LEON | ALCALA
ATTORNEYS AT LAW

May 27, 2022

Via Electronic Mail: Ch313.apps@cpa.texas.gov
Data Analysis and Transparency Division
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

Re: Application for a Chapter 313 Value Limitation Agreement between the Damon Independent School District and Elio Energy LLC

First Year of Qualifying Time Period – 2026
First Year of Limitation – 2028

Dear Local Government Assistance and Economic Analysis Division:

The Damon Independent School District Board of Trustees approved the enclosed Application for Appraised Value Limitation on Qualified Property at a duly called meeting held on May 12, 2022. The Application was determined to be complete on May 27, 2022. The Elio Energy LLC project is expected to have approximately 400,000 panels and 40 inverters located in Damon ISD. The anticipated capacity is 160 MW (ac) with attached BESS.

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

Thanks so much for your kind attention to this matter.

Respectfully submitted,

Sara Hardner Leon

Enclosures

cc: *Via Electronic Mail: bcad@brazoriacad.org*
Mr. Al Baird, Chief Appraiser, Brazoria County Appraisal District

Via Electronic Mail: dhayward@damonisd.net
Mr. David Hayward, Superintendent of Schools, Damon ISD

Via Electronic Mail: cbrown@advancedpowerna.com
Collin Brown, Vice President, Elio Energy LLC

Via Electronic Mail: tbrowder@advancedpowerna.com
Tommy Browder, Manager, Development, Advance Power Services (NA) Inc.

Via Electronic Mail: svandyck@cwlp.net
Steven Van Dyck, Partner, Cummings Westlake LLC

TAB 1

Pages 1 through 7 of application.

Application for Appraised Value Limitation on Qualified Property

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

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

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
  - the date on which the school district received the application;
  - the date the school district determined that the application was complete;
  - the date the school board decided to consider the application; and
  - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the completed application to the Comptroller, separating each section of the documents. See 34 TAC Chapter 9, Subchapter F.

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

When the Comptroller receives the notice and required information from the school district, and has determined that all assertions of confidentiality are appropriate, the Comptroller will publish all submitted non-confidential application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller's rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project and issue a certificate for a limitation on appraised value to the school board regarding the application by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete by the Comptroller), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. 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

May 12, 2022
Date Application Received by District

David
First Name

Hayword
Last Name

Superintendent
Title

Damon ISD
School District Name

1211 Mulcahy St. County Rd 264
Street Address

P.O. Box 429
Mailing Address

Damon
City

TX
State

77430
ZIP

979-742-3457
Phone Number

N/A
Fax Number

N/A
Mobile Number (optional)

dhayward@damonisd.net
Email Address

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

SECTION 1: School District Information *(continued)*

3. Authorized School District Consultant *(If Applicable)*

First Name	Last Name
Sara	Leon

Title: Partner

Firm Name: Leon Alcala PLLC

Phone Number	Fax Number
512-637-4244	512637.4245

Mobile Number *(optional)*	Email Address
N/A	SaraLeonGroup@leonalcala.com

4. On what date did the district determine this application complete? 05/27/2022

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

First Name	Last Name
Collin	Brown

Title	Organization
Vice President	Elio Energy LLC

Street Address: 2323 S. Shepherd Dr. Suite 1002

Mailing Address: 2323 S. Shepherd Dr. Suite 1002

City	State	ZIP
Houston	TX	77019

Phone Number	Fax Number
857-206-4175	N/A

Mobile Number *(optional)*	Business Email Address
N/A	cbrown@advancedpowerna.com

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
Tommy	Browder

Title	Organization
Manager, Development	Advanced Power Services (NA) Inc.

Street Address: 2323 S. Shepherd Dr. Suite 1002

Mailing Address: 2323 S. Shepherd Dr. Suite 1002

City	State	ZIP
Houston	TX	77019

Phone Number	Fax Number
713-417-5140	N/A

Mobile Number *(optional)*	Business Email Address
N/A	tbrowder@Advancedpowerna.com

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)*

Steven
First Name

Van Dyck
Last Name

Partner
Title

Cummings Westlake LLC
Firm Name

713-266-4456 x 104
Phone Number

N/A
Fax Number

svandyck@cwlp.net
Business Email Address

SECTION 3: Fees and Payments

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

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

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

$ 75,000.00
Payment Amount

Check
Transaction Type

ADVANCED POWER SERVICES (NA) INC
Payor

Damon ISD
Payee

May16, 2022
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? Elio Energy LLC
2. Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 *(11 digits)* 32084469595
3. Parent Company Name AP Elio Energy Holdings LLC
4. Parent Company Tax ID 88-217060
5. NAICS code 221114
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)* Limited Liability Company
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

Elio Energy LLC

2c. Reporting Entity Taxpayer Number

32084469595

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:
   - ☐ Land has no existing improvements
   - ☑ Land has existing improvements *(complete Section 13)*
   - ☐ Expansion of existing operation on the land *(complete Section 13)*
   - ☐ 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	November 2022
2.	Estimated commencement of construction	Q1 2027
3.	Beginning of qualifying time period (MM/DD/YYYY)	1/1/2026
4.	First year of limitation (YYYY)	1/1/2028

4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):

☐ A. January 1 following the application date ☑ B. January 1 following the end of QTP

☐ C. January 1 following the commencement of commercial operations

5. Commencement of commercial operations: December 2027

SECTION 10: The Property

1. County or counties in which the proposed project will be located: Brazoria
2. Central Appraisal District (CAD) that will be responsible for appraising the property: Brazoria
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): Damon, $.9603, 100% *(Name, tax rate and percent of project)*

I&S (ISD): Damon, $0.0000, 100% *(Name, tax rate and percent of project)*

County: Brazoria, $0.3329, 100% *(Name, tax rate and percent of project)*

Other: W. Brazoria Drain #11; .019887, 100% *(Name, tax rate and percent of project)*

Other: Brazoria CMD #1 ; $0.062609; 100% *(Name, tax rate and percent of project)*

Other: Road and Bridge , $0.05 100% *(Name, tax rate and percent of project)*

Other *(describe)*: Brazoria CMD #2 ; $0.074923; 100% *(Name, tax rate and percent of project)*

Other *(describe)*: Port of Freeport; $0.400; 100% *(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: Abatement, 100%, 2028-2037 *(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 yeart)*

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

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

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

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

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

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

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

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

1. At the time of application, what is the estimated minimum qualified investment required for this school district? . . . . . $ 10,000,000.00

2. What is the amount of appraised value limitation for which you are applying? . . . . . $ 20,000,000.00

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

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

4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
   a. a specific and detailed description of the qualified investment you propose to make within the project boundary for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
   b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
   c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).

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

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

1. Attach a detailed description of the qualified property. [See §313.021(2)] The description must include:
   1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
   1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**);
   1c. a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and reinvestment zone boundaries (**Tab 11**); and
   1d. Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? . . . . . ☐ Yes ☑ No

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

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

2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? . . . . . ☐ Yes ☑ No

   2a. If yes, attach complete documentation including:
   - a. legal description of the land (**Tab 9**);
   - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (**Tab 9**);
   - c. owner (**Tab 9**);
   - d. the current taxable value of the land, attach estimate if land is part of larger parcel (**Tab 9**); and
   - e. a detailed map showing the location of the land with vicinity map (**Tab 11**).

3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? . . . ☐ Yes ☑ No

   3a. If yes, attach the applicable supporting documentation:
   - a. evidence that the area qualifies as an enterprise zone as defined by the Governor's Office (**Tab 16**);
   - b. legal description of reinvestment zone (**Tab 16**);
   - c. order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
   - d. guidelines and criteria for creating the zone (**Tab 16**); and
   - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (**Tab 11**)

   3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date.

   What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? November 2022

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**:
   - a. maps and/or detailed site plan;
   - b. surveys;
   - c. appraisal district values and parcel numbers;
   - d. inventory lists;
   - e. existing and proposed property lists;
   - f. model and serial numbers of existing property; or
   - g. other information of sufficient detail and description.

4. Total estimated market value of existing property within the project boundary (that property described in response to statement 1): . . . . . $ 0.00

5. In **Tab 10**, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.

6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to statement 2): . . . . . $ 0.00

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

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create? 1
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) 0
3. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? . . . . . ☑ Yes ☐ No

   3a. If yes, attach evidence of industry standard in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note**: If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.

   a. Non-qualified job wages
   - average weekly wage for all jobs (all industries) in the county is . . . . . $ 1,159.75

   b. Qualifying job wage minimum option §313.021(5)(A)
   -110% of the average weekly wage for manufacturing jobs in the county is . . . . . $ 2,520.65

   c. Qualifying job wage minimum option §313.021(5)(B)
   -110% of the average weekly wage for manufacturing jobs in the region is . . . . . $ 1,312.60

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? . . . . . $ 68,255.00
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? . . . . . $ 68,255.00
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**.

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

2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? . . . . . ☐ Yes ☑ No

   2a. If yes, attach complete documentation including:
   - a. legal description of the land (**Tab 9**);
   - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (**Tab 9**);
   - c. owner (**Tab 9**);
   - d. the current taxable value of the land, attach estimate if land is part of larger parcel (**Tab 9**); and
   - e. a detailed map showing the location of the land with vicinity map (**Tab 11**).

3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? . . . ☐ Yes ☑ No

   3a. If yes, attach the applicable supporting documentation:
   - a. evidence that the area qualifies as an enterprise zone as defined by the Governor's Office (**Tab 16**);
   - b. legal description of reinvestment zone (**Tab 16**);
   - c. order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
   - d. guidelines and criteria for creating the zone (**Tab 16**); and
   - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (**Tab 11**)

   3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date.

   What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? November 2022

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**:
   - a. maps and/or detailed site plan;
   - b. surveys;
   - c. appraisal district values and parcel numbers;
   - d. inventory lists;
   - e. existing and proposed property lists;
   - f. model and serial numbers of existing property; or
   - g. other information of sufficient detail and description.

4. Total estimated market value of existing property within the project boundary (that property described in response to statement 1): . . . . . $ 0.00

5. In **Tab 10**, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.

6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to statement 2): . . . . . $ 0.00

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

SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create? 1
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) 0
3. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? . . . . . ☑ Yes ☐ No

   3a. If yes, attach evidence of industry standard in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note**: If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.

   a. Non-qualified job wages
   - average weekly wage for all jobs (all industries) in the county is . . . . . $ 939.50

   b. Qualifying job wage minimum option §313.021(5)(A)
   -110% of the average weekly wage for manufacturing jobs in the county is . . . . . $ 1,676.40

   c. Qualifying job wage minimum option §313.021(5)(B)
   -110% of the average weekly wage for manufacturing jobs in the region is . . . . . $ 1,312.60

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? . . . . . $ 68,255.00
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? . . . . . $ 68,255.00
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? . . . . . ☑ Yes ☐ No
9. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? . . . . . ☐ Yes ☑ No

   9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).

10. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? . . . . . ☐ Yes ☑ No

    10a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

TAB 2

Proof of Payment of Application Fee

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

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

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

TAB 3

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

Not Applicable

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

TAB 4

Detailed Description of the 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 or installation, and any other relevant information.

Elio Energy LLC, (the "Applicant" or "Elio Energy"), is requesting an appraised value limitation ("Value Limitation") from Damon Independent School District ("ISD") for the Applicant's proposed solar powered electric generating facility and Battery Energy Storage System (BESS) in County (the "Project"). The proposed Project (the subject of this application to Damon ISD) expects to be constructed within a Reinvestment Zone that will be established by Damon ISD at a later date. A map showing the intended location of the Project is included in TAB 11. A projected timeline of the Project activities is included in Section 9 of the application. The Project does not currently have an IGNR number and plans on filing that application in May of 2022.

The full project is expected to have approximately 400,000 panels and 40 inverters located in Damon ISD. The anticipated capacity is 160 MW (ac) with attached BESS. Solar and BESS equipment selection is ongoing at this time and has not been finalized. The exact number of PV panels and their capacity will depend upon the panels and inverters selected, manufacturers availability and prices, ongoing engineering design optimization and the final megawatt generating capacity of the Project when completed. The Applicant requests a Value Limitation for all materials and equipment installed for the Project, including

- underground collection systems
- transmission lines
- electrical interconnections,
- control systems necessary for commercial generation of electricity
- solar modules/panels
- racking and mounting structures
- inverters boxes
- combiner boxes
- battery storage for produced power
- meteorological equipment
- roadways
- maintenance and operations building
- paving
- fencing

- electrical substations
- generation transmission tie line and associated tower
- interconnection facilities

TAB 5

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

Elio Energy LLC, the applicant, is currently 100% indirectly owned by AP Energy Holdings, Inc ("Advanced Power"). Elio Energy is developing the Project in Brazoria County. Advanced Power is a privately-owned company whose mandate is to develop, acquire, own and manage power generation and related infrastructure projects throughout Europe and North America. Advanced Power's leadership has a proven track record of identifying, developing, and managing power generation and related infrastructure projects. Advanced Power's management has led the development of over 16,000 MW of power generation projects and over $8 billion of project financing. Since 2006, Advanced Power has developed more than 4,000 MW of generation in the United States and Europe, including Carroll County Energy (owned by Carroll County Energy LLC) a 700MW generation facility in Carroll County, Ohio; the Cricket Valley Energy Center (owned by Cricket Valley Energy LLC) a 1,100 MW generation facility in Dover, NY; and South Field Energy (owned by South Field Energy LLC) a 1,105 MW generation facility near Wellsville, Ohio; and Cutlass Solar (owned by Cutlass Solar LLC), a 140 MW solar generation facility currently under construction in Fort Bend County, Texas. Advanced Power is majority owned by its senior management and Board of Directors and is headquartered in Zug, Switzerland, with offices in Boston and Houston.

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

The property tax liability of a project without tax incentives in Texas would reduce the return to investors and financiers to an unacceptable level at today's contracted power rates under a power purchase agreement ("PPA") or other offtake agreement. Therefore, Advanced Power would be unable to finance and build the Project in Texas even with a signed PPA because of the contract price of the PPA or offtake agreement relative to its operating costs. Without the Value Limitation,

Advanced Power would be forced to walk away from the Project and invest in other projects in other counties, states and/or countries, where the rate of return is higher.

Elio Energy has entered into real estate agreements with certain landowners to site the Project. These real estate agreements include a development period (or feasibility period) whereby Elio Energy can terminate the lease agreements, at its discretion, without commencing construction of the Project.

TAB 6

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

	JURISDICTION	TAX RATE	DISTRICT %
1)	Brazoria County	$0.332900	100%
2)	Damon ISD	$0.960300	100%
3)	Brazoria CMD #1	$0.062609	100%
4)	Brazoria CMD #2	$0.074923	100%
5)	Road & Bridge	$0.050000	100%
6)	Port of Freeport	$0.040000	100%
7)	W. Brazoria Drain #11	$0.019887	100%

TAB 7

Description of Qualified Investment

Elio Energy LLC plans to construct a 160 MWac solar electric generating facility with attached BESS in Damon ISD.

This application covers all qualified property and qualified investment within Damon ISD necessary for the commercial operations of the proposed solar electric generating and BESS facility described in Tab 4. All panels will be located in Damon ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 400,000 solar modules and approximately 40 inverters,. The permanent battery storage facility will be used for the Elio Energy Project LLC.

Qualified Investment and qualified property include:

- transmission lines
- electrical interconnections roads
- control systems necessary for commercial generation of electricity
- approximately 400,000 solar modules/panels and 40 inverters
- racking and mounting structures
- inverter boxes
- combiner boxes
- battery storage for produced power and this battery will only be used to store electricity that is subject of this application
- meteorological equipment
- roadways, maintenance, and operations building
- paving
- fencing
- electrical substations
- generation transmission tie line and associated towers
- interconnection facilities
- energy storage enclosures containing batteries,
- energy storage cooling systems
- SCADA systems
- transformers
- fire suppression systems

***NOTE*- The map in TAB 11 shows the proposed project area with the preliminary panel and inverter locations. The exact placement of these panels**

and inverters is subject to ongoing planning, soil studies, and engineering and will be determined before construction begins.

TAB 8

Elio Energy LLC plans to construct a 160 MWac solar electric generating facility with attached BESS in Damon ISD.

This application covers all qualified property and qualified investment within Damon ISD necessary for the commercial operations of the proposed solar electric generating and BESS facility described in Tab 4. All panels will be located in Damon ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 400,000 solar modules and approximately 40 inverters,. The permanent battery storage facility will be used for the Elio Energy Project LLC.

Qualified Investment and qualified property include:

- transmission lines
- electrical interconnections roads
- control systems necessary for commercial generation of electricity
- approximately 400,000 solar modules/panels and 40 inverters
- racking and mounting structures
- inverter boxes
- combiner boxes
- battery storage for produced power and this battery will only be used to store electricity that is subject of this application
- meteorological equipment
- roadways, maintenance, and operations building
- paving
- fencing
- electrical substations
- generation transmission tie line and associated towers
- interconnection facilities
- energy storage enclosures containing batteries,
- energy storage cooling systems
- SCADA systems
- transformers
- fire suppression systems

***NOTE*- The map in TAB 11 shows the proposed project area with the preliminary panel and inverter locations. The exact placement of these panels and inverters is subject to ongoing planning, soil studies, and engineering and will be determined before construction begins.**

TAB 9

Description of Land

Not Applicable

TAB 10

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

The existing property consists of houses, barns, buildings, poles, Oil & Gas Wells and associated facilities, meteorological towers, tanks, silos, and mobile homes that are not owned by Elio Energy LLC and are not part of this project.

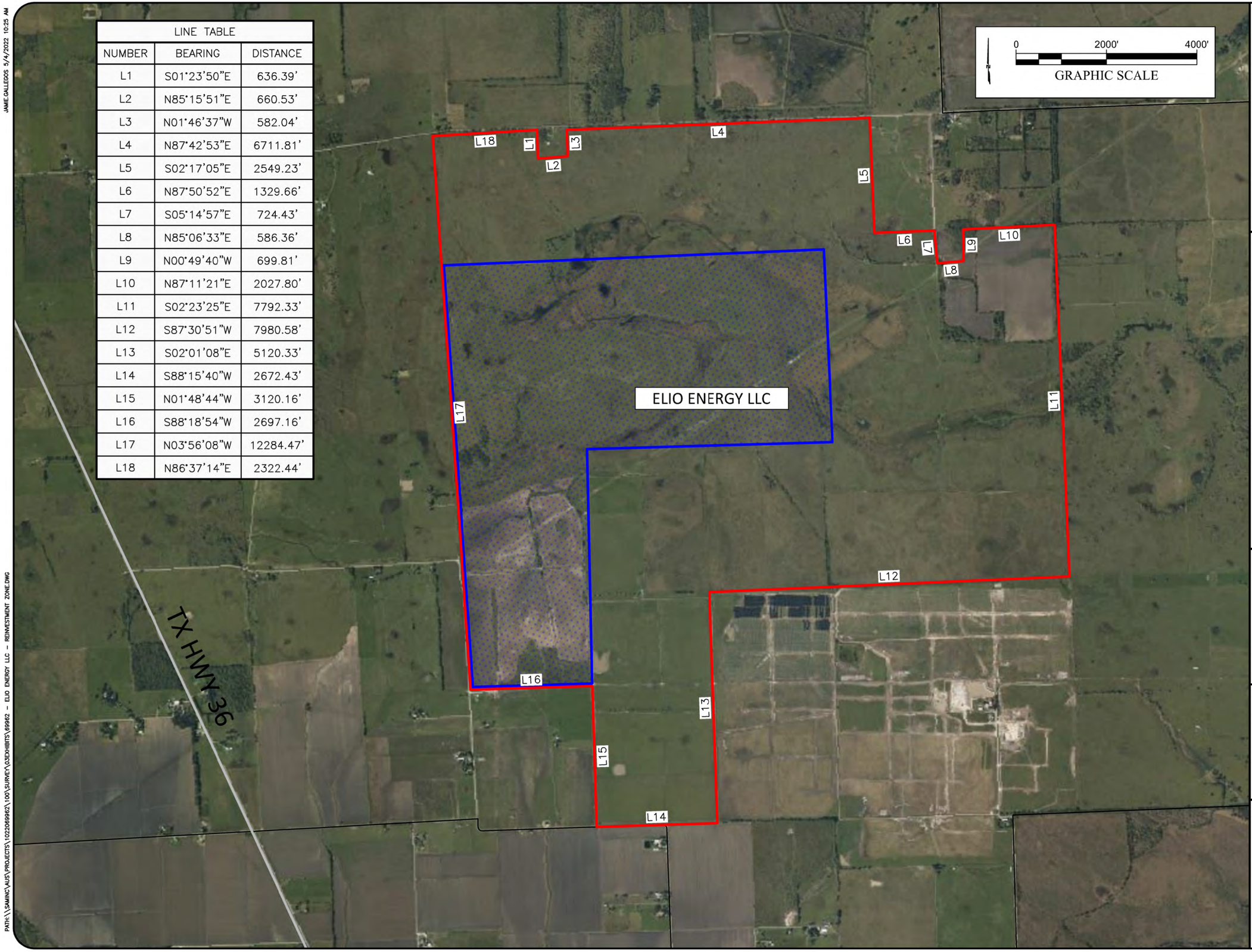
TAB 11

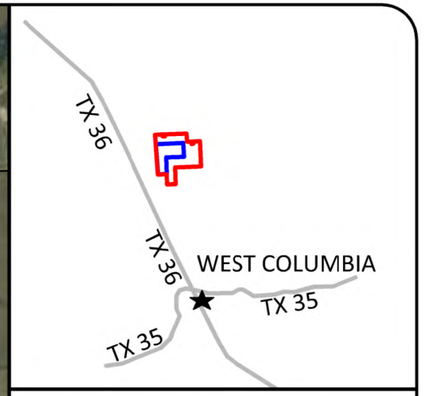
Maps that clearly show:

a) *Project vicinity*
b) *Qualified investment including location of new building or new improvements*
c) *Qualified property including location of new building or new improvements*
d) *Existing property*
e) *Land location within vicinity map*
f) *Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size*

JAMIE.GALLEGOS 5/4/2022 10:25 AM

LINE TABLE		
NUMBER	BEARING	DISTANCE
L1	S01°23'50"E	636.39'
L2	N85°15'51"E	660.53'
L3	N01°46'37"W	582.04'
L4	N87°42'53"E	6711.81'
L5	S02°17'05"E	2549.23'
L6	N87°50'52"E	1329.66'
L7	S05°14'57"E	724.43'
L8	N85°06'33"E	586.36'
L9	N00°49'40"W	699.81'
L10	N87°11'21"E	2027.80'
L11	S02°23'25"E	7792.33'
L12	S87°30'51"W	7980.58'
L13	S02°01'08"E	5120.33'
L14	S88°15'40"W	2672.43'
L15	N01°48'44"W	3120.16'
L16	S88°18'54"W	2697.16'
L17	N03°56'08"W	12284.47'
L18	N86°37'14"E	2322.44'





LEGEND

- REINVESTMENT ZONE/ PROJECT BOUNDARY
- CONCEPTUAL SOLAR ARRAY & EQUIPMENT AREAS, INCLUDING ACCESS ROADS & CIVIL FEATURES
- STATE HIGHWAY

PROJECT MAP

ELIO ENERGY LLC

BRAZORIA COUNTY, TEXAS

DISCLAIMER

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JAMIE.GALLEGOS 5/4/2022 10:25 AM

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Fort Bend

Brazoria

Brazos ISD
East Bernard ISD
Lamar Cons ISD
Stafford MSD
Fort Bend ISD
Pasadena ISD
La Porte ISD
Pearland ISD
Clear Creek ISD
Friendswood ISD
Alvin ISD
Santa Fe ISD
Needville ISD
Boling ISD
Wharton ISD
Damon ISD
PROJECT AREA
Danbury ISD
Angleton ISD
Columbia-Brazoria ISD
Brazosport ISD
Bay City ISD
Sweeny ISD
Tidehaven ISD
Van Vleck ISD

PROJECT DETAIL
NOT TO SCALE

TX HWY 36

LEGEND

- REINVESTMENT ZONE/ PROJECT BOUNDARY
- CONCEPTUAL SOLAR ARRAY & EQUIPMENT AREAS, INCLUDING ACCESS ROADS & CIVIL FEATURES
- APPROX. SCHOOL DISTRICT BOUNDARY
- APPROX. COUNTY BOUNDARY

0 30000' 60000'

GRAPHIC SCALE

VICINITY MAP

ELIO ENERGY LLC

BRAZORIA COUNTY, TEXAS

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TAB 12

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

See Attached

CUMMINGS WESTLAKE
PROPERTY TAX ADVISORS

May 12, 2022

David Hayword
Damon Independent School District
1211 Mulcahy St. County Rd 264
Damon, TX 77430

Re: Chapter 313 Job Waiver Request

Dear Superintendent, Hayword,

Elio Solar LLC requests that the Damon Independent School District of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the tax code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

Elio Solar LLC requests that the Damon Independent School District makes such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, Elio Solar LLC has committed to create 1 total job for the project which will be in Damon Independent School District.

Solar projects create a large number of full and part-time, but temporary jobs during the construction phase of the project but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences.

The number of jobs committed to in this application is in line with the industry standard for a project this size, which is one permanent job per 300MW. This is evidenced by previously filed limitation agreement applications by solar developers who also requested a waiver of job requirements. In addition, there are educational materials and other documentation that also suggest that Elio Solar LLC has the appropriate number of jobs for this project at one permanent job per 300MW of installed capacity. The permanent employees of a solar project maintain, and service solar panels, underground electrical connections, substations, and other infrastructure associated with the safe and reliable operation of the project. In addition to the onsite employees, there may be managers or technicians who support the project from offsite locations.

Sincerely,

Steven Van Dyck
Partner

16410 N. Eldridge Pkwy | Tomball, Texas 77377
P: 713.266.4456 W: cwlp.net

TAB 13

Calculation of three possible wage requirements with TWC documentation

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

Elio Energy LLC
TAB 13 TO CHAPTER 313 APPLICATION

BRAZORIA COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2021	$ 1,147	$ 59,644
SECOND	2021	$ 1,143	$ 59,436
THIRD	2021	$ 1,150	$ 59,800
FOURTH	2020	$ 1,199	$ 62,348
	AVERAGE	$ 1,159.75	$ 60,307.00

BRAZORIA COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2021	$ 2,534	$ 131,768
SECOND	2021	$ 2,157	$ 112,164
THIRD	2021	$ 2,209	$ 114,868
FOURTH	2020	$ 2,266	$ 117,832
	AVERAGE	$ 2,292	$ 119,158
	X	110%	110%
		$ 2,520.65	$ 131,073.80

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
HOUSTON GALVESTON	2020	$ 1,193.27	$ 62,050
	X	110%	110%
		$ 1,312.60	$ 68,255.00

**** SEE ATTACHED TWC DOCUMENTATION***

Quarterly Employment and Wages (QCEW)

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2021	1	Brazoria	Total All	10	Total, All Industries	1,147
2021	2	Brazoria	Total All	10	Total, All Industries	1,143
2021	3	Brazoria	Total All	10	Total, All Industries	1,150
2020	4	Brazoria	Total All	10	Total, All Industries	1,199

Quarterly Employment and Wages (QCEW)

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2021	1	Brazoria	Private	31-33	Manufacturing	2,534
2021	2	Brazoria	Private	31-33	Manufacturing	2,157
2021	3	Brazoria	Private	31-33	Manufacturing	2,209
2020	4	Brazoria	Private	31-33	Manufacturing	2,266

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.

TAB 14

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

See attached Schedules A1, A2, B, and C

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

Date 5/12/2022
Applicant Name ELIO ENERGY LLC
ISD Name DAMON ISD

Form 50-296A
Revised October 2020

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	Column B: New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Column C: Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Column D: Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E: **Total Investment** (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)		Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	0
Investment made after filing complete application with district, but before final board approval of application	--			0	0	0	0	0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	--		2025	0	0	0	0	0
Complete tax years of qualifying time period	QTP1	2026-2027	2026	0	0	0	0	0
	QTP2	2027-2028	2027	160,000,000	500,000	0	0	160,500,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				160,000,000	500,000	0	0	160,500,000

Enter amounts from TOTAL row above in Schedule A2

Total Qualified Investment (sum of green cells) 160,500,000

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

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

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

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

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

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

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

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

Date 5/12/2022
Applicant Name ELIO ENERGY LLC
ISD Name DAMON ISD

Form 50-296A
Revised October 2020

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	Column B: New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Column C: Other investment made during this year that will not become Qualified Property [SEE NOTE]	Column D: Other investment made during this year that will become Qualified Property {SEE NOTE]	Column E: **Total Investment** (A+B+C+D)
Total Investment from Schedule A1*	--	**TOTALS FROM SCHEDULE A1**		**Enter amounts from TOTAL row in Schedule A1 in the row below**				
				160,000,000	500,000	0	0	160,500,000
Each year prior to start of value limitation period** *Insert as many rows as necessary*	0	2026-2027	2026	0	0	0	0	0
	0	2027-2028	2027					
Value limitation period***	1	2028-2029	2028	0	0	0	0	0
	2	2029-2030	2029	0	0	0	0	0
	3	2030-2031	2030	0	0	0	0	0
	4	2031-2032	2031	0	0	0	0	0
	5	2032-2033	2032	0	0	0	0	0
	6	2033-2034	2033	0	0	0	0	0
	7	2034-2035	2034	0	0	0	0	0
	8	2035-2036	2035	0	0	0	0	0
	9	2036-2037	2036	0	0	0	0	0
	10	2037-2038	2037	0	0	0	0	0
Total Investment made through limitation				160,000,000	500,000	0	0	160,500,000
Continue to maintain viable presence	11	2038-2039	2038			0		0
	12	2039-2040	2039			0		0
	13	2040-2041	2040			0		0
	14	2041-2042	2041			0		0
	15	2042-2043	2042			0		0
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2043-2044	2043			0		0
	17	2044-2045	2044			0		0
	18	2045-2046	2045			0		0
	19	2046-2047	2046			0		0
	20	2047-2048	2047			0		0
	21	2048-2049	2048			0		0
	22	2049-2050	2049			0		0
	23	2050-2051	2050			0		0
	24	2051-2052	2051			0		0
	25	2052-2053	2052			0		0

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

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

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

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

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

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

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

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

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

Date 5/12/2022

Applicant Name ELIO ENERGY LLC

ISD Name DAMON ISD

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				Qualified Property			Estimated Taxable Value		
	Year	**School Year** (YYYY-YYYY)	**Tax Year** (Fill in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*	0	2026-2027	2026	0	0	0	0	0	0
		2027-2028	2027	0	0		0	0	0
Value Limitation Period	1	2028-2029	2028	0	500,000	141,214,080	141,714,080	141,714,080	20,000,000
	2	2029-2030	2029	0	487,500	124,023,603	124,511,103	124,511,103	20,000,000
	3	2030-2031	2030	0	475,300	106,778,829	107,254,129	107,254,129	20,000,000
	4	2031-2032	2031	0	463,400	89,859,686	90,323,086	90,323,086	20,000,000
	5	2032-2033	2032	0	451,800	73,644,800	74,096,600	74,096,600	20,000,000
	6	2033-2034	2033	0	440,500	62,856,192	63,296,692	63,296,692	20,000,000
	7	2034-2035	2034	0	429,500	51,063,552	51,493,052	51,493,052	20,000,000
	8	2035-2036	2035	0	418,800	38,624,000	39,042,800	39,042,800	20,000,000
	9	2036-2037	2036	0	408,300	37,203,200	37,611,500	37,611,500	20,000,000
	10	2037-2038	2037	0	398,100	35,782,400	36,180,500	36,180,500	20,000,000
Continue to maintain viable presence	11	2038-2039	2038	0	388,100	34,361,600	34,749,700	34,749,700	34,749,700
	12	2039-2040	2039	0	378,400	32,940,800	33,319,200	33,319,200	33,319,200
	13	2040-2041	2040	0	368,900	31,756,800	32,125,700	32,125,700	32,125,700
	14	2041-2042	2041	0	359,700	31,046,400	31,406,100	31,406,100	31,406,100
	15	2042-2043	2042	0	350,700	30,572,800	30,923,500	30,923,500	30,923,500
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2043-2044	2043	0	341,900	30,336,000	30,677,900	30,677,900	30,677,900
	17	2044-2045	2044	0	333,400	30,336,000	30,669,400	30,669,400	30,669,400
	18	2045-2046	2045	0	325,100	30,336,000	30,661,100	30,661,100	30,661,100
	19	2046-2047	2046	0	317,000	30,336,000	30,653,000	30,653,000	30,653,000
	20	2047-2048	2047	0	309,100	30,336,000	30,645,100	30,645,100	30,645,100
	21	2048-2049	2048	0	301,400	30,336,000	30,637,400	30,637,400	30,637,400
	22	2049-2050	2049	0	293,900	30,336,000	30,629,900	30,629,900	30,629,900
	23	2050-2051	2050	0	286,600	30,336,000	30,622,600	30,622,600	30,622,600
	24	2051-2052	2051	0	279,400	30,336,000	30,615,400	30,615,400	30,615,400
	25	2052-2053	2052	0	272,400	30,336,000	30,608,400	30,608,400	30,608,400

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

Schedule C: Employment Information

Date 5/12/2022
Applicant Name ELIO ENERGY LLC
ISD Name DAMON ISD

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				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 or man-hours (specify)	**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)	**Average** annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*	0	2026-2027	2026	0	0	0	0	0
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*	0	2027-2028	2027	150FTE	65,000	0	0	0
Value Limitation Period *The qualifying time period could overlap the value limitation period.*	1	2028-2029	2028	N/A	N/A	0	1	68,255.00
	2	2029-2030	2029	N/A	N/A	0	1	68,255.00
	3	2030-2031	2030	N/A	N/A	0	1	68,255.00
	4	2031-2032	2031	N/A	N/A	0	1	68,255.00
	5	2032-2033	2032	N/A	N/A	0	1	68,255.00
	6	2033-2034	2033	N/A	N/A	0	1	68,255.00
	7	2034-2035	2034	N/A	N/A	0	1	68,255.00
	8	2035-2036	2035	N/A	N/A	0	1	68,255.00
	9	2036-2037	2036	N/A	N/A	0	1	68,255.00
	10	2037-2038	2037	N/A	N/A	0	1	68,255.00
Years Following Value Limitation Period	11 through 25	2037-2053	2038-2052	N/A	N/A	0	1	68,255.00

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

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts) [X] Yes [ ] No

If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)? [X] Yes [ ] No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)? [ ] Yes [X] No

TAB 15

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

None

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

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

16a) Not Applicable
16b) See Attached
16c) To be established at a later date by Brazoria County
16d) to be provided at a later date

GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN A REINVESTMENT ZONE CREATED IN BRAZORIA COUNTY

WHEREAS, the creation, retention and diversification of job opportunities that bring new wealth are among the highest civic priority; and

WHEREAS, the purpose of tax abatement is to provide an incentive offered by the tax-payers, i.e. citizens of Brazoria County, to attract investments, that lead to better quality of life and better services. The wealth created by these enterprises leads to more service and retail businesses, which in addition to improving quality of life, increases the tax base. In summary, by giving incentive in terms of tax abatement, the citizens agree to give up short term tax benefits, for long term benefits; and

WHEREAS, new jobs, investment and industrial diversification will benefit the area economy, provide needed opportunities, strengthen the real estate market and generate tax revenue to support local services; and

WHEREAS, the communities within Brazoria County must compete with other localities across the nation currently offering tax inducements to attract new plant and modernization projects; and

WHEREAS, any tax incentives offered in Brazoria County would reduce needed tax revenue unless strictly limited in application to those new and existing industries that bring new wealth to the community; and

WHEREAS, the abatement of property taxes, when offered to attract capital investment and primary jobs in industries which bring in money from outside a community instead of merely recirculating dollars within a community, has been shown to be an effective method of enhancing and diversifying an area of economy; and

WHEREAS, Texas law requires any eligible taxing jurisdiction to establish Guidelines and Criteria as to eligibility for tax abatement agreements prior to granting of any future tax abatement, and said Guidelines and Criteria to be unchanged for a two year period unless amended by a three-quarters vote;

WHEREAS, Texas law requires a public hearing regarding the proposed adoption, amendment, repeal, or reauthorization of tax abatement guidelines and criteria;

WHEREAS, a public hearing was held and these Guidelines and Criteria for Grating Tax Abatement in a Reinvestment Zone in Brazoria County was approved under Court Order 6.K.3 dated June 23, 2020.

Now, therefore, be it resolved that Brazoria County does hereby adopt these Guidelines and Criteria for granting tax abatement in reinvestment zones in Brazoria County.

DEFINITIONS Section 1

(a) "Abatement" means the full or partial exemption from ad valorem taxes on certain property in a reinvestment zone designated by Brazoria County for economic development purposes.

(b) "Abatement Period" means the period during which all or a portion of the value of real property or

tangible personal property that is the subject of a tax abatement agreement is exempt from taxation.

(c) "Abated Facility Site" (or "proposed abated facility site") means the tract(s) or area of land underlying the proposed improvements to be abated.

(d) "Agreement" means a contractual agreement between a property owner and/or lessee and Brazoria County for the purpose of tax abatement.

(e) "Base year value" means the assessed value of eligible property January 1 preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1 but before the execution of the agreement.

(f) "Brazoria County Vendor and Services" means a company that employs Brazoria County residents and pays Brazoria County taxes.

(g) "Deferred maintenance" means the improvements necessary for continued operations which do not improve productivity or alter the process technology.

(h) "Distribution Center Facility" means buildings and structures, including machinery and equipment, used or to be used primarily to receive, store, service, or distribute goods or materials owned by the facility operator where seventy percent (70%) of the goods or services are distributed outside of Brazoria County.

(i) "Economic Development" means participation in or support of an organized program or entity which for the purpose of its mission, engages in activities designed to encourage employment opportunities development/commercial and manufacturing business/industry to locate and/or expand in Brazoria County, thus expanding and diversifying the tax base as well as increasing the economic strength and stability of Brazoria County.

(j) "Eligible jurisdiction" means Brazoria County and any municipality or other local taxing jurisdictions eligible to abate taxes according to Texas law, the majority of which is located in Brazoria County that levies ad valorem taxes upon and provides services to reinvestment zone designated by Brazoria County.

(k) "Employee" for the purposes of the economic qualifications of Section 2(h)(2) of these Guidelines and Criteria shall include all persons directly employed by the owner of the planned improvement at the abated facility site/reinvestment zone together with any independent contractor or employee of independent contractors employed on a full-time (40 hours per week equivalent) basis at the facility site/reinvestment zone continuously for the duration of the abatement agreement.

(l) "Existing facility" is the facility described in Section 2 (a) that will be expanded or modernized and which contains the proposed improvements to be abated. A manufacturing or processing unit or units of a larger plant complex that separately comprise a manufacturing or production sub-unit of the larger plant shall be considered the existing facility for purposes of the Section 2 (h) (2) employment retention requirement (that the planned improvements cause the retention or prevention of loss of employment of 10 employees or 50% of the employees of the existing facility, whichever is greater). For example, if an existing facility has 100 employees, an expansion or modernization of all or part of that facility must result in the retention of at least 50 employees employed at or in connection with the expanded or modernized "existing facility" in order for the facility improvements to qualify for abatement.

(m) "Expansion" means the addition of buildings, structures, machinery or equipment for purposes of increasing production capacity.

(n) "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.

(o) "Manufacturing Facility" means buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.

(p) "Modernization" means 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.

(q) "New Facility" means a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.

(r) "Other Basic Industry" means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services which serve a market primarily outside Brazoria County.

(s) "Productive Life" means the number of years a property improvement is expected to be in service. After a cessation of production, the productive life of property improvements may be deemed to end, at County's election, on the date of cessation of production either upon (1) a determination by the County that it is unlikely the improvement(s) will be reactivated as an integral part of a producing facility, and/or (2) the expiration of eighteen (18) continuous or non-consecutive months of non-production in any twenty-four (24) month period following the date the property improvement(s) cease to be in active service as part of a facility operating in a producing capacity. Upon cessation of production and for calculation of the recapture amount of taxes, the "productive life" will be determined to begin on the effective date of the tax abatement as set forth in the Agreement.

(t) "Qualified Vendors and Services" means those vendors and services that meet the company's individual stated requirements, which can include but are not limited to: safety, financial condition, environmental record, quality or ability to perform.

(u) "Regional Entertainment Facility" means buildings and structures, including machinery and equipment, used or to be used to provide entertainment through the admission of the general public where seventy percent (70%) of users reside at least 50 miles from its location in Brazoria County.

(v) "Research Facility" means buildings and structures, including machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.

(w) "Regional Service Facility" means buildings and structures, including machinery and equipment, used or to be used to service goods where seventy percent (70%) of the goods being serviced originate outside of

Brazoria County.

(x) "Tangible personal property" means tangible personal property classified as such under state law, but excludes inventory and/or supplies, ineligible property as defined herein, and tangible personal property that was located in the reinvestment zone at any time before the period covered by the agreement with the County.

ABATEMENT AUTHORIZED Section 2

(a) Authorized Facility. A facility may be eligible for abatement if it is a: Manufacturing Facility, Research Facility, Distribution Center or Regional Service Facility, Regional Entertainment Facility, Other Basic Industry, or a facility that Commissioners Court determines would enhance job creation and the economic future of Brazoria County.

(b) Creation of New Value. Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between Brazoria County and the real property owner, tangible personal property owner, leasehold interest, and/or lessee, subject to such limitations as Brazoria County may require.

(c) New and Existing Facilities. Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.

(d) Eligible Property. Abatement may be extended to the value of buildings, structures, tangible personal property as defined in the Tax Code including fixed machinery and equipment, site improvements and related fixed improvements necessary to the operation and administration of the facility.

Tangible Personal Property: Abatement may be granted with the owner of tangible personal property located on real property in a reinvestment zone to exempt from taxation (1) all or a portion of the value of the real property, (2) all or a portion of the value of the tangible personal property located on the real property, or (3) all or a portion of the value of both.

An abatement may be granted with the owner of tangible personal property or an improvement located on tax-exempt real property that is located in a designated reinvestment zone to exempt all or a portion of the value of the tangible personal property or improvement located on the real property.

(e) Ineligible Property. The following type of property shall be fully taxable and ineligible for tax abatement: land, existing improvements, tangible personal property that the Brazoria County Appraisal District classifies as inventory or supplies, tools, furnishings, and other forms of movable personal property; vehicles, watercraft, aircraft, housing, convalescent homes, assisted living homes/centers, hotel accommodations, retail facilities, deferred maintenance investments, property to be rented or leased except as provided in Section 2(f), tangible personal property located in the reinvestment zone prior to the effective date of the tax abatement agreement, property already subject to real or personal property tax(es) moved from one location in Brazoria County to the reinvestment zone, real property with a productive life of less than 10 years, property owned or used by the State of Texas or its political subdivisions or by any organizations owned, operated or directed by a political subdivision of the State of Texas, or any other property for which abatement is not allowed by State law.

(f) Leased Facilities. Leasehold Interest: Abatement may be granted with the owner of a leasehold interest in tax-exempt real property located in a reinvestment zone designated to exempt all or a portion of the value of the leasehold interest in the real property.

Lessee Interest: Abatement may be granted with a lessee of taxable real property located in a reinvestment zone to exempt from taxation (1) all or a portion of the value of the fixtures, improvements, or other real property owned by the lessee and located on the property that is subject to the lease, (2) all or a portion of the value of tangible personal property owned by the lessee and located on the real property that is the subject of the lease, or (3) all or a portion of the value of both the fixtures, improvements, or other real property and the tangible personal property defined herein.

Leasehold Interest/Lessee shall be required to submit with its application a copy of the executed lease agreement between lessor/lessee demonstrating a minimum lease term double the abatement term granted.

(g) Value and Term of Abatement. Abatement shall be granted effective with the January 1 valuation date immediately following the date of the Commissioners Court Order granting the abatement and approving the abatement application. Commissioners Court shall consider the percent of value and the term of the abatement based upon the overall value of the project and the number of new jobs being created. The term of abatement may be up to 10 years or one-half (1/2) of the productive life of the improvement, whichever is less. The "productive life" will be calculated from the effective date of the tax abatement and the date the equipment ceased to be in service. The abatement may be extended through an initial agreement and a subsequent agreement may be required to comply with state law regarding the term of the reinvestment zone.

If it is determined that the abatement period would better benefit the County and the Applicant by deferring the commencement date beyond the January 1 following the Commissioners Court Order granting the abatement and approving the abatement application, the County may defer the commencement date of the abatement period to a future date certain. The deferral of the commencement date will not allow the duration of the abatement period to extend beyond ten (10) years. However, in no event shall the abatement begin later than the January 1 following the commencement of construction.

If a modernization project includes facility replacement, the abated value shall be the value of the new unit(s) less the value of the old unit(s).

New eligible properties must be in active service and operation as part of a facility operating in a producing capacity for a period equal to double the abatement period (*i.e.* seven year abatement, then in producing capacity for 14 years) in order to receive the full term of the abatement granted and not be subject to the term reduction and recapture/payment obligation provisions.

(h) Economic Qualification. In order to be eligible for designation as a reinvestment zone and to qualify for tax abatement the planned improvement:

(1) must be reasonably expected to increase and must actually increase the value of the property in the amount of $1 million or more;

(2) must create employment for at least 10 people on a full-time (40 hours per week equivalent) basis in Brazoria County for the duration of the abatement period at the abated facility site

described in the tax abatement application; or alternatively, must retain and prevent the loss of employment of 10 employees or fifty percent (50%) of the existing number of employees, at the time of application, employed at or in connection with the existing facility containing the abated facility site described in the tax abatement application, whichever is greater, for the duration of the abatement period. The following is applicable to the employment retention/preventing loss of employment requirement:

a. "Existing facility" is the facility described in Section 2 (a) that will be expanded or modernized and which contains the proposed improvements to be abated. A manufacturing or processing unit or units of a larger plant complex that separately comprise a manufacturing or production sub-unit of the larger plant shall be considered the existing facility for purposes of the Section 2(h)(2) employment retention requirement (that the planned improvements cause the retention or prevention of loss of employment of 10 employees or 50% of the employees of the existing facility, whichever is greater). For example, if a large plant complex has a sub-unit that produces chlorine and 100 employees are employed at or in connection with that unit, an expansion or modernization of all or part of that facility must result in the retention of at least 50 employees employed at or in connection with the expanded or modernized "existing facility" in order for the facility improvements to qualify for abatement.

b. Employees of a larger plant unit transferred or assigned to and employed at or in connection with a new sub-unit containing the planned improvements, constructed on undeveloped land constituting the proposed abated facility site/reinvestment zone shall be considered "created" employment for purposes of this sub-section.

The proposed number of employees to be employed at the abated facility as stated in the abatement application for the property that is the subject of the tax abatement agreement (including the projected creation or retention of employment) must be maintained for the duration of the abatement period at the abated facility site. For purposes of this sub-section, in order for a planned improvement to be considered as preventing the loss of employment or retaining employment, the abated facility/project must be necessary in order to retain or keep employment at levels as indicated in the application and in order to retain the proposed number of employees at the abated facility as indicated in the application. The owner/Applicant seeking to qualify on the basis of retention or preventing loss of employment must provide a detailed statement as an attachment to its application affirmatively representing compliance with this sub-section and explaining the necessity of this project to prevent loss of employment. Any variance from the requirements of this sub-section is subject to approval of Commissioners Court in accordance with the variance section of these Guidelines & Criteria.

(3) must be not expected to solely or primarily have the effect of transferring employment from one part of the county to another part of the county. A variance may be requested relative to this provision which approval shall be at the sole discretion of the County.

(4) must be necessary because capacity cannot be provided efficiently utilizing existing improved property;

Additionally, the owner of the project:

(5) must provide for and pay, at the time of filing an application for tax abatement, a non-refundable application fee of $1,000. A part of the application fee will be dedicated by Brazoria County to economic development programs authorized by Local Government Code, Section 381.004.

(6) must file a plan statement with application demonstrating willingness and planned efforts to use qualified Brazoria County union and/or nonunion vendors and services where applicable in the construction and operations of the facility. Brazoria County vendors and services must be competitive with non-county union and/or nonunion vendors and services regarding price, quality, safety, availability and ability to perform. It is preferred that applicant seek qualified workers who are United States citizens and veterans and also legal residents prior to seeking workers from other countries.

(7) will annually, for the term of the abatement, contribute .000207 of the value reported in "Part IV Section F" of the abatement application (estimated value of abated improvements at the conclusion of the abatement period). Air carriers receiving abatement will contribute an amount equal to .000207 of the estimated value of the personal property of the air carrier indicated in its Application. Each project will contribute no more than $25,000 for projects $500 million or less in capital investment and no more than $50,000 for project greater than $500 million in capital investment nor less than $2,000 annually to be used specifically to fund economic development in Brazoria County as authorized by Local Government Code, Section 381.004. The annual contribution shall be paid to Brazoria County through the County Auditor's Office on or before January 1 of each year of the tax abatement contract term.

(8) must not file with the Brazoria County Appraisal District a valuation or taxpayer protest or notice of protest pursuant to the Texas Property Tax Code during the abatement period legally protesting the valuation of the abated improvements of a manufacturing facility pursuant to an appraisal method that produces a valuation of improvements based on each improvement's value as a separate item of personal property rather than the improvements' value as integral fixtures of a producing manufacturing facility. An owner's legal protest of the improvements' value pursuant to the Texas Property Tax Code must be based on and use accepted appraisal methods and techniques allowed by law (Texas Property Tax Code) and uniform standards of professional appraisal practice. The filing of a valuation protest or notice of protest contrary to this standard shall cause the tax abatement agreement to be subject to termination and recapture of all previously abated taxes.

(9) must not be a defendant in any litigation by the County seeking recovery or recapture of previously abated taxes.

(10) Will be wholly responsible for all County roads and right-of-way (including bridges, culverts, ditches, etc.) and damages caused thereto as a result of the construction, on-going maintenance, and operations of the Abated Facility Site as well as associated facilities to the Abated Facility Site, including but not limited to, the following:

- Cost to maintain the roads utilized for construction of the Abated Facility Site in an effort to keep the road safe for the traveling public will be tracked by the County and invoiced on a regular basis to the Abatee.
- Cost to reconstruct the roadway, if needed, will be actual cost to reconstruct the County roads and right-of way incurred by the County and invoiced to the Abatee.

These costs will include all construction costs as well as all related professional services for the repair work.

- Abatee shall coordinate with the County Engineering Department regarding any and all use of County roads and right-of-way for construction, maintenance and operation of Abated Facility Site in accordance with County regulations in place for use of County facilities. In order to comply with County regulations, Abatee shall schedule and attend a pre-development meeting with the County Engineering Department prior to commencing construction. Abatee shall submit a road use plan to the County Engineering Department at least 3 days prior to attending the pre-development meeting. The road use plan should identify all County roads that may be affected by construction or use of the Abated Facility Site, as well as, the routes of any related pipelines.
- Abatee shall execute a Developer Agreement relating to the reconstruction and repair of affected County roads. Abatee shall not begin construction, of the Abated Facility until the Developer Agreement has been fully executed. Beginning construction prior to the execution of a Developer Agreement will result in the cancellation of the Abatement.

(i) Taxability. From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:

(1) The value of ineligible property as provided in Section 2(e) shall be fully taxable;

(2) the base year value of existing eligible property as determined each year shall be fully taxable; and

(3) the additional value of new eligible property shall be taxable in the manner described in Section 2(g).

APPLICATION Section 3

(a) The Application for tax abatement may be obtained from the County Judge's Office or on the Brazoria County website at www.brazoria-county.com. Applicant may contact the Judge's Office at (979) 864-1200 or (281) 756-1200.

(b) Any present or potential owner of taxable property in Brazoria County may request the creation of a reinvestment zone and tax abatement by filing a tax abatement application with Brazoria County. The application shall be filed with the County Judge by providing twelve (12) copies or an electronic version and five (5) copies. The additional copies provided will be furnished to each member of Commissioners Court and the Tax Abatement Review Committee (TARC). After filing the application, the Applicant shall provide an economic impact analysis report, in a format comparable to the Texas Governor's economic impact analysis report, to the County Judge's Office prior to the TARC meeting on the Applicant's tax abatement application.

(c) The application shall consist of a completed application form accompanied by: a general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements which will be a part of the facility; a map and property description; CAD data or a shapefile with the boundaries of the reinvestment zone; and a time schedule for undertaking and completing the planned improvements. In the case of modernizing, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form shall require such financial and other information as Brazoria County deems appropriate for evaluating the financial capacity and other factors of the Applicant. Applicant should not submit confidential information as part of the application. If doing so cannot be avoided, a general description in non-confidential terms should be included on the application, along with a sealed document containing the confidential information as an attachment and clearly marked "CONFIDENTIAL".

(d) Upon receipt of a completed application, the County Judge shall notify in writing the presiding officer of the governing body of each eligible jurisdiction. Before acting upon the application, Brazoria County Commissioners Court shall hold a public hearing at which interested parties shall be entitled to speak and present written materials for or against the approval of the tax abatement. The public hearing shall also afford the Applicant and the designated representative of any eligible jurisdiction opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on a Brazoria County notice to be posted at least 30 days prior to the hearing.

(e) After receipt of an application for creation of a reinvestment zone and application for abatement, the Tax Abatement Review Committee (TARC) shall prepare a feasibility study setting out the impact of the proposed reinvestment zone and tax abatement. The feasibility study shall include, but not be limited to, an estimate of the economic effect of the creation of the zone and the abatement of taxes and the benefit to the eligible jurisdiction and the property to be included in the zone. The economic impact analysis report provided by the Applicant shall be attached to the feasibility study and included as part of the feasibility study report.

(f) If upon written request for a legal opinion or interpretation from the Commissioners Court or its members, the legal counsel for Brazoria County determines that the application does not appear to comply with the written language of the Guidelines and Criteria, a public hearing on said application if already set, shall be postponed for a period of at least thirty days from the scheduled date of public hearing to allow time for further review by the Commissioners Court or any duly appointed review committee, or if an initial setting has not been made, the hearing on such application shall be set on the Commissioners Court agenda no sooner than sixty (60) days from the time the Court enters an order to set the public hearing date.

The Applicant shall file a supplement or addendum to its application to show cause why the application should be approved and shall present reasons at the public hearing on the same.

Provided that any final decision or interpretation as to the intent and meaning or policy of any provision or its written language; any final decision as to whether or not an application complies or does not comply with the guidelines and criteria; and any final decision as to whether to grant or deny tax abatement shall be made by the Commissioners Court at its sole discretion.

(g) Brazoria County shall not establish a reinvestment zone for the purpose of abatement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of

improvements related to a proposed modernization, expansion or new facility.

(h) Variance. Requests for variance from the provisions of Subsections (a) (b) (e) (g), (h) (1), (h) (2) and/or (h) (3) of Section 2 may be made in written form to the County Judge with a copy forwarded to the TARC. Such requests shall include a complete description of the circumstances explaining why the Applicant should be granted a variance. Approval of a request requires a four-fifths (4/5) vote of the Commissioners Court.

(i) Special Variance: Air Carriers. A special variance from all applicable provisions of these guidelines and criteria, with the exception of Section 2 (h) (5) and (h) (7) may be granted allowing abatement or partial abatement of ad valorem taxes on the personal property of a certificated or non-certificated air carrier that owns or leases taxable real property in Brazoria County provided that the personal property has a value of at least $10,000,000. Approval of a request for this variance requires a three-fourth (3/4) vote of the Commissioners Court.

APPROVAL Section 4

(a) Neither a reinvestment zone nor abatement agreement shall be authorized if it is determined that:

(1) there would be a substantial adverse effect on the provision of government service or tax base;

(2) the Applicant has insufficient financial capacity;

(3) planned or potential use of the property would constitute hazard to public safety, health or morals; or,

(4) violation of other codes or laws.

AGREEMENT Section 5

(a) After approval, Brazoria County Commissioners Court shall formally pass a resolution and execute an agreement with the Applicant as required which shall include:

(1) estimated value to be abated and the base year value;

(2) percent of value to be abated each year as provided in Section 2(g);

(3) the commencement date and the termination date of abatement;

(4) the proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provided in Application, Sections II and III;

(5) contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections 2(a), 2(f), 2(g), 2(h) 6, 7, and 8;

(6) size of investment and average number of jobs involved for the period of abatement; and

(7) provision that Applicant shall annually furnish information necessary for Brazoria County's evaluation of Applicant's compliance with the terms and conditions of the tax abatement agreement and these guidelines and criteria (in the form of an annual report/statement of compliance), together with an additional provision that Brazoria County may, at its election, request and obtain information from Applicant as is necessary for the County's evaluation of Applicant's compliance with the terms and conditions of the tax abatement agreement and these guidelines and criteria. See Attachment A.

(8) provision that, upon expiration of the tax abatement agreement, Applicant shall begin annually reporting the status of the abated improvements regarding active service and operation as part of a facility operating in a producing capacity. Reporting will be for the same amount of years as the tax abatement period (*e.g.* seven year abatement, then follow-up reporting for seven more years). See Attachment B.

(b) Such agreement shall be executed within sixty (60) days after the Applicant has forwarded all necessary information and documentation to Brazoria County.

RECAPTURE Section 6

(a) In the event the facility contemplated herein is completed and begins producing product or service, but the company fails to maintain the level of employment (including the projected creation or retention of employment) stated in the abatement application for the property that is the subject of the abatement agreement, the County may elect to: (1) Declare a default and terminate the abatement agreement without recapturing prior years' abated taxes; (2) Declare a default, terminate the agreement and order a recapture of all or part of the previous years' abated taxes; or (3) Set specific terms and conditions for the continuation of the abatement exemption for the duration of the term of the agreement under its present terms or alter the amount of the abatement for the remaining term of the agreement.

(b) Should Brazoria County determine that the company or individual is in default according to the terms and conditions of its agreement, Brazoria County shall notify the company or individual in writing at the address stated in the agreement and if such is not cured within sixty (60) days from the date of such notice ("Cure Period"), then the agreement may be terminated.

(c) In the event that the company or individual (1) allows its ad valorem taxes owed the County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the Cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

(d) Failure to provide any requested statement or information pursuant to the provisions described in Section 5(a)(7) without just cause within sixty (60) days of the request for the information or the presentation of any false or misleading statement may, at the County's option, be construed as a default by the company or individual and cause for immediate termination of the tax abatement agreement and recapture of all previously abated taxes, if after written notice of default, the company or individual has not cured such default prior to the expiration of thirty (30) days from such written notice. The Cure Period provisions

of sub-sections (b) and (c) above are not applicable to a default and termination under this paragraph.

ADMINISTRATION Section 7

(a) The Chief Appraiser of the County shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the eligible jurisdictions which levy taxes on the amount of the assessment.

(b) The agreement shall stipulate that TARC of Brazoria County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with their safety standards.

(c) Tax Abatement Review Committee:

The Commissioners Court shall appoint a standing Tax Abatement Review Committee (TARC) for purposes of (i) reviewing the tax abatement application and preparing the feasibility study report required by Section 3(d) of these guidelines; (ii) conducting annual inspections and/or evaluations of the abated facilities to insure compliance with the terms/conditions of the tax abatement agreement.

(d) The Tax Abatement Review Committee shall be comprised of, but not limited to, a representative appointed by each Commissioners Court member. The County Auditor, County Treasurer, District Attorney representative, and County Tax Assessor Collector shall serve as ex-officio members of the Committee to advise on abatement qualifications and procedures. The County Judge and the Commissioner of the Precinct in which a proposed abated facility will be located will serve on the Committee during the period when the Committee is preparing the feasibility study report and conducting the annual inspection and/or evaluation of the facility.

(e) Upon commencement of construction, the owner of an abated facility must submit a written report/statement of compliance annually during the life of the abatement to the Brazoria County Commissioners Court and the Tax Abatement Review Committee clearly detailing the status of the facility and how it is complying with the abatement guidelines. The Committee shall annually evaluate each abated facility and report possible violations to the contract and agreement to the Brazoria County Commissioners Court. The form of annual report that shall be used by the owner is attached as Attachment A.

(f) Upon expiration of the Tax Abatement term, the owner of the abated improvements must submit a written report/statement of compliance annually, beginning January 1 after the expiration of the tax abatement term, documenting that the abated improvements remain in active service and operation as part of a facility operating in a producing capacity for an additional period equal to the abatement period granted and completed (*e.g.* seven year abatement, then in producing capacity for an additional 7 years after expiration of the tax abatement agreement) in order to receive the full term of the abatement

granted and not be subject to the term reduction and recapture/payment obligation provisions. The Report shall be delivered to the County Judge. The Committee shall annually evaluate each abated facility and report possible violations to the contract and agreement to the Brazoria County Commissioners Court. A form of annual report that may be used by the owner is attached as Attachment B to these Guidelines & Criteria, and the owner's annual report shall, at a minimum, contain the information shown in the Attachment B form.

(g) The County shall timely file with the Texas Department of Commerce and the Property Tax Division of the State Comptroller's office all information required by the Tax Code.

ASSIGNMENT AND MODIFICATION Section 8

Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of Brazoria County subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with Brazoria County. Assignee shall submit a tax abatement application, including financial information to the County Judge's office prior to consideration of assignment. Full assignment of the abatement requires approval by the TARC in addition to approval through public hearing in Commissioners Court. No assignment or transfer shall be approved if the new parties to the existing agreement, the new owner or new lessee are liable to Brazoria County or any eligible jurisdiction for delinquent taxes or other obligations. Approval shall not be unreasonably withheld.

Abatement may be modified or amended. A modification or amendment, except those that change the commencement date, correct clerical errors, or make administrative changes (including changes to the notification section or the company name) requires approval through public hearing in Commissioners Court.

PROVISIONS REGARDING CITY-INITIATED ABATEMENTS Section 9

(a) This section is applicable to tax abatement applications for property located in a reinvestment zone designated by a city and applications by Applicants who have previously entered into a tax abatement agreement with a city regarding that property.

(b) All provisions of these Guidelines & Criteria are applicable to city-initiated reinvestment zones and abated areas within a city's territorial limits unless otherwise stated herein or provided by law.

(c) An Applicant shall file a tax abatement application on the County's application form together with all attachments and statements described in the application instructions and in subsection (d) herein below.

(d) Upon receipt of a tax abatement application applicable to property within a city-designated reinvestment zone subject to a city's tax abatement agreement, the application shall be reviewed for approval as to (a) correct application form, (b) represented compliance with economic value estimates and employment criteria of Section 2(h) of the Guidelines & Criteria, (c) legal description requirements, (d) attachment of a correct copy of the city's ordinance designating the area as a reinvestment zone and granting abatement and (e) attachment of a correct copy of the fully executed tax abatement agreement between the city and the Applicant.

(e) After review (and subject to approval of the matters in (d) above) and meeting of the TARC, the application will be placed on the next Commissioners Court meeting for consideration. If there are any

compliance problems with the application (including any problems to be resolved or amendments to the application to be made), the County Judge and Precinct Commissioners shall be advised of these compliance problems/matters to be resolved in a memo from the Civil Division-District Attorney's Office. No Application shall be placed on the Agenda if the application fails to attach both the ordinance designating reinvestment zone and the copy of the fully executed tax abatement agreement between the city and the Applicant, or which is deficient as to application form or legal description. In such case the Applicant shall be informed of the necessity of attaching those documents or making necessary corrections, and there will be no further processing of the application until the same are received.

(f) The notice provisions of Section 3(d) are not applicable to an application under this section.

(g) The percentage of property value abated and the term of abatement shall be the same as that stated in the city's tax abatement agreement unless otherwise specifically ordered in the Commissioners Court order granting abatement.

SUNSET PROVISION Section 10

(a) These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by Brazoria County to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed or eliminated, provided that such actions shall not affect existing contracts or applications for tax abatement filed prior to the expiration of said Guidelines and Criteria. Applications for abatement filed prior to the expiration of the Guidelines and Criteria shall be governed by the provisions of these Guidelines and Criteria regardless of any subsequent modification or amendment.

(b) This policy is mutually exclusive of existing Industrial District Contracts and owners of real property in areas deserving of special attention as agreed by the eligible jurisdictions.

(c) These guidelines and policies for Tax Abatement shall be effective June 23, 2020, and shall remain in force until June 23, 2022, unless amended or superseded, modified, renewed, or eliminated by Commissioners Court prior to that date.

ATTACHMENT A

(TO THE BRAZORIA COUNTY GUIDELINES & CRITERIA FOR GRANTING TAX ABATEMENT)

(This form is located at www.brazoria-county.com)

ANNUAL REPORT FORM

ANNUAL REPORT

PURSUANT TO SECTION 5(a)(7) AND 7(e) OF
THE BRAZORIA COUNTY GUIDELINES &
CRITERIA ON TAX ABATEMENT

RE: TAX ABATEMENT AGREEMENT

_____ (Company/Owner Name)

REINVESTMENT ZONE (RZ) NO. _____(Number of RZ, if applicable)

1. Commencement and/or completion date of the contemplated improvements described in the tax abatement agreement.

   Date of commencement of construction: _____

   Date of completion all contemplated improvements: _____

2. Number of permanent employees, contract employees and temporary contract employees currently employed by you at the tax abated facility location or construction site as of the date of this Report. (See definitions below).

   Permanent Employees: _____

   *Permanent Contract Employees _____
   (* List contract employees employed on a full-time, 40 hours per week equivalency basis and who are expected to be employed on a full-time basis for the duration of the abatement period. Do not include temporary contract employees.)

   **Temporary Contract Employees _____
   (**List temporary contract employees who are employed for a temporary period ending prior to expiration of the tax abatement term)

3. Status of construction of the contemplated improvements, percentage of construction completed and Owner's estimate of taxable value of constructed improvements on the date of the Report.

   Percentage of construction completed: _____

   Estimated value of Improvements: _____
   As of_____

4. Status of production of the completed facility and the productive service capacity of the improvements. (*only applicable to a completed facility that has previously commenced production*)

Is the abated facility currently producing the product or similar product described in the tax abatement agreement?	**Check One** ( ) Yes or ( ) No
If the answer to the above question is "No", please state the date or time period when production ceased and attach a narrative explanation of the reason for cessation of production as Attachment B.	_____
If production at this abated facility is shut down, please state the expected date or time period, if any, at which/during which you expect the facility to resume production operations. If you do not expect to resume production at this abated facility, please state "plant closed" in the blank space.	_____
State your estimate of the expected productive life of the abated facility and its improvements as measured from the beginning date of production until the expected permanent cessation of production (*or in other words*, the total number of years, if any, that you expect the abated facility improvements to be in service as part of the operations of a producing facility, including in your total any previous years of production prior to the date of this report.)	_____

5. Include a list of Brazoria County vendors and services that you have used and attach the same as Attachment A to this Report.

Is the list of Brazoria County vendors and services attached?	**Check One** ( ) Yes or ( ) No

To the best of my knowledge, the above information and estimates are true and correct.

Owner: _____

By: _____

Printed Name: _____

Title/Position _____

Date: _____

ATTACHMENT

B

(TO THE BRAZORIA COUNTY GUIDELINES & CRITERIA FOR GRANTING TAX ABATEMENT)
(***This form is located at www.brazoria-county.com***)

REPORT FORM
After the initial term of the
Tax Abatement Agreement

PRODUCTIVE LIFE REPORT
TAX ABATEMENT TERM COMPLETED
PURSUANT TO SECTION 5(a)(8) AND 7(f) OF
THE BRAZORIA COUNTY GUIDELINES &
CRITERIA ON TAX ABATEMENT

RE: TAX ABATEMENT AGREEMENT

_____ (Company/Owner Name)

REINVESTMENT ZONE (RZ) NO. _____(Number of RZ, if applicable)

Effective Date of Tax Abatement:_____

1. Status of production of the completed facility and the productive service capacity of the improvements.

Is the abated facility currently producing the product or similar product described in the tax abatement agreement? **Check One** ( ) Yes or ( ) No

If the answer to the above question is "No", please state the date or time period when production ceased and attach a narrative explanation of the reason for cessation of production as Attachment A. _____

If production at this abated facility is shut down, please state the expected date or time period, if any, at which/during which you expect the facility to resume production operations. If you do not expect to resume production at this abated facility, please state "plant closed" in the blank space. _____

State your estimate of the expected productive life of the abated facility and its improvements as measured from the beginning date of production until the expected permanent cessation of production (*or in other words*, the total number of years, if any, that you expect the abated facility improvements to be in service as part of the operations of a producing facility, including in your total any previous years of production prior to the date of this report.) _____

To the best of my knowledge, the above information and estimates are true and correct.

Owner: _____

By: _____

Printed Name:_____

Title/Position_____

Date: _____

TAB 17

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

See Attached

SECTION 16: Authorized Signatures and Applicant Certification

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

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

1. Authorized School District Representative Signature

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

print here David Hayword — Print Name *(Authorized School District Representative)*

Superintendent — Title

sign here David Hayword — Signature *(Authorized School District Representative)*

5-12-2022 — 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 Collin Brown — Print Name *(Authorized Company Representative (Applicant))*

Vice President — Title

sign here Coll Brown — Signature *(Authorized Company Representative (Applicant))*

5/9/22 — Date

APRIL ANN SMART
Notary Public, State of Texas
Comm. Expires 06-08-2024
Notary ID 132441035

(Notary Seal)

GIVEN under my hand and seal of office this, the

9 day of May, 2022

April Ann Smart

Notary Public in and for the State of Texas

My Commission expires: 06.08.2024

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.