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May 29, 2022

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

RE: Amendment 001 to Application to the Sherman ISD from GlobiTech (Phase 2)

To the Local Government Assistance & Economic Analysis Division:

Please find attached Amendment 001 to Application 1770 to the Sherman Independent School District from GlobiTech Incorporated (Phase 2) prepared in response to the request for additional information dated May 11, 2022. In addition to the specific items requested, GlobiTech has updated the wage information to reflect the most recent 4 quarters of available wage data.

Specifically, GlobiTech has made the following changes:

- Updated language in the final paragraph of Tab 5
- Updated language in paragraph 2 of Tab 7 and 8
- Updated maps, with a new project site that is located across the street from the previous project site

A copy of the amendment will be submitted to the Grayson County Appraisal District.

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Grayson CAD
GlobiTech Incorporated
Superintendent David Hicks
Dan Casey, Moak Casey & Associates

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create?
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14))
3. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☐ Yes ☐ No
 - 3a. If yes, attach evidence of industry standard in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
 - a. Non-qualified job wages
 - average weekly wage for all jobs (all industries) in the county is
 - b. Qualifying job wage minimum option §313.021(5)(A)
 - 110% of the average weekly wage for manufacturing jobs in the county is
 - c. Qualifying job wage minimum option §313.021(5)(B)
 - 110% of the average weekly wage for manufacturing jobs in the region is
5. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☐ §313.021(5)(B)
6. What is the minimum required annual wage for each qualifying job based on the qualified property?
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property?
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☐ Yes ☐ No
9. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☐ No
 - 9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☐ No
 - 10a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

Tab 5

Documentation of Value Limitation as a Determining Factor

Provide 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.

Section 8, Question 7: Is the applicant evaluating other locations not in Texas for the proposed project?

Applicant is a subsidiary of GlobalWafers, a global manufacturer of silicon wafers with the ability to locate this proposed Project anywhere with favorable product development capabilities. The proposed Project site in Sherman ISD, near Applicant's existing U.S. operations, is one of the locations under consideration by Applicant to develop its growing business. But Applicant is also actively considering alternative site locations in South Korea and Ohio.

GlobalWafers currently produces 300-millimeter silicon wafers at four locations: South Korea, Taiwan, and two locations in Japan. South Korea has space available for further expansion and is the main contender for the location of this next expansion.

The proposed Project site in Sherman ISD must be competitive with alternative proposed site locations across the globe in order for Applicant to select the location for capital investment and commitment to jobs and long-term operations.

Applicant has been offered tax incentives from other regions where it is considering alternative Project locations. For example, Applicant is considering an alternative site in South Korea where its project would be eligible for 100% property tax exemption for 15 years and a cash grant of \$83M. This location also benefits from having supporting facilities already in place as well as the technical staff on site to bring the new factory up quickly.

Applicant is also considering Ohio for this expansion site. Intel has recently announced a semiconductor 'mega site' for their US based expansion that will include up to 8 semiconductor fabrication sites. The state of Ohio is actively seeking semiconductor related companies willing to build in Ohio as part of their plan to build a semiconductor 'ecosystem' in Ohio. Ohio has offered Applicant a robust economic development incentive package, including property tax abatement, significant state-level grants, and tax credits. A limitation on appraised value is a determining factor in Applicant's decision to invest capital and construct the project in Texas.

Tab 7

Description of Qualified Investment

Provide 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 and a description of any new buildings, proposed new improvements, or personal property which you intend to include as part of your minimum qualified investment.

Applicant is requesting an appraised value limitation for all Phase 2 property constructed or placed upon its proposed Project site located in Sherman ISD and Grayson County. Phase 2 of the Project would be expected to be fully operational by the end of 2033.

Phase 2 of the Project would include a multi-floor building with manufacturing and manufacturing support space, support buildings including crystal puller building, chemical/gas building, and central utilities building. Several additional detached structures would be constructed to house additional necessary infrastructure for the manufacture of 300mm wafers, including parking areas, water treatment facility, reactive and non-reactive gas pads, cooling towers, DIW plant, on-site powering solar panels, and an electrical substation.

Major components of Phase 2 of the proposed Project would include:

- Water chillers, CDA compressors, CPCW system, boilers, wastewater sewers, wastewater treatment, scrubbers, general exhaust, DIW plant, gas pads, Class 100 and Class 1 cleanrooms, H₂ storage, electrical substation, cooling towers, fire prevention system, electrical facilities, facilities and plant control system.
- Crystal pulling furnaces, ingot crop and grind tools, x-ray tools, wiresaws, slurry recycle system, lappers, edge grinders, laser markers, etch benches, edge and surface polishers, epi reactors, clean lines, and metrology equipment.

100% of Phase 2 of the proposed Project would be located in the proposed reinvestment zone and proposed Project boundary within Sherman ISD and will be considered Qualified Property for this Phase 2 application.

Tab 8

Description of Qualified Property

Provide 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 and a description of any new buildings, proposed new improvements, or personal property which you intend to include as part of your qualified property.

Applicant is requesting an appraised value limitation for all Phase 2 property constructed or placed upon its proposed Project site located in Sherman ISD and Grayson County. Phase 2 of the Project would be expected to be fully operational by the end of 2033.

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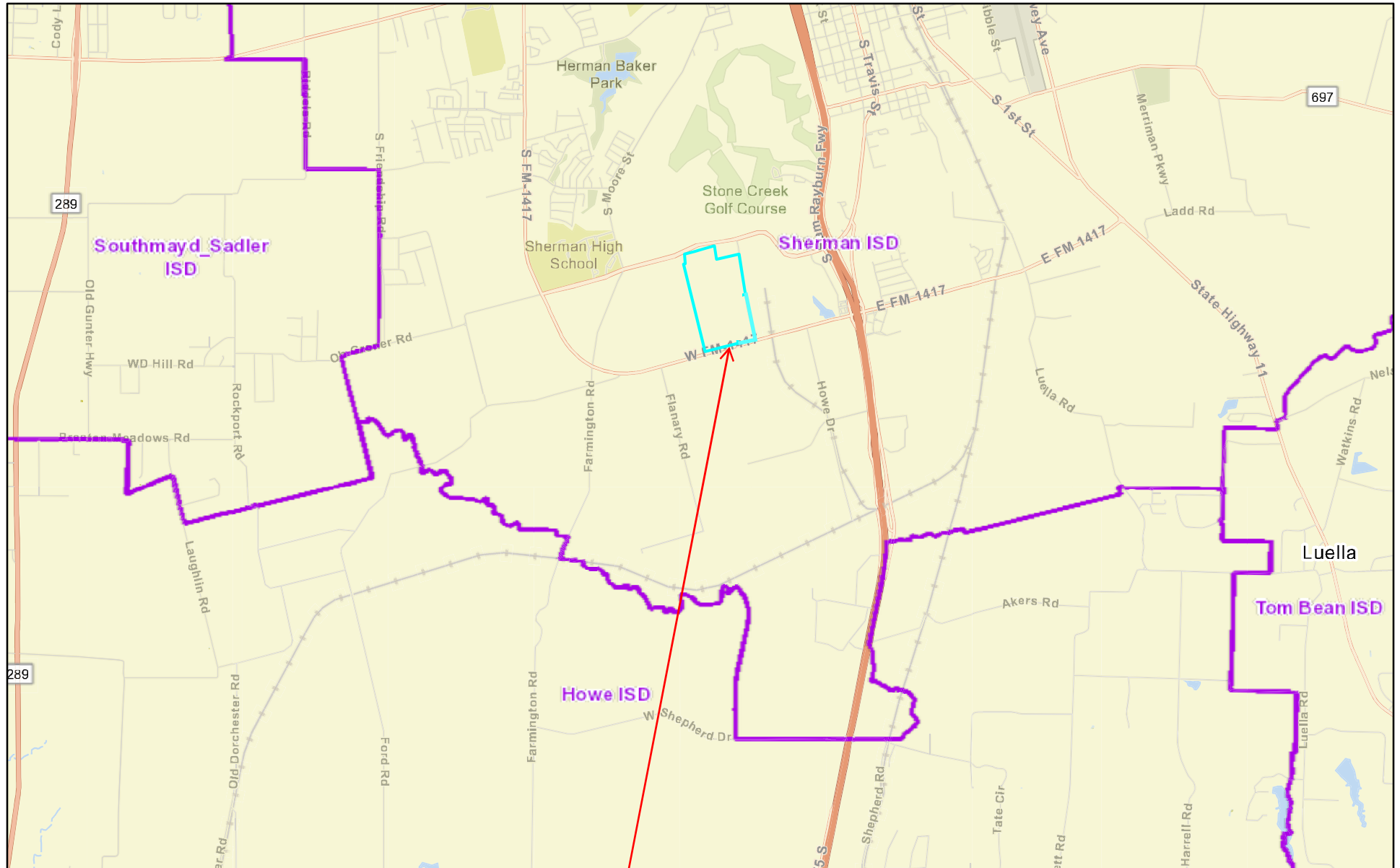
Phase 2

GlobiTech Incorporated
Chapter 313 Application to Sherman ISD


Tab 11


Maps

See attached.



[illegible]

 Counties

 Proposed Project Site

A number line with two scales. The top scale is labeled in miles (mi) with major tick marks at 0, 4, 8, and 16. The bottom scale is labeled in kilometers (km) with major tick marks at 0, 5, 10, and 20. The scales are aligned such that 4 miles corresponds to 6.4 kilometers, 8 miles to 12.8 kilometers, and 16 miles to 25.6 kilometers.

Grayson County Appraisal District, BIS Consulting - www.bisconsulting.com

Disclaimer: This product is for informational purposes only and has not been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of boundaries.

Tab 13 - Wage Calculations

County Wage Rate - Total, All Industries (Non-Qualifying Jobs § 313.024(d))

	Quarter	Year	Average Weekly Wage*	Annualized
Grayson County	1	2021	\$ 914.00	\$ 47,528.00
	2	2021	\$ 940.00	\$ 48,880.00
	3	2021	\$ 969.00	\$ 50,388.00
	4	2021	\$ 1,071.00	\$ 55,692.00
	Average		\$ 973.50	\$ 50,622.00

County Wage Rate - Private Manufacturing (Qualifying Jobs § 313.021(5)(A))

	Quarter	Year	Average Weekly Wage*	Annualized
Grayson County	1	2021	\$ 1,454.00	\$ 75,608.00
	2	2021	\$ 1,358.00	\$ 70,616.00
	3	2021	\$ 1,468.00	\$ 76,336.00
	4	2021	\$ 1,540.00	\$ 80,080.00
	Average		\$ 1,455.00	\$ 75,660.00
	110%		\$ 1,600.50	\$ 83,226.00

Regional Wage Rate - Manufacturing (Qualifying Jobs § 313.021(5)(B))

	Year	Average Weekly Wage*	Annual
Texoma Council of Governments	2020	\$ 767.25	\$ 39,897.00
	110%	\$ 843.98	\$ 43,886.70

*See attached QCEW and COG data

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2021	01	Grayson	Total All	10	Total, All Industries	914
2021	02	Grayson	Total All	10	Total, All Industries	940
2021	03	Grayson	Total All	10	Total, All Industries	969
2021	04	Grayson	Total All	10	Total, All Industries	1071

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2021	01	Grayson	Private	31-33	Manufacturing	1454
2021	02	Grayson	Private	31-33	Manufacturing	1358
2021	03	Grayson	Private	31-33	Manufacturing	1468
2021	04	Grayson	Private	31-33	Manufacturing	1540

**2020 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	COG Number	Wages	
		Hourly	Annual
Panhandle Regional Planning Commission	1	\$23.32	\$48,501
South Plains Association of Governments	2	\$20.42	\$42,473
NORTEX Regional Planning Commission	3	\$20.64	\$42,928
North Central Texas Council of Governments	4	\$32.34	\$67,261
Ark-Tex Council of Governments	5	\$21.30	\$44,299
East Texas Council of Governments	6	\$29.28	\$60,904
West Central Texas Council of Governments	7	\$21.54	\$44,797
Rio Grande Council of Governments	8	\$19.02	\$39,552
Permian Basin Regional Planning Commission	9	\$22.57	\$46,945
Concho Valley Council of Governments	10	\$27.28	\$56,739
Heart of Texas Council of Governments	11	\$23.41	\$48,696
Capital Area Council of Governments	12	\$29.96	\$62,326
Brazos Valley Council of Governments	13	\$18.41	\$38,286
Deep East Texas Council of Governments	14	\$21.07	\$43,829
South East Texas Regional Planning Commission	15	\$27.38	\$56,957
Houston-Galveston Area Council	16	\$29.83	\$62,050
Golden Crescent Regional Planning Commission	17	\$22.09	\$45,945
Alamo Area Council of Governments	18	\$27.45	\$57,101
South Texas Development Council	19	\$19.20	\$39,945
Coastal Bend Council of Governments	20	\$35.39	\$73,603
Lower Rio Grande Valley Development Council	21	\$20.70	\$43,056
Texoma Council of Governments	22	\$19.18	\$39,897
Central Texas Council of Governments	23	\$21.34	\$44,390
Middle Rio Grande Development Council	24	\$22.98	\$47,809
Texas		\$28.00	\$58,233

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

Data published: August 2021.

Data published annually, next update will likely be July 31, 2022

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 and Wage Statistics (OEWS) data, and is not to be compared to BLS estimates.

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

Phase 2

GlobiTech Incorporated
Chapter 313 Application to Sherman ISD

Tab 14

Schedules A1, A2, B, and C

See attached.

Schedule C: Employment Information

Date: March 29, 2022

Applicant Name: GlobiTech Incorporated

ISD Name: Sherman ISD

Form 50-296A

Revised October 2020

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2027-2028	2027	250	\$100,000	0	0	\$83,226.00
	0	2028-2029	2028	250	\$100,000	0	0	\$83,226.00
	0	2029-2030	2029	-	-	0	0	\$83,226.00
	0	2030-2031	2030	-	-	0	0	\$83,226.00
	0	2031-2032	2031	-	-	0	0	\$83,226.00
	0	2032-2033	2032	250	\$100,000	0	0	\$83,226.00
	0	2033-2034	2033	250	\$100,000	0	0	\$83,226.00
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2034-2035	2034			350	25	\$83,226.00
	2	2035-2036	2035			350	25	\$83,226.00
	3	2036-2037	2036			350	25	\$83,226.00
	4	2037-2038	2037			350	25	\$83,226.00
	5	2038-2039	2038			350	25	\$83,226.00
	6	2039-2040	2039			350	25	\$83,226.00
	7	2040-2041	2040			350	25	\$83,226.00
	8	2041-2042	2041			350	25	\$83,226.00
	9	2042-2043	2042			350	25	\$83,226.00
	10	2043-2044	2043			350	25	\$83,226.00
MVP Period	11 through 15	2044-2045 through 2048-2049	2044 - 2048			350	25	\$83,226.00
Years Following Value Limitation Period	16 through 25	2049-2050 through 2058-2059	2049 - 2058			350	0	\$83,226.00

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

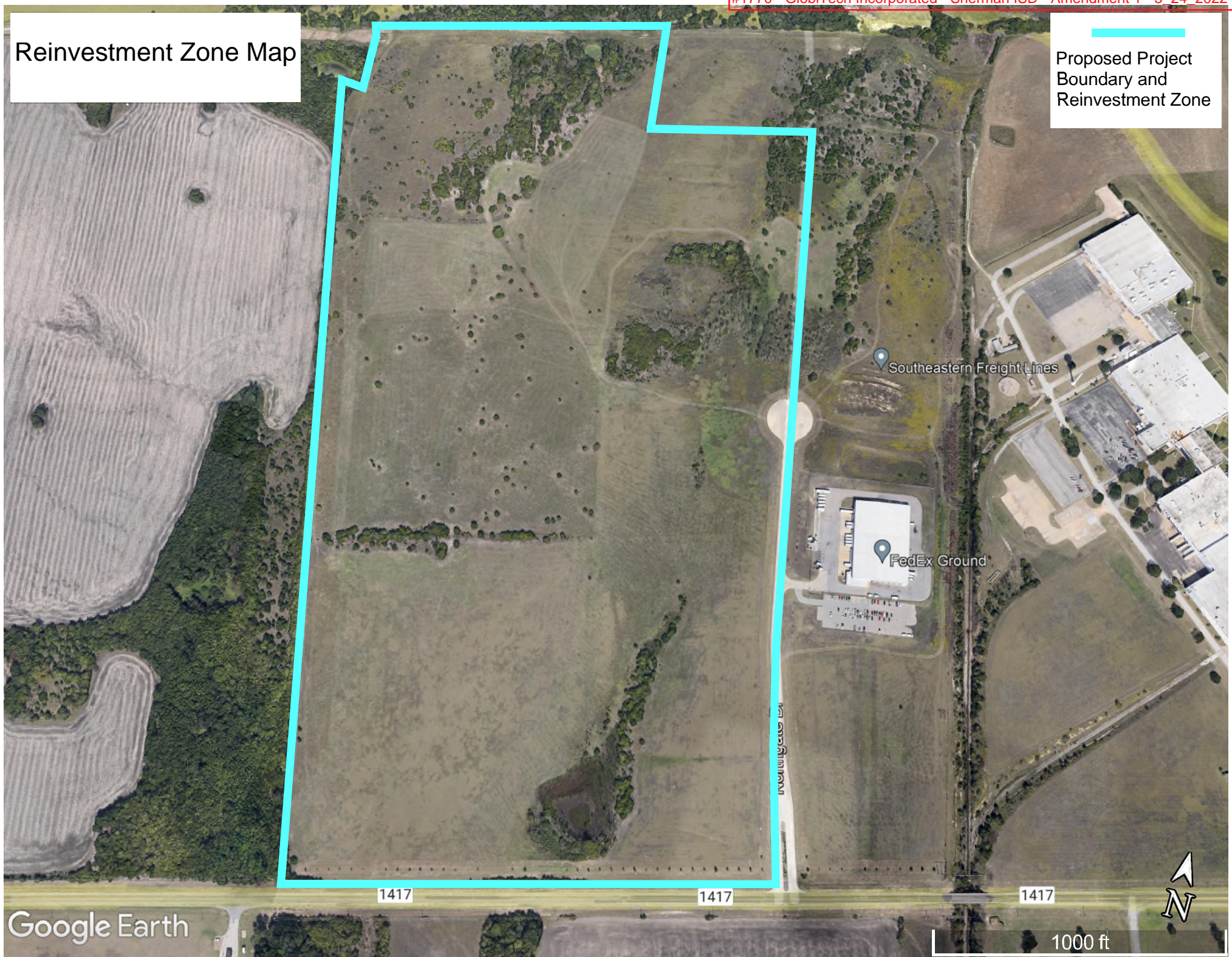
Tab 16

Description of Reinvestment Zone

See attached for a map of the proposed reinvestment zone. At a later date, but prior to application approval by the Sherman ISD Board of Trustees, the City of Sherman will designate the reinvestment zone. After such time, Applicant will supplement this application with the City's order designating the zone along with the City's guidelines and criteria.

Reinvestment Zone Map

Proposed Project Boundary and Reinvestment Zone



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** ➔

Dr. Tyson Bennett

Print Name (Authorized School District Representative)

Superintendent

Title

**sign
here** ➔

Signature (Authorized School District Representative)

5-27-2022

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.

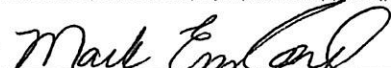
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here** ➔

Mark England

Print Name (Authorized Company Representative (Applicant))

President

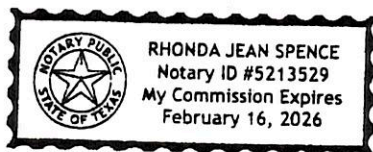
Title

**sign
here** ➔

Signature (Authorized Company Representative (Applicant))

27-May-2022

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

27th day of May 27, 2022

Notary Public in and for the State of Texas

My Commission expires: Feb. 16, 2024

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.