Completed application” means an application in the form and number and containing all the information required pursuant to 34 Administrative Code 9.1053 (Entity Requesting Agreement to Limit Appraised Value), that has been determined by the district and the comptroller to include all minimum requirements for consideration.

*Entity*

“Entity” means any entity upon which a tax is imposed by Tax Code 171.001, including a combined group as defined by Tax Code 171.0001(7) or members of a combined group, provided, however, an entity does not include a sole proprietorship, partnership, or limited liability partnership.

34 TAC 9.1051(1), (2), (3), (7), (10), (12), (20)

*Qualified  
Investment*

“Qualified investment” means:

1. Tangible personal property that is first placed in service in this state during the applicable qualifying time period that begins on or after January 1, 2002, without regard to whether the property is affixed to or incorporated into real property, and that is:
  - a. Described as Section 1245 property by Section 1245(a), Internal Revenue Code of 1986;
  - b. Used in connection with the manufacturing, processing, or fabrication in a cleanroom environment of a semiconductor product, without regard to whether the property is actually located in the cleanroom environment, including integrated systems, fixtures, and piping; all property necessary or adapted to reduce contamination or to control airflow, temperature, humidity, chemical purity, or other environmental conditions or manufacturing tolerances; and production equipment and machinery, moveable cleanroom partitions, and cleanroom lighting;
  - c. Used in connection with the operation of a nuclear electric power generation facility, including property, including pressure vessels, pumps, turbines, generators, and condensers, used to produce nuclear electric power; and property and systems necessary to control radioactive contamination;
  - d. Used in connection with operating an integrated gasification combined cycle electric generation facility, including property used to produce electric power by means of a

combined combustion turbine and steam turbine application using synthetic gas or another product produced by the gasification of coal or another carbon-based feedstock; or property used in handling materials to be used as feedstock for gasification or used in the gasification process to produce synthetic gas or another carbon-based feedstock for use in the production of electric power in the manner described herein;

- e. Used in connection with operating an advanced clean energy project, as defined by Health and Safety Code 382.003; or
- 2. A building or a permanent, nonremovable component of a building that is built or constructed during the applicable qualifying time period that begins on or after January 1, 2002, and that houses tangible personal property described by items 1a–e above.

*Tax Code 313.021(1)*

*Qualified  
Property*

“Qualified property” means:

- 1. Land:
  - a. That is 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;
  - b. On which a person proposes to construct a new building or erect or affix a new improvement that does not exist before the date the person submits a complete application for a limitation on appraised value under Tax Code Chapter 313, Subchapter B;
  - c. That is not subject to a tax abatement agreement entered into by a district under Tax Code Chapter 312; and
  - d. On which, in connection with the new building or new improvement described by item 1b above, the owner or lessee of, or the holder of another possessory interest in, the land proposes to:
    - (1) Make a qualified investment in an amount equal to at least the minimum amount required by Tax Code 313.023; and
    - (2) Create at least 25 new qualifying jobs, except as provided at Exception below;

2. The new building or other new improvement described by item 1b above; and
3. Tangible personal property:
  - a. That is not subject to a tax abatement agreement entered into by a district under Tax Code Chapter 312;
  - b. For which a sales and use tax refund is not claimed under Tax Code 151.3186; and
  - c. Except for new equipment described in Tax Code 151.318(q) or (q-1), that is first placed in service in the new building, in the newly expanded building, or in or on the new improvement described by item 1b above, or on the land on which that new building or new improvement is located, if the personal property is ancillary and necessary to the business conducted in that new building or in or on that new improvement.

*Tax Code 313.021(2); see also 34 TAC 9.1051(16) (additional requirements for "Qualified Property")*

*Exception*

For purposes of Tax Code Chapter 313, Subchapter C, applicable to certain rural districts, a property owner is required to create at least 10 qualifying jobs. *Tax Code 313.051(b)*

*Qualifying Job*

"Qualifying job" means a permanent full-time job that:

1. Requires at least 1,600 hours of work a year;
2. Is not transferred from one area in this state to another area in this state;
3. Is not created to replace a previous employee;
4. Is covered by a group health benefit plan for which the business offers to pay at least 80 percent of the premiums or other charges assessed for employee-only coverage under the plan, regardless of whether an employee may voluntarily waive the coverage; and
5. Pays at least 110 percent of the county average weekly wage for manufacturing jobs in the county where the job is located.

*Tax Code 313.021(3); 34 TAC 9.1051(30)*

To be eligible for a limitation on appraised value under Tax Code Chapter 313, the property owner must create the required number of new qualifying jobs and the average weekly wage for all jobs



created that are not qualifying jobs must exceed the county average weekly wage for all jobs in the county where the jobs are located. *Tax Code 313.024(d)*

Waiver of New  
Jobs Creation  
Requirement

Notwithstanding any other provision of Tax Code Chapter 313 to the contrary, the board may waive the new jobs creation requirement and approve an application if the board makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application. *Tax Code 313.025(f-1)*

*Qualifying Time  
Period*

“Qualifying time period” means:

1. The period that begins on the date that a person’s application for a limitation on appraised value under Tax Code Chapter 313 is approved by the board and ends on December 31 of the second tax year that begins after that date, except as provided by items 2 and 3 below or Tax Code 313.027(h);
2. In connection with a nuclear electric power generation facility, the first seven tax years that begin on or after the third anniversary of the date the district approves the property owner’s application for a limitation on appraised value, unless a shorter time period is agreed to by the board and the property owner; or
3. In connection with an advanced clean energy project, the first five tax years that begin on or after the third anniversary of the date the district approves the property owner’s application for a limitation on appraised value, unless a shorter time period is agreed to by the board and the property owner.

*Tax Code 313.021(4)*

*Substantive  
Document*

“Substantive document” means a document or other information or data in electronic media determined by the comptroller to substantially involve or include information or data significant to an application, the evaluation or consideration of an application, or the agreement or implementation of an agreement for limitation of appraised value pursuant to Tax Code Chapter 313. The term includes, but is not limited to, any application requesting a limitation on appraised value and any amendments or supplements, any economic impact evaluation made in connection with an application, any agreement between applicant and the district and any subsequent amendments or assignments, any district written finding or report filed with the comptroller as required under 34 Administrative Code Chapter 9, Subchapter F; and any completed annual eligibility report (Form 50-772A) submitted to the comptroller. The term shall

not include any employee names or other personal identifying information that is submitted to the comptroller. Positions can be described by job type, category, or general title. *34 TAC 9.1051(19)*

School District  
Categories

For purposes of determining the required minimum amount of a qualified investment and the minimum amount of a limitation on appraised value, districts to which Tax Code Chapter 313, Subchapter B applies are categorized according to the taxable value of property in the district for the preceding tax year under Government Code Chapter 403, Subchapter M (comptroller's study of school district property values), as set out in Tax Code 313.022. *Tax Code 313.022(b); 34 TAC 9.1058(d)*

For purposes of determining the required minimum amount of a qualified investment and the minimum amount of a limitation on appraised value, districts to which Tax Code Chapter 313, Subchapter C applies are categorized according to the taxable value of industrial property in the district for the preceding tax year under Government Code Chapter 403, Subchapter M (comptroller's study of school district property values), as set out in Tax Code 313.052. *Tax Code 313.052; 34 TAC 9.1058(d)*

Minimum Amounts  
of Qualified  
Investment

For each category of district established by Tax Code 313.022, the minimum amount of a qualified investment is set out in Tax Code 313.023. *Tax Code 313.023*

For each category of district established by Tax Code 313.052, the minimum amount of a qualified investment is set out in Tax Code 313.053. *Tax Code 313.053*

Eligibility

Tax Code Chapter 313, Subchapters B and C apply only to property owned by an entity subject to franchise tax (Tax Code Chapter 171). To be eligible for a limitation on appraised value, the entity must use the property for a purpose stated in Tax Code 313.024.

*Exception for  
Wind-Powered  
Energy Device*

An owner of a parcel of land that is located wholly or partly in a re-investment zone, a new building constructed on the parcel of land, a new improvement erected or affixed on the parcel of land, or tangible personal property placed in service in the building or improvement or on the parcel of land may not receive a limitation on appraised value for the parcel of land, building, improvement, or tangible personal property under an agreement under Tax Code Chapter 313, Subchapter B that is entered into on or after September 1, 2017, if, on or after that date, a wind-powered energy device is installed or constructed on the same parcel of land at a location that is within 25 nautical miles of the boundaries of a military aviation facility located in this state. This prohibition applies regardless

of whether the wind-powered energy device is installed or constructed at a location that is in the reinvestment zone.

*Tax Code 313.024*

Application for  
Limitation on  
Appraised Value

The owner or lessee of, or the holder of another possessory interest in, any qualified property may apply to the board for a limitation on the appraised value of the person's qualified property for district maintenance and operations ad valorem tax purposes. An application must be made on the form prescribed by the comptroller, must include the information required by the comptroller, and must be accompanied by:

1. The application fee established by the board;
2. Information sufficient to show that the real and personal property identified in the application as qualified property meets the applicable criteria established by Tax Code 313.021(2); and
3. Any information required by the comptroller for the purposes of Tax Code 313.026 (economic impact evaluation).

*Tax Code 313.025(a)*

*Required  
Contents and  
Format*

A completed application shall consist of, at a minimum, the items set forth in 34 Administrative Code 9.1053(a)(1) and shall be provided in the formats specified in 34 Administrative Code 9.1053(a)(2).

Optional  
Requests

An applicant may include in an application:

1. A request that the district waive the applicable requirement to create new jobs. In order for a completed application to include a job waiver request, the applicant shall submit the information specified in 34 Administrative Code 9.1053(b)(1); or
2. A request to begin the qualifying time period on a date that is after the date that the application is approved. In order for a completed application to include a qualifying time period deferral request, the applicant shall submit the information specified in 34 Administrative Code 9.1053(b)(2).

*34 TAC 9.1053(a), (b)*

*Changes*

At the request of the district or the comptroller, or with the prior approval of the district and the comptroller, the applicant may submit an application amendment or application supplement at any time after the submission of the initial application. In order to be considered as part of the application, the application amendment or supplement shall:

1. Be submitted in the same form or schedule and manner as the information was initially submitted or should have been initially submitted;
2. Include a date for the submission and a sequential number identifying the number of submissions made by the applicant;
3. Have the signature of the authorized representative(s) by which the applicant confirms and attests to the truth and accuracy of the information submitted in the application amendment or supplement, as applicable, to the best knowledge and belief of the applicant and its representative(s); and
4. Be submitted before the 120th day after the application was accepted by the district or within another time period as provided in writing by the comptroller.

*34 TAC 9.1053(c)*

If a district receives an amended application or a supplemental application from an applicant after the district has prepared or sent written notice that the applicant has submitted a completed application, the district shall either:

1. Reject the amended application, supplemental application, or application, in whole or in part, and discontinue consideration of any submission by the applicant;
2. With the written concurrence of the comptroller, consider the completed application, as amended or supplemented, before the 151st day from the application review start date; or
3. Review the documents submitted by the applicant, issue an amended written notice of a completed application, and present the amended application to the board in the manner and time period authorized by 34 Administrative Code 9.1054(c)(5).

*34 TAC 9.1054(e)* [See Acting on Completed Application, below]

Confidential  
Business  
Information

Information provided to a district in connection with an application for a limitation on appraised value that describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application shall be segregated in the application from other information in the application and is confidential and not subject to public disclosure unless the board approves the application. Other information in the custody of a district or the comptroller in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility

under Tax Code Chapter 313, such as the nature and amount of the projected investment, employment, wages, and benefits, may not be considered confidential business information if the board agrees to consider the application. Information in the custody of a district or the comptroller if the board approves the application is not confidential under this provision. *Tax Code 313.028; 34 TAC 9.1055(a)(1)–(4)*

At the time that the applicant submits its application, application amendment, or application supplement, the applicant may request that all or parts of such document not be posted on the internet and not otherwise be publicly released. In order to make such request, the applicant shall:

1. Submit a written request that:
  - a. Specifically lists each document or portion of document and each entry in any form prescribed by the comptroller that the applicant contends is confidential; and
  - b. Identifies specific detailed reasons stating why the applicant believes each item listed should be considered confidential and identifies any relevant legal authority in support of the request;
2. Segregate the documents which are subject to the request from the other documents submitted with the application, application amendment, or application supplement that are not subject to the request; and
3. Adequately designate the documents subject to the request as “confidential.”

*34 TAC 9.1053(e)*

Action on  
Application  
*Initial Review*

Within seven days of receipt of each document, the district shall submit to the comptroller a copy of the application and the proposed agreement between the applicant and the district. If the applicant submits an economic analysis of the proposed project, the district shall submit a copy of the analysis to the comptroller. In addition, the district shall submit to the comptroller any subsequent revision of or amendment to any of those documents within seven days of receipt. *Tax Code 313.025(a-1); 34 TAC 9.1054(b)*

*Acting on  
Completed  
Application*

If the board by official action elects to consider an application and determines that the application received is a completed application, the district shall:

1. Provide written notice to the applicant and to the comptroller, with a copy to the appraisal district, that the district has received and will be considering a completed application. The notice shall include:
  - a. The date on which the application was received;
  - b. The date on which the board elected to consider the application; and
  - c. The date on which the district determined that applicant has submitted a completed application;
2. At the time the district provides notice of a completed application, deliver to the comptroller:
  - a. A copy of the completed application including all material required by 34 Administrative Code 9.1053(a), and if applicable (b), (Entity Requesting Agreement to Limit Appraised Value); and
  - b. A request to the comptroller to provide an economic impact evaluation;
3. If the district maintains a generally accessible internet web site, provide a clear and conspicuous link on its web site to the internet web site maintained by the comptroller where substantive documents for the value limitation application for such district are posted;
4. On request of the comptroller, provide such written documents containing information requested by the comptroller as necessary for the consideration of a limitation on appraised value pursuant to Tax Code Chapter 313 within 20 days of the date of the request.

*34 TAC 9.1054(c)(1)–(4)*

*Economic Impact  
Evaluation and  
Certification*

The board is not required to consider an application for a limitation on appraised value. If the board elects to consider an application, the board shall deliver a copy of the application to the comptroller and request that the comptroller conduct an economic impact evaluation of the proposed investment. The comptroller shall conduct or contract with a third person to conduct the economic impact evaluation, which shall be completed and provided to the board, along with the comptroller's certificate or written explanation of the decision not to issue a certificate, as soon as practicable but not later than the 90th day after the date the comptroller receives the application. The board shall provide to the comptroller or to a third



person contracted by the comptroller to conduct the economic impact evaluation any requested information. The board shall provide a copy of the economic impact evaluation to the applicant on request. *Tax Code 313.025(b); 34 TAC 9.1055(d)*

Supplemental application information, amended application information, and additional information requested by the comptroller shall be promptly forwarded to the comptroller within 20 days of the date of the request. On request of the district or applicant, the comptroller may extend the deadline for providing additional information for a period of not more than ten working days. *34 TAC 9.1055(b)(1)(A)–(B)*

After receiving a copy of the application, the comptroller shall determine whether the property meets the requirements for eligibility for a limitation on appraised value. The comptroller shall notify the board of the comptroller's determination and provide the applicant an opportunity for a hearing before the determination becomes final. If the comptroller's determination becomes final, the comptroller is not required to provide an economic impact evaluation of the application or to submit a certificate for a limitation on appraised value of the property or a written explanation of the decision not to issue a certificate, and the board may not grant the application. *Tax Code 313.025(h), (i); 34 TAC 9.1055(b)(3), (c), (d), .1056*

*Effect on  
Instructional  
Facilities*

The comptroller shall promptly deliver a copy of the application to the Texas Education Agency (TEA). TEA shall determine the effect that the applicant's proposal will have on the number or size of the district's instructional facilities and submit a written report containing TEA's determination to the district. The board shall provide any requested information to TEA. Not later than the 45th day after the date TEA receives the application, TEA shall make the required determination and submit the written report to the board. *Tax Code 313.025(b-1)*

Fees

The board by official action shall establish reasonable nonrefundable application fees to be paid by property owners who apply to the district for a limitation on the appraised value of the person's property. The amount of an application fee must be reasonable and may not exceed the estimated cost to the district of processing and acting on an application, including any cost to the district associated with the required economic impact evaluation. *Tax Code 313.031(b); 34 TAC 9.1054(a)*

The total fee shall be paid at the time the application is submitted to the district. Any fees not accompanying the original application shall be considered supplemental payments. *34 TAC 9.1054(a)*

The comptroller may charge the applicant a fee sufficient to cover the costs of providing the economic impact evaluation. *Tax Code 313.025(b)*

*Supplemental  
Payments*

A person and the district may not enter into an agreement under which the person agrees to provide supplemental payments to a district or any other entity on behalf of a district in an amount that exceeds an amount equal to the greater of \$100 per student per year in average daily attendance or \$50,000 per year, or for a period that exceeds the period beginning with the qualifying time period and ending December 31 of the third tax year after the date the person's eligibility for a limitation under Tax Code Chapter 313 expires. This limit does not apply to amounts described below at item 4 at Contents, Required and item 1 at Contents, Optional. *Tax Code 313.027(i)*

Approval

The board shall approve or disapprove an application not later than the 150th day after the date the application is filed, unless the economic impact evaluation has not been received or an extension is agreed to by the board and the applicant. *Tax Code 313.025(b)*

The board may extend the time period to approve a completed application required only if:

1. Either:
  - a. An economic impact analysis has not been submitted to the district by the comptroller; or
  - b. By agreement with the applicant; and
2. Notice of the extension is provided to the comptroller within seven days of the decision to provide the extension.

*34 TAC 9.1054(d)*

Before approving or disapproving an application that the board elects to consider, the board must make a written finding as to any criteria considered by the comptroller in conducting the economic impact evaluation under Tax Code 313.026. The board shall deliver a copy of those findings to the applicant.

The board may approve an application only if the board finds that the information in the application is true and correct, finds that the applicant is eligible for the limitation on the appraised value of the person's qualified property, and determines that granting the application is in the best interest of the district and this state.

The board may not approve an application unless the comptroller submits to the board a certificate for a limitation on appraised value of the property.

*Tax Code 313.025(d-1), (e), (f)*

When presented a completed application for which the comptroller has submitted a certificate for a limitation, the board shall either:

1. By majority vote adopt a written resolution approving the application which shall include:
  - a. Written findings:
    - (1) As to each criterion listed in 34 Administrative Code 9.1055(d)(3)(B)–(D) (Comptroller Application Review and Agreement to Limit Appraised Value);
    - (2) As to the criteria required by Tax Code 313.025(f-1) (waiver of new jobs creation requirement) if applicable;
    - (3) That the information in the application is true and correct; and
    - (4) That the applicant is eligible for the limitation on the appraised value of the entity's qualified property;
  - b. A determination that granting the application is in the best interest of the district and this state; and
  - c. Designate and direct a representative of the board to execute the agreement for property tax limitation presented by the approved applicant that complies with 34 Administrative Code Chapter 9, Subchapter F and Tax Code Chapter 313;
2. By majority vote disapprove the application; or
3. Take no official action and the application shall be considered disapproved on the 151st day after the application review start date.

*34 TAC 9.1054(c)(5), (f)*

In determining whether to approve an application, the board is entitled to request and receive assistance from the comptroller, the Texas Economic Development and Tourism Office, the Texas Workforce Investment Council, and the Texas Workforce Commission. The Texas Economic Development and Tourism Office or its successor may recommend that a district approve an application under Tax Code Chapter 313. In determining whether to approve an

application, the board shall consider any recommendation made by the Texas Economic Development and Tourism Office or its successor. *Tax Code 313.025(c), (g)*

Continued Eligibility

In order to obtain and continue to receive a limitation on appraised value pursuant to Tax Code Chapter 313, an applicant shall:

1. Have a completed application approved by the board in compliance with 34 Administrative Code 9.1054(f) (School District Application Review and Agreement to Limit Appraised Value);
2. At least 30 days prior to the meeting at which the board is scheduled to consider the application, provide to the district and the comptroller a Texas Economic Development Act Agreement, as specified in 34 Administrative Code 9.1052(a)(6), with terms acceptable to the applicant;
3. If the applicant includes a combined group or members of the combined group, have the agreement executed by the authorized representative of each member of the combined group that owns a direct interest in property subject to the proposed agreement by which such members are jointly and severally liable for the performance of the stipulations, provisions, terms, and conditions of the agreement;
4. Comply with all stipulations, provisions, terms, and conditions of the agreement for a limitation on appraised value executed with the district, 34 Administrative Code Chapter 9, Subchapter F, and Tax Code Chapter 313;
5. Be and remain in good standing under the laws of this state and maintain legal status as an entity;
6. Owe no delinquent taxes to the state;
7. Maintain eligibility for limitation on appraised value pursuant to Tax Code Chapter 313;
8. Provide to the district, the comptroller, and the appraisal district any change to information provided in the application, including but not limited to changes of the authorized representative(s); changes to the location and contact information for the approved applicant including all members of the combined group participating in the limitation agreement; and copies of any valid assignments of the agreement and contact information for authorized representative(s) of any assignees; and
9. Within 30 days after filing a completed application with the district, provide the comptroller with estimates of the gross tax

benefit resulting from the requested limitation on appraised value for school district maintenance and operations ad valorem tax and future revenues from the qualified property.

*34 TAC 9.1053(f)*

Agreement

No later than 20 business days after receiving an agreement for limitation on appraised value acceptable to an applicant, the comptroller:

1. Shall review the agreement for compliance with Tax Code Chapter 313 and the applicable rules (34 Administrative Code 9.1051–.1060), and consistency with the application submitted to the comptroller and as amended or supplemented;
2. May amend or withdraw the comptroller certificate for a limitation if the comptroller determines that the agreement as submitted by the applicant does not comply with Tax Code Chapter 313 or the applicable rules or that the agreement contains provisions that are not consistent with or represents information significantly different from that presented in the application as submitted to the comptroller; and
3. Provide written notification to the district of the actions taken.

*34 TAC 9.1055(e)*

The board and the property owner shall enter into a written agreement for the implementation of the limitation on appraised value on the owner's qualified property. *Tax Code 313.027(d); 34 TAC 9.1054(g), .1060*

*Limitation on  
Appraised Value*

If the person's application is approved by the board, the appraised value for district maintenance and operations ad valorem tax purposes of the person's qualified property as described in the agreement between the person and the district may not exceed the lesser of:

1. The market value of the property; or
2. Subject to the minimum limitation amount below, the amount agreed to by the board.

Minimum  
Limitation

The amount agreed to by the board must be an amount in accordance with Tax Code 313.027(b), according to the category to which the district belongs. [See School District Categories, above] A district, regardless of category, may agree to a greater amount.

*Tax Code 313.027(a), (b), (c)*

For a district to which Tax Code Chapter 313, Subchapter C applies, the amount agreed to by the board must be an amount in accordance with Tax Code 313.054, according to the category to which the district belongs. [See School District Categories, above] A district, regardless of category, may agree to a greater amount.  
*Tax Code 313.054*

*Contents*

Required

The agreement must:

1. Provide that the limitation applies for a period of ten years;
2. Specify the beginning date of the limitation, which must be January 1 of the first tax year that begins after the application date, the qualifying time period, or the date commercial operations begin at the site of the project;
3. Describe with specificity the qualified investment that the person will make on or in connection with the person's qualified property that is subject to the limitation; other property of the person that is not specifically described in the agreement is not subject to the limitation unless the board, by official action, provides that the other property is subject to the limitation;
4. Incorporate each relevant provision of Tax Code Chapter 313, Subchapter B, and, to the extent necessary, include provisions for the protection of future district revenues through the adjustment of the minimum valuations, the payment of revenue offsets, and other mechanisms agreed to by the property owner and the district;
5. Require the property owner to maintain a viable presence in the district for at least five years after the date the limitation on appraised value of the owner's property expires;
6. Provide for the termination of the agreement, the recapture of ad valorem tax revenue lost as a result of the agreement if the owner of the property fails to comply with the terms of the agreement, and payment of a penalty or interest, or both, on that recaptured ad valorem tax revenue;
7. Specify the ad valorem tax years covered by the agreement;
8. Be in a form approved by the comptroller; and
9. Disclose any consideration promised in conjunction with the application and the limitation.

*Tax Code 313.027(a-1), (e), (f), (j)*

Optional

The agreement may:

1. Provide that the property owner will protect the district in the event the district incurs extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project.
2. Specify any conditions the occurrence of which will require the district and the property owner to renegotiate all or any part of the agreement.
3. Provide for a deferral of the date on which the qualifying time period for the project is to commence or, subsequent to the date the agreement is entered into, be amended to provide for such a deferral. The agreement may not provide for the deferral of the date on which the qualifying time period is to commence to a date later than January 1 of the fourth tax year that begins after the date the application is approved except that if the agreement is one of a series of agreements related to the same project, the agreement may provide for the deferral of the date on which the qualifying time period is to commence to a date not later than January 1 of the sixth tax year that begins after the date the application is approved.

*Tax Code 313.027(f), (h)*

If an agreement for limitation on appraised value includes a provision in which the qualifying time period starts more than one year after the date that the application is approved, no earlier than 180 days and no later than 90 days prior to the start of the deferred qualifying time period:

1. The district shall provide the comptroller:
  - a. Copies of any documents or other information received from the applicant; and
  - b. After reviewing documents and information provided by the applicant, either:
    - (1) A written acknowledgment of receiving the application amendment or supplement; or
    - (2) A statement that no such amendment or supplement has been submitted; and
2. If the comptroller provides:
  - a. A comptroller certificate for a limitation with conditions different from the existing agreement, the board shall



hold a meeting and determine whether to amend the agreement to include the conditions required by the comptroller or terminate the agreement; or

- b. A written explanation of the comptroller's decision not to re-issue a certificate, the district shall terminate the agreement.

*34 TAC 9.1054(h), .1055(g)*

Compliance and  
Enforcement

The district shall provide to the comptroller any documents that reasonably appear to be substantive documents, and, within seven days of executing the agreement, a copy of the executed agreement and any attachments thereto. The district shall provide a copy of the executed agreement to the appraisal district.

The district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement for limitation of the appraised value, 34 Administrative Code Chapter 9, Subchapter F, and Tax Code Chapter 313. To determine and obtain compliance with each agreement, for each calendar year during the term of the agreement the district shall require the approved applicant to submit:

1. Either the information necessary to complete the annual eligibility report, or a completed annual eligibility report;
2. A completed job creation compliance report (Form 50-825); and
3. Any information required by the state auditor office or its designee.

*34 TAC 9.1054(i)*

Disclosure of  
Appraised Value  
Limitation  
Information

If a district maintains a generally accessible internet website, the district shall maintain a link on its internet website to the area of the comptroller's internet website where information on each of the district's agreements to limit appraised value is maintained. *Tax Code 313.0265(c)*

Accessibility of  
Documents

Any documents submitted in an electronic format (including searchable pdfs) to the comptroller must comply with the accessibility standards and specifications described in 1 Administrative Code Chapters 206 and 213. *34 TAC 9.1055(a)(5)*

*Tab 17: Signature and Certification Page, Signed and Dated by  
Authorized School District Representative and Authorized  
Company Representative (applicant)*

Please See Attached.



2424 Ridge Road  
Rockwall, TX 75087



469.298.1594



[www.keatax.com](http://www.keatax.com)



**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** ➡

Lonnie Hise

Print Name (Authorized School District Representative)

Superintendent of Schools

Title

**sign  
here** ➡

Signature (Authorized School District Representative)

8/31/2021

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** ➡

Anthony Pedroni

Print Name (Authorized Company Representative (Applicant))

VP of Development

Title

**sign  
here** ➡

Signature (Authorized Company Representative (Applicant))

Date

GIVEN under my hand and seal of office this, the

\_\_\_\_\_ day of \_\_\_\_\_,

\_\_\_\_\_  
Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires: \_\_\_\_\_

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.

## SECTION 16: Authorized Signatures and Applicant Certification

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**print  
here** ➡

Print Name (Authorized School District Representative)

Title

**sign  
here** ➡

Signature (Authorized School District Representative)

Date

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**print  
here** ➡

Anthony Pedroni

Print Name (Authorized Company Representative (Applicant))

VP

Title

**sign  
here** ➡

Anthony Pedroni

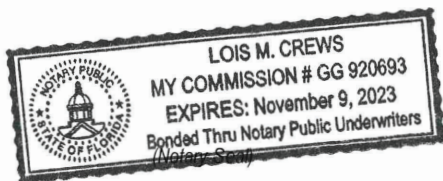
Signature (Authorized Company Representative (Applicant))

8/5/2021

Date

GIVEN under my hand and seal of office this, the

5th day of August, 2021



Lois M. Crews

Notary Public in and for the State of Texas

My Commission expires: 11/9/2023

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