

# O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE  
AUSTIN, TEXAS 78701  
PHONE: (512) 494-9949  
FAX: (512) 494-9919

KEVIN O'HANLON

[kohanlon@808west.com](mailto:kohanlon@808west.com)

**Rio Grande Valley Office**  
426 W. Caffery Ave.  
Pharr, Texas 78577

**San Antonio Office**  
117 W. Craig Place  
San Antonio, Texas 78212

April 12, 2022

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

RE: Application to the Sherman Independent School District from GlobiTech  
Incorporated (Phase 3)

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Sherman Independent School District is notifying GlobiTech Incorporated, of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. This is the first in a series of four applications for new manufacturing facilities that could potentially be located in the Sherman ISD. We respectfully request an expedited review of this application, and the three other applications filed contemporaneously.

The Applicant submitted the Application to the school district on April 6, 2022. The Board voted to accept the application on April 6, 2022. The application has been determined complete as of April 12, 2022.

The Applicant has requested that a portion of Tab 11, specifically the detailed layout of the manufacturing plat, be kept confidential. In accordance with Texas Tax Code §313.028, the information that is the subject of this request is segregated from the materials submitted contemporaneously with this application, that is, the proprietary information regarding the proposed layout of the project. The confidential materials are being submitted separately to protect against unintended disclosure. The materials are protected by the trade secret exception set forth in Texas Government Code §552.110. The confidential information is password protected. The password is XXXXXX.

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

Sincerely,

A handwritten signature in black ink, appearing to read "K. O'Hanlon", with a stylized flourish at the end.

Kevin O'Hanlon  
School District Consultant

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

## APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

## ATTACHMENT

1	Sections 1-16
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> <li>a) Project boundary and project vicinity, including county and school district boundaries</li> <li>b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period</li> <li>c) Qualified property including location of new buildings or new improvements</li> <li>d) Any existing property within the project area</li> <li>e) Any facilities owned or operated by the applicant having interconnections to the proposed project</li> <li>f) Location of project, and related nearby projects within vicinity map</li> <li>g) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size</li> </ul> <p><b>Note:</b> Maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of non-qualifying wage target and two possible qualifying job wage requirements with TWC documentation
14	Schedules A1, A2, B, and C completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> <li>a) evidence that the area qualifies as an enterprise zone as defined by the Governor's Office</li> <li>b) legal description of reinvestment zone</li> <li>c) order, resolution or ordinance establishing the reinvestment zone</li> <li>d) guidelines and criteria for creating the zone</li> </ul>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

## Tab 1

# Application for Appraised Value Limitation on Qualified Property

Form 50-296-A, Sections 1-16

# Application for Appraised Value Limitation on Qualified Property

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

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

Date Application Received by District

First Name

Last Name

Title

School District Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

Email Address

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

☐

Yes

☐

No

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

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Mobile Number *(optional)*

Email Address

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

## SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

Business Email Address

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

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

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

Business Email Address

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

SECTION 2: Applicant Information *(continued)*4. Authorized Company Consultant *(If Applicable)*

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Business Email Address

## SECTION 3: Fees and Payments

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

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

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

Payment Amount

Transaction Type

Payor

Payee

Date transaction was processed

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

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

## SECTION 4: Business Applicant Information

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

## SECTION 5: Applicant Business Structure

1. Business Organization of Applicant *(corporation, limited liability corporation, etc)* .....
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ..... ☐ Yes ☐ No
- 2a. If yes, attach in **Tab 3** a copy of the most recently submitted Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

SECTION 5: Applicant Business Structure *(continued)*

2b. Texas Franchise Tax Reporting Entity Taxpayer Name

2c. Reporting Entity Taxpayer Number

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

## SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

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

## SECTION 7: Project Description

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



## SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? ☐ Yes ☐ No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? ☐ Yes ☐ No
3. Does the applicant have current business activities at the location where the proposed project will occur? ☐ Yes ☐ No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? ☐ Yes ☐ No
5. Has the applicant received any local or state permits for activities on the proposed project site? ☐ Yes ☐ No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? ☐ Yes ☐ No
7. Is the applicant evaluating other locations not in Texas for the proposed project? ☐ Yes ☐ No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? ☐ Yes ☐ No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? ☐ Yes ☐ No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? ☐ Yes ☐ No

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

## SECTION 9: Projected Timeline

**NOTE:** Only construction beginning after the application review start date (the date the Texas Comptroller of Public Accounts deems the application complete) can be considered qualified property and/or qualified investment.

1. Estimated school board ratification of final agreement \_\_\_\_\_
2. Estimated commencement of construction \_\_\_\_\_
3. Beginning of qualifying time period (MM/DD/YYYY). \_\_\_\_\_
4. First year of limitation (YYYY) \_\_\_\_\_
- 4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):
 

☐ A. January 1 following the application date

☐ B. January 1 following the end of QTP

☐ C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations \_\_\_\_\_

## SECTION 10: The Property

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

M&O (ISD): \_\_\_\_\_  
(Name, tax rate and percent of project)

County: \_\_\_\_\_  
(Name, tax rate and percent of project)

Hospital District: \_\_\_\_\_  
(Name, tax rate and percent of project)

Other (describe): \_\_\_\_\_  
(Name, tax rate and percent of project)

I&S (ISD): \_\_\_\_\_  
(Name, tax rate and percent of project)

City: \_\_\_\_\_  
(Name, tax rate and percent of project)

Water District: \_\_\_\_\_  
(Name, tax rate and percent of project)

Other (describe): \_\_\_\_\_  
(Name, tax rate and percent of project)

**SECTION 10: The Property (continued)**

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

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

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

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

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

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

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

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

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

**NOTE:** The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at [comptroller.texas.gov/economy/local/ch313/](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? ..... \_\_\_\_\_
2. What is the amount of appraised value limitation for which you are applying? ..... \_\_\_\_\_
- Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ..... ☐ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
- a specific and detailed description of the qualified investment you propose to make within the project boundary for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
  - a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
  - a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ..... ☐ Yes ☐ No

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

1. Attach a detailed description of the qualified property. [See §313.021(2)] The description must include:
- a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
  - a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**);
  - a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and reinvestment zone boundaries (**Tab 11**); and
  - Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? ..... ☐ Yes ☐ No
- Note:** Property used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area cannot be considered qualified property and will not be eligible for a limitation. See TAC §9.1051(16).

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

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

What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? \_\_\_\_\_

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

1. In **Tab 10**, attach a specific and detailed description of all **existing property within the project boundary**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In **Tab 10**, attach a specific and detailed description of all **proposed new property within the project boundary that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (statement 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property within the project boundary in response to statements 1 and 2 of this section, provide the following supporting information in **Tab 10**:
- maps and/or detailed site plan;
  - surveys;
  - appraisal district values and parcel numbers;
  - inventory lists;
  - existing and proposed property lists;
  - model and serial numbers of existing property; or
  - other information of sufficient detail and description.
4. Total estimated market value of existing property within the project boundary (that property described in response to statement 1): ..... \$ \_\_\_\_\_
5. In **Tab 10**, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to statement 2): ..... \$ \_\_\_\_\_

**Note:** Investment for the property listed in statement 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

## SECTION 14: Wage and Employment Information

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

## SECTION 15: Economic Impact

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

## **Tab 2**

### **Proof of Payment of Application Fee**

See 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)**

See attached.

Texas Franchise Tax Extension Affiliate List  
received by the Comptroller of Public  
Accounts



## Tab 4

### Detailed Description of Project

*Provide 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/installation, and any other relevant information.*

Applicant, GlobiTech Incorporated, proposes to invest in a semiconductor wafer fabrication facility (the “Project”) which would include multiple industrial buildings, tools, machinery, and equipment used to fabricate 300-millimeter silicon wafers, an integral component of the semiconductor supply chain. One contemplated site for the proposed Project is in Sherman, Grayson County, within the boundaries of Sherman Independent School District.

The contemplated Project could comprise up to four separate phases, each of which the subject of its own Chapter 313 application for a value limitation agreement with Sherman ISD, submitted as part of a series of applications related to the same Project. This application pertains to the third of four proposed phases (“Phase 3”).

Each individual Phase of the proposed Project (if built) would create a discrete set of manufacturing capacity, such that each phase would be used to manufacture 300mm silicon wafers.

Applicant currently manufactures older-generation wafers at an existing facility near the proposed project site. The existing facility will continue operating and is incapable of being used to manufacture 300mm wafers. The new proposed Project would have no interconnections with the existing facility.

For Phase 3, Applicant estimates an investment of \$1.25 billion. While the construction timeline is subject to change, Applicant currently estimates that it would commence Phase 3 construction by Q1 2028 and commence commercial operations by the end of 2038.

## 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. Intel is supporting Applicant's efforts with the state of Ohio and multiple Ohio based economic development groups. 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. Applicant is actively working with these Ohio entities to create an incentive package.

## Tab 6

If Project located in more than one district, include  
list of percentage in each district

Not applicable.

## 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 3 property constructed or placed upon its proposed Project site located in Sherman ISD and Grayson County. Phase 3 of the Project would be expected to be fully operational by the end of 2038.

Phase 3 of the Project would include half of a multi-floor building with more than 1,640k ft<sup>2</sup> of manufacturing and manufacturing support space. Applicant intends to immediately equip and use half of this building for manufacturing 300-mm wafers as part of Phase 3, while leaving the other half of the building incomplete, unequipped, and unused until Applicant is ready to construct Phase 4. The second half of this building (to be eventually utilized for Phase 4) would not be Qualified Investment/Property under this Phase 3 application.

In addition, Phase 3 would include a support 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, solar panels, and an electrical substation.

Major components of Phase 3 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, H<sub>2</sub> 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 3 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 3 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 3 property constructed or placed upon its proposed Project site located in Sherman ISD and Grayson County. Phase 3 of the Project would be expected to be fully operational by the end of 2038.

Phase 3 of the Project would include half of a multi-floor building with more than 1,640k ft<sup>2</sup> of manufacturing and manufacturing support space. Applicant intends to immediately equip and use half of this building for manufacturing 300-mm wafers as part of Phase 3, while leaving the other half of the building incomplete, unequipped, and unused until Applicant is ready to construct Phase 4. The second half of this building (to be eventually utilized for Phase 4) would not be Qualified Investment/Property under this Phase 3 application.

In addition, Phase 3 would include a support 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, solar panels, and an electrical substation.

Major components of Phase 3 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, H<sub>2</sub> 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 3 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 3 application.

## Tab 9

### Description of Land

*If the land upon which the Project will be built is part of the qualified property described by Tax Code § 313.01(2)(A), Provide a legal description of the land, each existing parcel number of the land, owner, and current taxable value.*

Land will not be part of the qualified property under this Phase 3 application.

## Tab 10

### Description of property not eligible to become qualified property

*For any land not eligible to become qualified property within the Project boundary (e.g., existing property or improvements that will replace existing property), provide maps, surveys, appraisal district values and numbers, inventory lists, existing and proposed property lists, model and serial numbers of each property, and other details and description.*

Not applicable.

# **Tab 11**

## **Maps**

See attached.

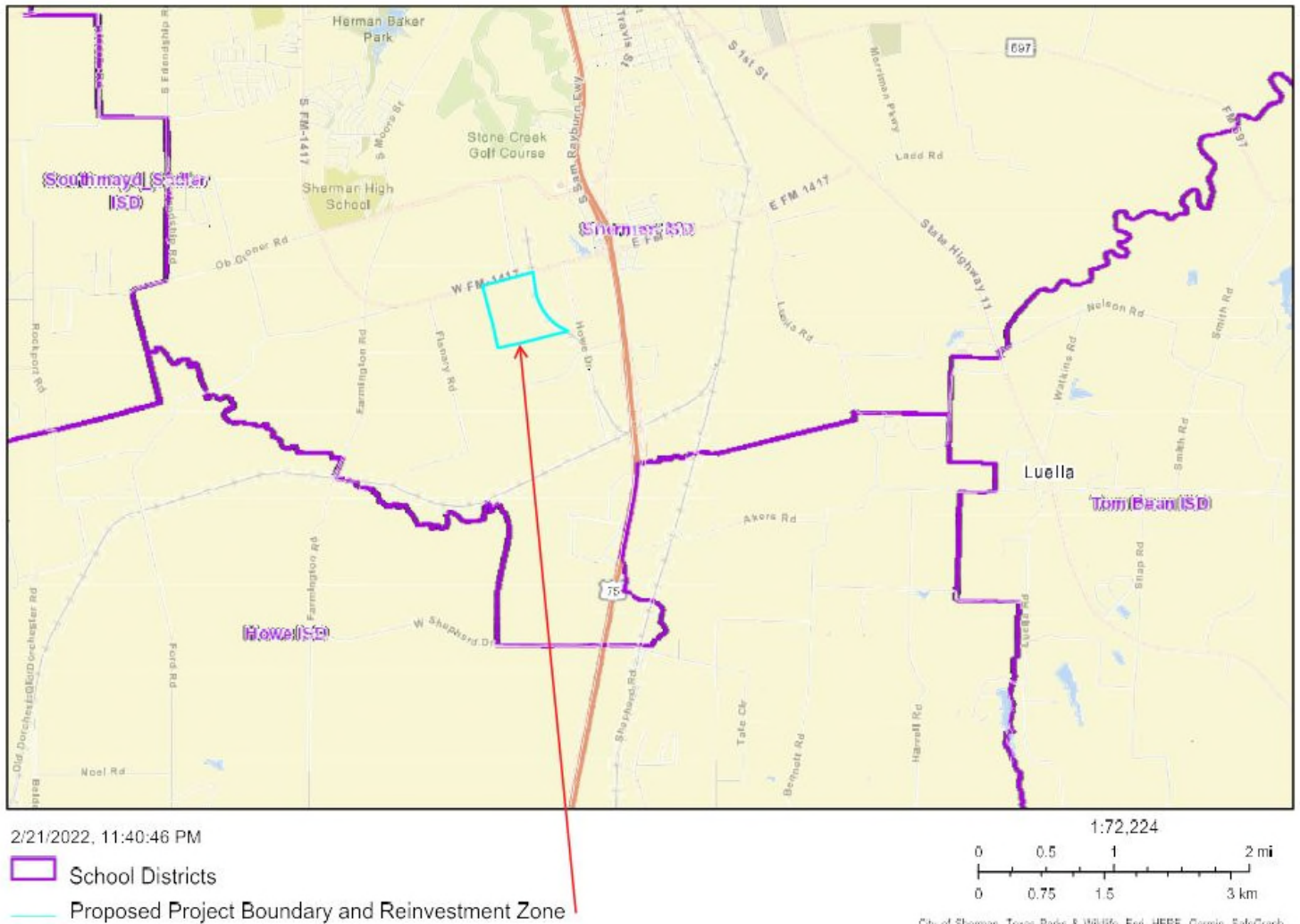


# Tab 11

## Maps

Vicinity Map 1

Grayson CAD Web Map



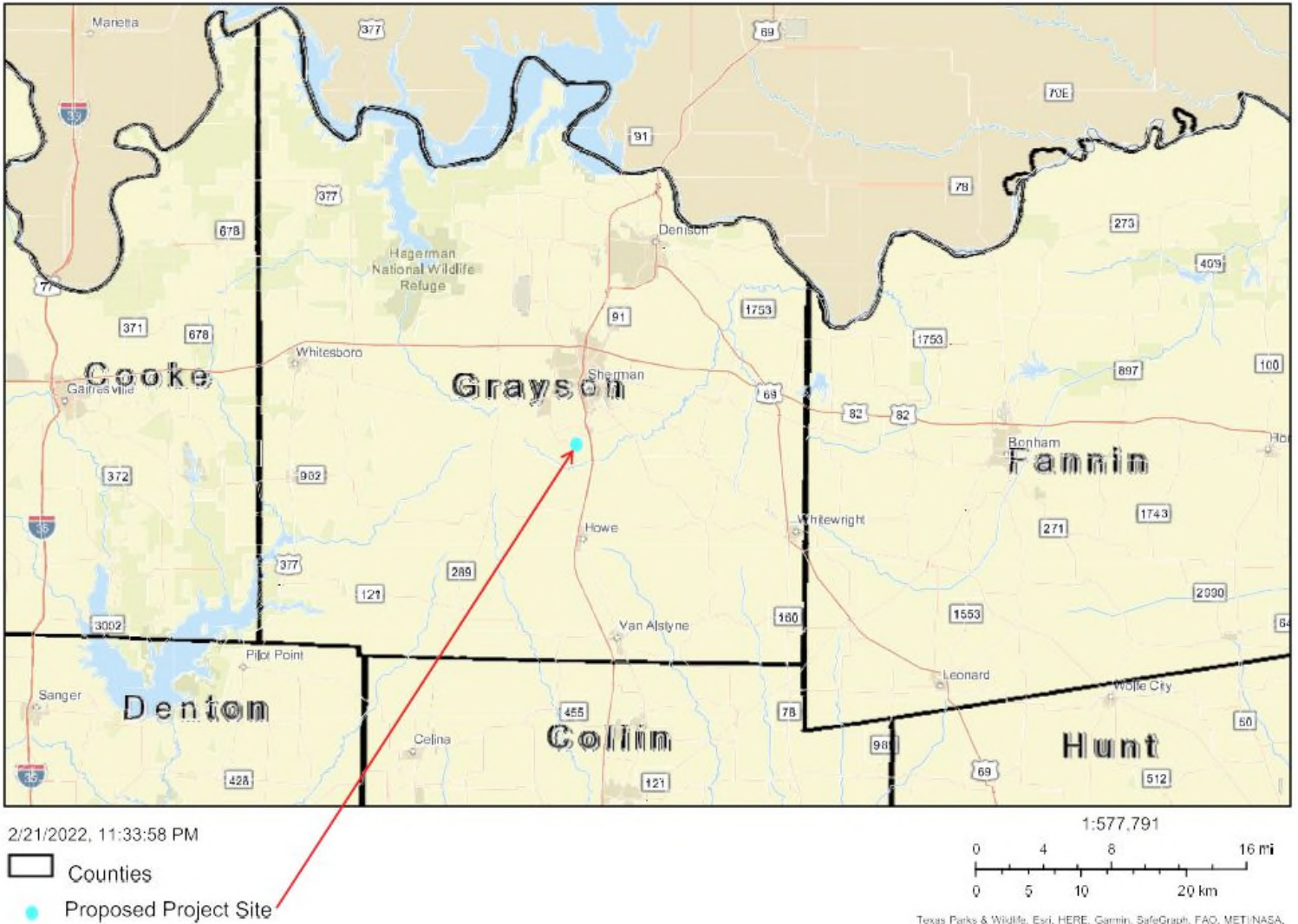
Disclaimer: This product is for informational purposes only and has not been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of boundaries.

# Tab 11

## Maps

Vicinity Map 2

Grayson CAD Web Map



Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA,

Grayson County Appraisal District, BIS Consulting - [www.bisconsulting.com](http://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 12

### Request for Waiver of Job Creation Requirement

Not applicable.

## **Tab 13**

### Calculation of Wage Targets

See attached.

## Grayson County All Industries Average Weekly Wages

Non-qualified job wages calculated pursuant to Tex. Tax Code § 313.024(d)

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2020	04	Grayson	Total All	10	Total, All Industries	\$997.00
2021	01	Grayson	Total All	10	Total, All Industries	\$914.00
2021	02	Grayson	Total All	10	Total, All Industries	\$940.00
2021	03	Grayson	Total All	10	Total, All Industries	\$968.00
County average weekly wage for all jobs						<b>\$954.75</b>

## Grayson County Manufacturing Average Weekly Wages

Qualified job wages calculated pursuant to Tex. Tax Code § 313.021(5)(A)

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2020	04	Grayson	Private	31-33	Manufacturing	\$1,383.00
2021	01	Grayson	Private	31-33	Manufacturing	\$1,454.00
2021	02	Grayson	Private	31-33	Manufacturing	\$1,358.00
2021	03	Grayson	Private	31-33	Manufacturing	\$1,468.00
County average weekly wage for all manufacturing jobs						<b>\$1,415.75</b>
110% of county average, Tex. Tax Code § 313.021(3)(E)						<b>\$1,557.33</b>

## Council of Government - Texoma Region Average Weekly Wages

Qualified job wages calculated pursuant to Tex. Tax Code § 313.021(5)(B)

Wages as calculated by the Texas Workforce Commission					Average Weekly Wage
Hourly Average Wages:					\$19.18
Annual Average Wages:					\$39,897.00
Texoma Region weekly wage for all manufacturing jobs					<b>\$767.25</b>
110% of county average, Tex. Tax Code § 313.021(3)(E)					<b>\$843.98</b>

Quarterly Census of Employment and Wages (QCEW)

Select Area Type

TexasWDACountyMetro

Grayson

Select from Map

☐ Include Texas

Select Time Period

20212020

1234

Select Ownership

☐ Private☐ Local Govt.☐ State Govt.☐ Federal Govt.☒ Total

Get IndustriesReset

Table Customizations/Keyboard Shortcuts

Select Industries

total

Search

Clear

Select Industry Levels

Selected 1 of 1 industries.

Selections	Level	Industry Code	Industry Title	Hierarchical Ordering
<input checked="" type="checkbox"/>	0	10	Total, All Industries	1

Get Report

Quarterly Census of Employment and Wages (QCEW) Report

Customize the report/Help with Accessibility

ResetExport to Excel

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

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2020	01	Grayson	Total All	10	Total, All Industries	880
2020	02	Grayson	Total All	10	Total, All Industries	883
2020	03	Grayson	Total All	10	Total, All Industries	883
2020	04	Grayson	Total All	10	Total, All Industries	997
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	968

Showing 7 items



Quarterly Census of Employment and Wages (QCEW)

Select Area Type

TexasWDACountyMetro

Grayson

Select from Map

☐ Include Texas

Select Time Period

20212020

1234

Select Ownership

☒ Private☐ Local Govt.☐ State Govt.☐ Federal Govt.☐ Total

Get IndustriesReset

Table Customizations/Keyboard Shortcuts

Select Industries

manufacturing

Search

Clear

Select all Level 2 industries

Selected 1 of 1 industries.

Selections	Level	Industry Code	Industry Title	Hierarchical Ordering
<input checked="" type="checkbox"/>	2	31-33	Manufacturing	305

Get Report

Quarterly Census of Employment and Wages (QCEW) Report

Customize the report/Help with Accessibility

ResetExport to Excel

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

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2020	01	Grayson	Private	31-33	Manufacturing	1,431
2020	02	Grayson	Private	31-33	Manufacturing	1,206
2020	03	Grayson	Private	31-33	Manufacturing	1,199
2020	04	Grayson	Private	31-33	Manufacturing	1,383
2021	01	Grayson	Private	31-33	Manufacturing	1,454
2021	02	Grayson	Private	31-33	Manufacturing	1,358
2021	03	Grayson	Private	31-33	Manufacturing	1,468

Showing 7 items



**2020 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	\$23.32	\$48,501
<a href="#">South Plains Association of Governments</a>	2	\$20.42	\$42,473
<a href="#">NORTEX Regional Planning Commission</a>	3	\$20.64	\$42,928
<a href="#">North Central Texas Council of Governments</a>	4	\$32.34	\$67,261
<a href="#">Ark-Tex Council of Governments</a>	5	\$21.30	\$44,299
<a href="#">East Texas Council of Governments</a>	6	\$29.28	\$60,904
<a href="#">West Central Texas Council of Governments</a>	7	\$21.54	\$44,797
<a href="#">Rio Grande Council of Governments</a>	8	\$19.02	\$39,552
<a href="#">Permian Basin Regional Planning Commission</a>	9	\$22.57	\$46,945
<a href="#">Concho Valley Council of Governments</a>	10	\$27.28	\$56,739
<a href="#">Heart of Texas Council of Governments</a>	11	\$23.41	\$48,696
<a href="#">Capital Area Council of Governments</a>	12	\$29.96	\$62,326
<a href="#">Brazos Valley Council of Governments</a>	13	\$18.41	\$38,286
<a href="#">Deep East Texas Council of Governments</a>	14	\$21.07	\$43,829
<a href="#">South East Texas Regional Planning Commission</a>	15	\$27.38	\$56,957
<a href="#">Houston-Galveston Area Council</a>	16	\$29.83	\$62,050
<a href="#">Golden Crescent Regional Planning Commission</a>	17	\$22.09	\$45,945
<a href="#">Alamo Area Council of Governments</a>	18	\$27.45	\$57,101
<a href="#">South Texas Development Council</a>	19	\$19.20	\$39,945
<a href="#">Coastal Bend Council of Governments</a>	20	\$35.39	\$73,603
<a href="#">Lower Rio Grande Valley Development Council</a>	21	\$20.70	\$43,056
<a href="#">Texoma Council of Governments</a>	22	\$19.18	\$39,897
<a href="#">Central Texas Council of Governments</a>	23	\$21.34	\$44,390
<a href="#">Middle Rio Grande Development Council</a>	24	\$22.98	\$47,809
<b>Texas</b>		\$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.



**Tab 14**

Schedules A1, A2, B, and C

See attached.

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	<b>Total Investment</b> (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	2027-2028	2027	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				\$ -	\$ -	\$ -		\$ -
Complete tax years of qualifying time period	QTP1	2028-2029	2028	\$ -	\$ 250,000,000	\$ -		\$ 250,000,000
	QTP2	2029-2030	2029	\$ -	\$ 400,000,000	\$ -		\$ 400,000,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]								
				\$ -	\$ 650,000,000	\$ -	\$ -	\$ 650,000,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)								
				\$ 650,000,000				

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

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

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

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

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

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

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

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property {SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		Enter amounts from TOTAL row in Schedule A1 in the row below				
				\$ -	\$ 650,000,000	\$ -	\$ -	\$ 650,000,000
Value limitation period***	0	2028-2029	2028					
	0	2029-2030	2029					
	0	2030-2031	2030					
	0	2031-2032	2031					
	0	2032-2033	2032					
	0	2033-2034	2033					
	0	2034-2035	2034					
	0	2035-2036	2035					
	0	2036-2037	2036					
	0	2037-2038	2037	\$ 300,000,000				
	0	2038-2039	2038	\$ 300,000,000				
	1	2039-2040	2039					
	2	2040-2041	2040					
	3	2041-2042	2041					
	4	2042-2043	2042					
	5	2043-2044	2043					
	6	2044-2045	2044					
	7	2045-2046	2045					
	8	2046-2047	2046					
	9	2047-2048	2047					
	10	2048-2049	2048					
Total Investment made through limitation				\$ 600,000,000	\$ 650,000,000	\$ -	\$ -	\$ 1,250,000,000
Continue to maintain viable presence	11	2049-2050	2049					
	12	2050-2051	2050					
	13	2051-2052	2051					
	14	2052-2053	2052					
	15	2053-2054	2053					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2054-2055	2054					
	17	2055-2056	2055					
	18	2056-2057	2056					
	19	2057-2058	2057					
	20	2058-2059	2058					
	21	2059-2060	2059					
	22	2060-2061	2060					
	23	2061-2062	2061					
	24	2062-2063	2062					
	25	2063-2064	2063					

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

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

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

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

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

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

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

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

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

Date: March 29, 2022

Applicant Name: GlobiTech Incorporated

ISD Name: Sherman ISD

Form 50-296A

Revised October 2020

			Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
	0	2028-2029	2028	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	0	2029-2030	2029	\$ -	\$ 325,000,000	\$ -	\$ 325,000,000	\$ 325,000,000	\$ 325,000,000
	0	2030-2031	2030	\$ -	\$ 325,000,000	\$ -	\$ 325,000,000	\$ 325,000,000	\$ 325,000,000
	0	2031-2032	2031	\$ -	\$ 325,000,000	\$ -	\$ 325,000,000	\$ 325,000,000	\$ 325,000,000
	0	2032-2033	2032	\$ -	\$ 325,000,000	\$ -	\$ 325,000,000	\$ 325,000,000	\$ 325,000,000
	0	2033-2034	2033	\$ -	\$ 325,000,000	\$ -	\$ 325,000,000	\$ 325,000,000	\$ 325,000,000
	0	2034-2035	2034	\$ -	\$ 325,000,000	\$ -	\$ 325,000,000	\$ 325,000,000	\$ 325,000,000
	0	2035-2036	2035	\$ -	\$ 325,000,000	\$ -	\$ 325,000,000	\$ 325,000,000	\$ 325,000,000
	0	2036-2037	2036	\$ -	\$ 325,000,000	\$ -	\$ 325,000,000	\$ 325,000,000	\$ 325,000,000
	0	2037-2038	2037	\$ -	\$ 325,000,000	\$ -	\$ 325,000,000	\$ 325,000,000	\$ 325,000,000
	0	2038-2039	2038	\$ -	\$ 325,000,000	\$ 300,000,000	\$ 625,000,000	\$ 625,000,000	\$ 625,000,000
Value Limitation Period	1	2039-2040	2039	\$ -	\$ 650,000,000	\$ 462,000,000	\$ 1,112,000,000	\$ 1,112,000,000	\$ 80,000,000
	2	2040-2041	2040	\$ -	\$ 617,500,000	\$ 306,000,000	\$ 923,500,000	\$ 923,500,000	\$ 80,000,000
	3	2041-2042	2041	\$ -	\$ 586,625,000	\$ 210,000,000	\$ 796,625,000	\$ 796,625,000	\$ 80,000,000
	4	2042-2043	2042	\$ -	\$ 557,293,750	\$ 144,000,000	\$ 701,293,750	\$ 701,293,750	\$ 80,000,000
	5	2043-2044	2043	\$ -	\$ 529,429,063	\$ 84,000,000	\$ 613,429,063	\$ 613,429,063	\$ 80,000,000
	6	2044-2045	2044	\$ -	\$ 502,957,609	\$ 54,000,000	\$ 556,957,609	\$ 556,957,609	\$ 80,000,000
	7	2045-2046	2045	\$ -	\$ 477,809,729	\$ 42,000,000	\$ 519,809,729	\$ 519,809,729	\$ 80,000,000
	8	2046-2047	2046	\$ -	\$ 453,919,242	\$ 42,000,000	\$ 495,919,242	\$ 495,919,242	\$ 80,000,000
	9	2047-2048	2047	\$ -	\$ 431,223,280	\$ 42,000,000	\$ 473,223,280	\$ 473,223,280	\$ 80,000,000
	10	2048-2049	2048	\$ -	\$ 409,662,116	\$ 42,000,000	\$ 451,662,116	\$ 451,662,116	\$ 80,000,000
Continue to maintain viable presence	11	2049-2050	2049	\$ -	\$ 389,179,011	\$ 42,000,000	\$ 431,179,011	\$ 431,179,011	\$ 431,179,011
	12	2050-2051	2050	\$ -	\$ 369,720,060	\$ 42,000,000	\$ 411,720,060	\$ 411,720,060	\$ 411,720,060
	13	2051-2052	2051	\$ -	\$ 351,234,057	\$ 42,000,000	\$ 393,234,057	\$ 393,234,057	\$ 393,234,057
	14	2052-2053	2052	\$ -	\$ 333,672,354	\$ 42,000,000	\$ 375,672,354	\$ 375,672,354	\$ 375,672,354
	15	2053-2054	2053	\$ -	\$ 316,988,736	\$ 42,000,000	\$ 358,988,736	\$ 358,988,736	\$ 358,988,736
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2054-2055	2054	\$ -	\$ 301,139,300	\$ 42,000,000	\$ 343,139,300	\$ 343,139,300	\$ 343,139,300
	17	2055-2056	2055	\$ -	\$ 286,082,335	\$ 42,000,000	\$ 328,082,335	\$ 328,082,335	\$ 328,082,335
	18	2056-2057	2056	\$ -	\$ 271,778,218	\$ 42,000,000	\$ 313,778,218	\$ 313,778,218	\$ 313,778,218
	19	2057-2058	2057	\$ -	\$ 258,189,307	\$ 42,000,000	\$ 300,189,307	\$ 300,189,307	\$ 300,189,307
	20	2058-2059	2058	\$ -	\$ 245,279,842	\$ 42,000,000	\$ 287,279,842	\$ 287,279,842	\$ 287,279,842
	21	2059-2060	2059	\$ -	\$ 233,015,850	\$ 42,000,000	\$ 275,015,850	\$ 275,015,850	\$ 275,015,850
	22	2060-2061	2060	\$ -	\$ 221,365,057	\$ 42,000,000	\$ 263,365,057	\$ 263,365,057	\$ 263,365,057
	23	2061-2062	2061	\$ -	\$ 210,296,804	\$ 42,000,000	\$ 252,296,804	\$ 252,296,804	\$ 252,296,804
	24	2062-2063	2062	\$ -	\$ 199,781,964	\$ 42,000,000	\$ 241,781,964	\$ 241,781,964	\$ 241,781,964
	25	2063-2064	2063	\$ -	\$ 189,792,866	\$ 42,000,000	\$ 231,792,866	\$ 231,792,866	\$ 231,792,866

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

Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date: 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	2028-2029	2028	250	\$100,000	0	0	\$ 80,981.16
	0	2029-2030	2029	250	\$100,000	0	0	\$ 80,981.16
	0	2030-2031	2030	-	-	0	0	\$ 80,981.16
	0	2031-2032	2031	-	-	0	0	\$ 80,981.16
	0	2032-2033	2032	-	-	0	0	\$ 80,981.16
	0	2033-2034	2033	-	-	0	0	\$ 80,981.16
	0	2034-2035	2034	-	-	0	0	\$ 80,981.16
	0	2035-2036	2035	-	-	0	0	\$ 80,981.16
	0	2036-2037	2036	-	-	0	0	\$ 80,981.16
	0	2037-2038	2037	250	\$100,000	0	0	\$ 80,981.16
	0	2038-2039	2038	250	\$100,000	0	0	\$ 80,981.16
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2039-2040	2039			350	25	\$ 80,981.16
	2	2040-2041	2040			350	25	\$ 80,981.16
	3	2041-2042	2041			350	25	\$ 80,981.16
	4	2042-2043	2042			350	25	\$ 80,981.16
	5	2043-2044	2043			350	25	\$ 80,981.16
	6	2044-2045	2044			350	25	\$ 80,981.16
	7	2045-2046	2045			350	25	\$ 80,981.16
	8	2046-2047	2046			350	25	\$ 80,981.16
	9	2047-2048	2047			350	25	\$ 80,981.16
	10	2048-2049	2048			350	25	\$ 80,981.16
MVP Period	11 through 15	2049-2050 through 2053-2054	2049 - 2053			350	25	\$ 80,981.16
Years Following Value Limitation Period	16 through 25	2054-2055 through 2063-2064	2054 - 2063			350	0	\$ 80,981.16

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

Not applicable.

## 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.

**INDUSTRIAL AND COMMERCIAL  
TAX REINVESTMENT  
PROCEDURES MANUAL  
AND  
APPLICATION**



**SHERMAN, TEXAS**



## **TABLE OF CONTENTS**

General Purpose and Objectives.....	3
Definition of Terms.....	4
Applicant Eligibility.....	5
Committee.....	6
Criteria.....	7
Procedures.....	8-9
Legal Documentation Preparation.....	10
Execution of Agreement.....	11-12

## **GENERAL PURPOSE AND OBJECTIVES**

The City of Sherman is committed to the promotion of high quality development in all parts of the city and to an ongoing improvement in the quality of life for its citizens. As these objectives are generally served by the enhancement and expansion of the local economy, the City of Sherman will, on a case-by-case basis, give consideration to providing tax abatement as a stimulation for economic development in Sherman. It is the policy of the City of Sherman that said consideration will be provided in accordance with the procedures and criteria outlined in this document. Nothing herein shall imply or suggest that the City of Sherman is under any obligation to provide tax abatement to any applicant. All applicants shall be considered on a case-by-case basis.

## **DEFINITION OF TERMS**

**Act** – The Property Redevelopment and Tax Abatement Act, Texas Tax Code Ann. 312.001, et seq., as amended from time to time.

**Agreement** – A contractual agreement between a property owner and/or lessee and taxing entity for the purpose of tax abatement.

**Applicant** – An owner of real property located in a reinvestment zone who requests tax abatement in accordance with these guidelines.

**Base Year Value** – The assessed value of eligible property on January 1 preceding the execution of the agreement made after January 1 but before the execution of the agreement.

**Economic Life** – The number of years a property improvement is expected to be in service in a facility.

**Deferred Maintenance** – Improvements necessary for continued operations that do not improve productivity or alter the process technology.

**Depreciation** – reduction in the appraised and or taxable value (before abatement), of an asset with the passage of time.

**Expansion** – The addition or enlargement of buildings, structures, fixed machinery or equipment for the purposes of increasing production capacity.

**Facility** – Property improvements completed or in the process of construction which together comprise an integral whole.

**Modernization** – The replacement and upgrading of existing facilities which increases the productive input or output, updates the technology, or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration, or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.

**New Facility** – A property previously undeveloped that is placed into service by means other than or in conjunction with expansion or modernization.

**Reinvestment Zone** – An area designated in accordance with the Act by the City of Sherman, or if outside the city limits of Grayson County. Only property in a Reinvestment Zone is eligible for tax abatement.

**Total Facility** – All buildings and structures including fixed machinery and equipment at the site(s) where the “abatement facility” is located.

## **APPLICANT ELIGIBILITY**

A Facility may be eligible for abatement if it is located in a Reinvestment Zone and construction has not begun.

As provided in the Act, abatement may only be granted for the value of eligible property subsequent to and listed in an abatement agreement between the taxing entity and the property owner and lessee (if required), subject to such limitations as the taxing entity may require.

Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.

Eligible Property – Abatement may be extended to the value of buildings, structures, machinery and equipment, site improvement plus that office space and related improvements necessary to the operation and administration of the facility.

Ineligible Property – The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodations; deferred maintenance investments; projects such as LED lighting and ADA (Americans with Disabilities Act) improvements; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.

Owned/Leased Facilities – If a leased facility is granted an abatement, the agreement shall be executed with the lessor and the lessee. Further constraints will be considered under any lease hold facility.

Value and Term of Abatement – Upon determination that a Tax Abatement should be offered to the applicant, the value and terms of the abatement to be considered will be up to ten (10) years and up to 100% abatement including the construction period as provided by Texas State Law. Abatement shall be granted effective with the January 1 valuation date immediately following the date of execution of the abatement agreement. However, if requested, a one-year deferral may be granted.

Required Investment – Generally, a project must include at least \$5,000,000 in investment to be considered for a tax abatement.

## **COMMITTEE**

Any request for tax abatement shall be reviewed by the Tax Reinvestment Committee, said committee being comprised of two elected officials from each of the tax entities involved.

The Tax Reinvestment Committee may consider requests for abatement for property not presently located in a Reinvestment Zone. In that case, the Tax Reinvestment Committee will also make a recommendation to the City of Sherman that a certain geographic area be designated a Reinvestment Zone.

The Tax Reinvestment Committee serves as a recommending body to the taxing entities regarding whether economic development incentives should be offered in each individual case.

## **CRITERIA**

### **Employment Impact**

How many jobs will be brought to Sherman?

What types of jobs will be created?

List the number of jobs by class that will be created and the wage range of each class of job.

What will the total annual payroll be? Include current and increase factors.

Expectation for jobs filled by transfers from other company locations vs. locally-filled jobs.

### **Fiscal Impact**

How much real and personal property will be added to the tax rolls, in square footage and in estimated value?

What is the economic life of the personal property?

What is the expected depreciation of the taxable value of the real and personal property?

How much direct sales tax will be generated for the City of Sherman during construction and after operations have commenced?

How will this project affect existing businesses and/or office facilities?

What infrastructure construction would be required?

What is the total annual operating budget of this facility projected to be? (For expansion, state current and projected increase.)

What is the estimated water use?

### **Community Impact**

What effect would the project have on the local housing market?

How compatible is the project with the City's Comprehensive Plan?

What environmental impact, if any, will be created by the project?

## **PROCEDURES**

Grayson County, Grayson College, Sherman Independent School District, and the City of Sherman have in place resolutions allowing them to participate in Tax Reinvestment Zones and tax abatement agreements.

Any person, partnership, organization, corporation or other entity desiring that the City of Sherman consider providing tax abatement to encourage location of operations within the city limits of Sherman shall be required to comply with the following procedural guidelines. Nothing within these guidelines shall imply or suggest that Sherman be under any obligation to provide a tax abatement in any amount of value to any applicant.

1. Preliminary Application Steps
  - A. Applicant shall submit an “Application for Tax Abatement.”
  - B. Applicant shall address all criteria questions outlined in Section II in narrative form.
  - C. Applicant shall prepare a survey map showing the precise location of the property, all roadways within five hundred (500) feet of the site, all existing land uses and zoning within five hundred (500) feet of the site, and the kind, number and location of all proposed improvements.
  - D. City may request applicant to provide substantiation of the economic feasibility of the overall project to assist in determining the long-term benefit to the City.
  - E. A complete legal description shall be provided.
  - F. Applicant shall complete all forms and information detailed in Items A through B above and submit them to the City of Sherman or the Sherman Economic Development Corporation (SEDCO).
2. All information in the application package detailed above will be reviewed for completeness and accuracy. Additional information may be required as needed.

Applicant may be asked to meet with representatives of the City and SEDCO to discuss the details of the application and prepare it for a presentation of proposal to the Tax Reinvestment Committee. These meetings are held in confidence.

3. Applicant presents a proposal to the Tax Reinvestment Committee. (This committee consists of two representatives from the following taxing entities: Grayson County, Sherman Independent School District, Grayson College, and the Sherman City Council.) The proposal will need to include the total capital investment, type of project, and number of expected jobs to be created. The Tax Reinvestment Committee will determine the percentage and duration of tax abatement, if any, they will propose to their respective boards and council. Again, these meetings are held in confidence.
4. The Tax Reinvestment Committee representatives will present the proposal under an identifying number to avoid disclosure of Applicant to: Grayson County Commissioners Court, Sherman Independent School District Board, Grayson College Board, and the Sherman City Council.

The representatives are responsible for requesting this item be placed on their respective agendas for discussion.

If the Applicant's facility is not in a Reinvestment Zone, the City of Sherman's representatives will propose an ordinance to the City Council, designating the Tax Reinvestment Zone and approving the terms of percentage and duration of tax abatement. If the Applicant is located outside the Sherman city limits, and is within Grayson County, the Tax Reinvestment Zone would be designated by Grayson County.

The governing bodies of the Sherman Independent School District, Grayson College, and Grayson County may consider participation in the tax abatement agreement between the City of Sherman and the Applicant.



## **LEGAL DOCUMENTATION PREPARATION**

The governing body eligible for initiating the designation of the Reinvestment Zone (City or County) will be responsible for drafting the proposed agreement pursuant to the approved Tax Abatement, as well as all collateral documentation.

All legal fees associated with the drafting of the document are to be paid by the applicant.

The legal document is to include the following:

1. Estimated value of expansion or new construction to be abated.
2. Percent of value to be abated each year.
3. Commencement date and the termination date of abatement.
4. Proposed use of the facility, nature of construction, time schedule, map, property description and improvements list as provided in the application.
5. Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture and administration.

## **EXECUTION OF AGREEMENT**

### **TAX REINVESTMENT ZONE INDUSTRIAL AND COMMERCIAL APPLICATION**

#### **SECTION I**

1. Property Owner: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Telephone Numbers: \_\_\_\_\_
2. Property Owner's Representative: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Telephone Numbers: \_\_\_\_\_
3. Physical Property Address: \_\_\_\_\_
4. Property Legal Description (include as an attachment with metes and bounds)
5. Property is located within: City of Sherman? \_\_\_\_\_  
Sherman I.S.D.? \_\_\_\_\_  
Grayson County? \_\_\_\_\_
6. Description of Project: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
7. Date of projected occupation of project/initiation of operations: \_\_\_\_\_
8. Narrative response to criteria questions in Section II of application? \_\_\_\_\_  
(Yes or No, and include attachment)

## **SECTION II**

### **Employment Impact**

How many jobs will be brought to Sherman?

What types of jobs will be created?

List the number of jobs that will be created and the wage range of each class of job.

What will the total annual payroll be? Include current and increase factors.

Expectation for jobs filled by transfers from other company locations vs. locally-filled jobs.

### **Fiscal Impact**

How much real and personal property will be added to the tax rolls, in square footage and in estimated value?

What is the economic life of the personal property?

What is the expected depreciation of the taxable value of the real and personal property?

How much direct sales tax will be generated for the City of Sherman during construction and after operations have commenced?

How will this project affect existing businesses and/or office facilities?

What infrastructure construction would be required?

What is the total annual operating budget of this facility projected to be? (For expansion, state current and projected increase.)

What is the estimated water use?

### **Community Impact**

What effect would the project have on the local housing market?

How compatible is the project with the City's Comprehensive Plan?

What environmental impact, if any, will be created by the project?

## **Tab 17**

### **Signature and Certification Page**

See attached.

## SECTION 16: Authorized Signatures and Applicant Certification

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

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

**1. Authorized School District Representative Signature**

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

**print  
here**

Dr. Tyson Bennett

Print Name (Authorized School District Representative)

Assistant Superintendent of Finance and Operations

Title

**sign  
here***Dr. Tyson Bennett*

Signature (Authorized School District Representative)

*4-12-2022*

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.

**print  
here**

Mark England

Print Name (Authorized Company Representative (Applicant))

President

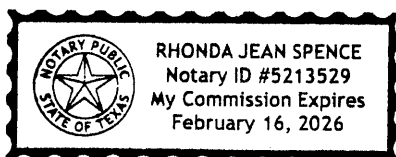
Title

**sign  
here***Mark England*

Signature (Authorized Company Representative (Applicant))

12-April-2022

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

12<sup>th</sup> day of April, 2022*Rhonda Jean Spence*

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.