

Spinning Spur Wind Two, LLC
Amended Application for Appraised Value
Limitation on Qualified Property

Presented to:
Vega Independent School District

December 13, 2012



Application for Appraised Value Limitation on Qualified Property

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

Form 50-296
(Revised May 2010)

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 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 original completed application to the Comptroller in a three-ring binder with tabs separating each section of the documents, in addition to an electronic copy on CD. 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, the Comptroller will publish all submitted application materials on its Web site. 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 rules as explained in the Confidentiality Notice below.

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. 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, make a recommendation to the school board regarding the application and prepare an economic impact evaluation 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 before the 151st day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to complete the recommendation, economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's Web site to find out more about the program at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/index.html>. There are links on this Web page to the Chapter 313 statute, rules and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION

Authorized School District Representative		Date application received by district December 13, 2012
First Name Margo	Last Name Knox	
Title Superintendent		
School District Name Vega Independent School District		
Street Address 200 Longhorn Drive		
Mailing Address		
City Vega	State Texas	ZIP 79092
Phone Number 806-267-2123	Fax Number 806-267-2146	
Mobile Number (optional)	E-mail Address margo.knox@region16.net	

I authorize the consultant to provide and obtain information related to this application..... Yes No

Will consultant be primary contact? Yes No



SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name Audie Last Name Sciumbato

Title Attorney

Firm Name Underwood Law Firm

Street Address

Mailing Address P.O. Box 9158

City Amarillo State Texas ZIP 79105

Phone Number 806-364-2626 Fax Number 806-379-0316

Mobile Number (Optional) E-mail Address Audie.Sciumbato@uwlaw.com

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.

Signature (Authorized School District Representative) Mango Knox Date 12-13-12

Has the district determined this application complete? [X] Yes [] No

If yes, date determined complete. 12-13-12

Have you completed the school finance documents required by TAC 9.1054(c)(3)? [] Yes [X] No

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

Table with 4 columns: Checklist, Page X of 16, and Check Completed. Contains 6 rows of checklist items with completion status.

**APPLICANT INFORMATION - CERTIFICATION OF APPLICATION****Authorized Business Representative (Applicant)**

First Name Melissa	Last Name Miller	
Title Vice President, Texas Development		
Organization Cielo Wind Services, Inc.		
Street Address 823 Congress Ave. , Suite 500		
Mailing Address		
City Austin	State Texas	ZIP 78701
Phone Number 512-440-0305	Fax Number 512-440-0277	
Mobile Number (optional) 512-739-0397	Business e-mail Address mmiller@cielowind.com	

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

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

First Name Jeff	Last Name Ghilardi	
Title VP - Transactions		
Organization EDF Renewable Energy		
Street Address 15445 Innovation Dr.		
Mailing Address		
City San Diego	State CA	ZIP 92128
Phone Number 858-521-3579	Fax Number	
Mobile Number (optional)	E-mail Address jeff.ghilardi@edf-re.com	

I authorize the consultant to provide and obtain information related to this application.. Yes No

Will consultant be primary contact? Yes No



APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

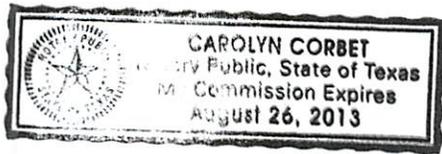
First Name CJ	Last Name Evans	
Title Director		
Firm Name Merit Advisors, L.P.		
Street Address		
Mailing Address 1410 N. Westshore Blvd., Suite111		
City Tampa	State FL	ZIP 33607
Phone Number 813.289.5600	Fax Number 813.289.1213	
Business email Address cjevans@meritac.com		

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 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.

Signature (Authorized Business Representative (Applicant)) 	Date 12/13/12
---	-------------------------

GIVEN under my hand and seal of office this 13th day of December, 2012



(Notary Seal)


 Notary Public, State of Texas

My commission expires _____

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



FEES AND PAYMENTS

Enclosed is proof of application fee paid to the school district.

For the purpose of this question, "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.

Please answer only either A OR B:

A. 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)?

B. 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)?

BUSINESS APPLICANT INFORMATION

Legal Name under which application is made

Spinning Spur Wind Two LLC

Texas Taxpayer I.D. Number of entity subject to Tax Code, Chapter 171 (11 digits)

32043736233

NAICS code

221119

Is the applicant a party to any other Chapter 313 agreements?

If yes, please list name of school district and year of agreement.

Spinning Spur Wind Two LLC plans to enter into a 313 agreement with Adrian ISD, also in Oldham County, Texas for this Project.

APPLICANT BUSINESS STRUCTURE

Registered to do business in Texas with the Texas Secretary of State?

Identify business organization of applicant (corporation, limited liability corporation, etc.)

limited liability corporation

1. Is the applicant a combined group, or comprised of members of a combined group, as defined by Texas Tax Code Chapter 171.0001(7)?

2. Is the applicant current on all tax payments due to the State of Texas?

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas?

If the answer to either question is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (Use attachment if necessary.)



ELIGIBILITY UNDER TAX CODE CHAPTER 313.024

- Are you an entity to which Tax Code, Chapter 171 applies?
The property will be used as an integral part, or as a necessary auxiliary part, in one of the following activities:
(1) manufacturing
(2) research and development.
(3) a clean coal project, as defined by Section 5.001, Water Code
(4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code
(5) renewable energy electric generation
(6) electric power generation using integrated gasification combined cycle technology.
(7) nuclear electric power generation
(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)
Are you requesting that any of the land be classified as qualified investment?
Will any of the proposed qualified investment be leased under a capitalized lease?
Will any of the proposed qualified investment be leased under an operating lease?
Are you including property that is owned by a person other than the applicant?
Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?

PROJECT DESCRIPTION

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. (Use attachments as necessary)
The proposed project will consist of a facility designed to use wind power for electricity generation. (See Attachments for further detailed description.)
Describe the ability of your company to locate or relocate in another state or another region of the state.
The Applicant can locate the Project anywhere in the U.S. with sufficient prevailing wind conditions conducive to power generation. (See Attachments for further detailed description.)

PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

- Checkboxes for: New Jobs, Construct New Facility, New Business / Start-up, Expand Existing Facility, Relocation from Out-of-State, Expansion, Purchase Machinery & Equipment, Consolidation, Relocation within Texas

PROJECTED TIMELINE

Begin Construction May 2013
Begin Hiring New Employees December 2013
Construction Complete December 2013
Fully Operational December 2013
Purchase Machinery & Equipment March - December 2013

Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)?
Note: Improvements made before that time may not be considered qualified property.
When do you anticipate the new buildings or improvements will be placed in service? December 2013



ECONOMIC INCENTIVES

Identify state programs the project will apply for:

State Source	Amount
N/A	N/A
_____	_____
_____	_____
_____	_____
Total	_____

Will other incentives be offered by local units of government? Yes No

Please use the following box for additional details regarding incentives. (Use attachments if necessary.)

The project company plans to enter into a 312 Tax Abatement Agreement with Oldham County.

THE PROPERTY

Identify county or counties in which the proposed project will be located Oldham County, Texas

Central Appraisal District (CAD) that will be responsible for appraising the property Oldham County Central Appraisal District

Will this CAD be acting on behalf of another CAD to appraise this property? Yes No

List all taxing entities that have jurisdiction for the property and the portion of project within each entity

County: Oldham County - 100% City: _____
(Name and percent of project) (Name and percent of project)

Hospital District: _____ Water District: Llano Estacado Water District - 67.99%
(Name and percent of project) (Name and percent of project)

Other (describe): _____ Other (describe): _____
(Name and percent of project) (Name and percent of project)

Is the project located entirely within this ISD? Yes No

If not, please provide additional information on the project scope and size to assist in the economic analysis.

The project, located in Oldham County, Texas, will span two school districts, Vega and Adrian ISDs. See Attachments for further detail.



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 rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's Web site at www.window.state.tx.us/taxinfo/proptax/hb1200/values.html.

At the time of application, what is the estimated minimum qualified investment required for this school district? \$10 million

What is the amount of appraised value limitation for which you are applying? \$10 million

What is your total estimated qualified investment? \$154,000,000

NOTE: See 313.021(1) for full definition. Generally, Qualified Investment is the sum of the investment in tangible personal property and buildings and new improvements made between beginning of the qualifying time period (date of application final approval by the school district) and the end of the second complete tax year.

What is the anticipated date of application approval? February 28, 2013

What is the anticipated date of the beginning of the qualifying time period? March 15, 2013

What is the total estimated investment for this project for the period from the time of application submission to the end of the limitation period? \$154,000,000

Describe the qualified investment.[See 313.021(1).]

Attach the following items to this application:

- (1) a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
(2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment and
(3) a map of the qualified investment showing location of new buildings or new improvements with vicinity map.

Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or 313.053 for rural school districts) for the relevant school district category during the qualifying time period? [X] Yes [] No

Except for new equipment described in Tax Code §151.318(q) or (q-1), is the proposed tangible personal property to be placed in service for the first time:

- (1) in or on the new building or other new improvement for which you are applying? [X] Yes [] No
(2) if not in or on the new building or other new improvement for which you are applying for an appraised value limitation, is the personal property necessary and ancillary to the business conducted in the new building or other new improvement? [X] Yes [] No
(3) on the same parcel of land as the building for which you are applying for an appraised value limitation? [X] Yes [] No

("First placed in service" means the first use of the property by the taxpayer.)

Will the investment in real or personal property you propose be counted toward the minimum qualified investment required by Tax Code §313.023, (or 313.053 for rural school districts) be first placed in service in this state during the applicable qualifying time period? [X] Yes [] No

Does the investment in tangible personal property meet the requirements of Tax Code §313.021(1)? [X] Yes [] No

If the proposed investment includes a building or a permanent, non-removable component of a building, does it house tangible personal property? [X] Yes [] No

QUALIFIED PROPERTY

Describe the qualified property. [See 313.021(2)] (If qualified investment describes qualified property exactly you may skip items (1), (2) and (3) below.)

Attach the following items to this application:

- (1) 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,
(2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your qualified property and
(3) a map of the qualified property showing location of new buildings or new improvements – with vicinity map.

Land

Is the land on which you propose new construction or 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? [X] Yes [] No

If you answered "no" to the question above, what is the anticipated date on which you will submit proof of a reinvestment zone with boundaries encompassing the land on which you propose new construction or improvements?

Will the applicant own the land by the date of agreement execution? [] Yes [X] No

Will the project be on leased land? [X] Yes [] No



QUALIFIED PROPERTY (CONTINUED)

If the land upon which the new building or new improvement is to be built is part of the qualified property described by §313.021(2)(A), please attach complete documentation, including:

- 1. Legal description of the land
2. Each existing appraisal parcel number of the land on which the improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property
3. Owner
4. The current taxable value of the land. Attach estimate if land is part of larger parcel.
5. A detailed map (with a vicinity map) showing the location of the land

Attach a map of the reinvestment zone boundaries, certified to be accurate by either the governmental entity creating the zone, the local appraisal district, or a licensed surveyor. (With vicinity map)

Attach the order, resolution or ordinance establishing the zone, and the guidelines and criteria for creating the zone, if applicable.

Miscellaneous

Is the proposed project a building or new improvement to an existing facility? [] Yes [x] No

Attach a description of any existing improvements and include existing appraisal district account numbers.

List current market value of existing property at site as of most recent tax year. N/A (Market Value) N/A (Tax Year)

Is any of the existing property subject to a value limitation agreement under Tax Code 313? [] Yes [x] No

Will all of the property for which you are requesting an appraised value limitation be free of a tax abatement agreement entered into by a school district for the duration of the limitation? [x] Yes [] No

WAGE AND EMPLOYMENT INFORMATION

What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? None.

The last complete calendar quarter before application review start date is the:

[] First Quarter [] Second Quarter [x] Third Quarter [] Fourth Quarter of 2012 (year)

What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the TWC? None.

Note: For job definitions see TAC §9.1051(14) and Tax Code 313.021(3). If the applicant intends to apply a definition for "new job" other than TAC §9.1051(14)(C), then please provide the definition of "new job" as used in this application. N/A.

Total number of new jobs that will have been created when fully operational 3.

Do you plan to create at least 25 new jobs (at least 10 new jobs for rural school districts) on the land and in connection with the new building or other improvement? [] Yes [x] No

Do you intend to request that the governing body waive the minimum new job creation requirement, as provided under Tax Code §313.025(f-1)? [x] Yes [] No

If you answered "yes" to the question above, attach evidence documenting that the new job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards. Note: Even if a minimum new job waiver is provided, 80% of all new jobs must be qualifying jobs pursuant to Texas Tax Code, §313.024(d).

What is the maximum number of qualifying jobs meeting all criteria of §313.021(3) you are committing to create? 3

If this project creates more than 1,000 new jobs, the minimum required wage for this project is 110% of the average county weekly wage for all jobs as described by 313.021(3)(E)(ii).

If this project creates less than 1,000 new jobs, does this district have territory in a county that meets the demographic characteristics of 313.051(2)? (see table of information showing this district characteristic at http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html)

If yes, the applicant must meet wage standard described in 313.051(b) (110% of the regional average weekly wage for manufacturing)

If no, the applicant shall designate one of the wage standards set out in §§313.021(5)(A) or 313.021(5)(B).



WAGE AND EMPLOYMENT INFORMATION (CONTINUED)

For the following three wage calculations please include on an attachment the four most recent quarters of data for each wage calculation. Show the average and the 110% calculation. Include documentation from TWC Web site. 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 from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(7).

110% of the county average weekly wage for all jobs (all industries) in the county is \$796.58

110% of the county average weekly wage for manufacturing jobs in the county is not available

110% of the county average weekly wage for manufacturing jobs in the region is \$1063.51

Please identify which Tax Code section you are using to estimate the wage standard required for this project:

§313.021(5)(A) or §313.021(5)(B) or §313.021(3)(E)(ii), or §313.051(b)?

What is the estimated minimum required annual wage for each qualifying job based on the qualified property? \$52,371

What is the estimated minimum required annual wage you are committing to pay for each of the qualifying jobs you create on the qualified property? \$52,500

Will 80% of all new jobs created by the owner be qualifying jobs as defined by 313.021(3)? Yes No

Will each qualifying job require at least 1,600 of work a year? Yes No

Will any of the qualifying jobs be jobs transferred from one area of the state to another? Yes No

Will any of the qualifying jobs be retained jobs? Yes No

Will any of the qualifying jobs be created to replace a previous employee? Yes No

Will any required qualifying jobs be filled by employees of contractors? Yes No

If yes, what percent? 66.6%

Does the applicant or contractor of the applicant offer to pay at least 80% of the employee's health insurance premium for each qualifying job? Yes No

Describe each type of benefits to be offered to qualifying jobholders. (Use attachments as necessary.)

Qualified employees of Spinning Spur Wind Two will be offered a full package of benefits. Please see attachment for detailed description.

ECONOMIC IMPACT

Is an Economic Impact Analysis attached (If supplied by other than the Comptroller's office)? Yes No

Is Schedule A completed and signed for all years and attached? Yes No

Is Schedule B completed and signed for all years and attached? Yes No

Is Schedule C (Application) completed and signed for all years and attached? Yes No

Is Schedule D completed and signed for all years and attached? Yes No

Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, please attach a separate schedule showing the amount for each year affected, including an explanation.

CONFIDENTIALITY NOTICE**Property Tax Limitation Agreement Applications
Texas Government Code Chapter 313
Confidential Information Submitted to the Comptroller**

Generally, an application for property tax value limitation, the information provided therein, and documents submitted in support thereof, are considered public information subject to release under the Texas Public Information Act.

There is an exception, outlined below, by which information will be withheld from disclosure.

The Comptroller's office will withhold information from public release if:

- 1) it describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application;
- 2) the information has been segregated in the application from other information in the application; and
- 3) the party requesting confidentiality provides the Comptroller's office a list of the documents for which confidentiality is sought and for each document lists the specific reasons, including any relevant legal authority, stating why the material is believed to be confidential.

All applications and parts of applications which are not segregated and marked as confidential as outlined above will be considered public information and will be posted on the internet.

Such information properly identified as confidential will be withheld from public release unless and until the governing body of the school district acts on the application, or we are directed to do so by a ruling from the Attorney General.

Other information in the custody of a school district or the comptroller submitted in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Texas Tax Code, Chapter 313, such as

the nature and amount of the projected investment, employment, wages, and benefits, will not be considered confidential business information and will be posted on the internet.

All documents submitted to the Comptroller, as well as all information in the application once the school district acts thereon, are subject to public release unless specific parts of the application or documents submitted with the application are identified as confidential. Any person seeking to limit disclosure of such submitted records is advised to consult with their legal counsel regarding disclosure issues and also to take the appropriate precautions to safeguard copyrighted material, trade secrets, or any other proprietary information. The Comptroller assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by respondents. A person seeking to limit disclosure of information must submit in writing specific detailed reasons, including any relevant legal authority, stating why that person believes the material to be confidential.

The following outlines how the Comptroller's office will handle requests for information submitted under the Texas Public Information Act for application portions and submitted records appropriately identified as confidential.

- This office shall forward the request for records and a copy of the documents at issue to the Texas Attorney General's office for an opinion on whether such information may be withheld from disclosure under the Texas Public Information Act.
- The Comptroller will notify the person who submitted the application/documents when the information is forwarded to the Attorney General's office.
- Please be aware that this Office is obligated to comply with an Attorney General's decision, including release of information ruled public even if it was marked confidential.



COMPANY CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Certification pages signed and dated by Authorized Business Representative (applicant)	4 of 16	✓
2	Proof of Payment of Application Fee (Attachment)	5 of 16	✓
3	For applicant members, documentation of Combined Group membership under Texas Tax Code 171.0001(7) (if Applicable) (Attachment)	5 of 16	✓
4	Detailed description of the project	6 of 16	✓
5	If project is located in more than one district, name other districts and list percentage in each district (Attachment)	7 of 16	✓
6	Description of Qualified Investment (Attachment)	8 of 16	✓
7	Map of qualified investment showing location of new buildings or new improvements with vicinity map.	8 of 16	✓
8	Description of Qualified Property (Attachment)	8 of 16	✓
9	Map of qualified property showing location of new buildings or new improvements with vicinity map	8 of 16	✓
10	Description of Land (Attachment)	9 of 16	✓
11	A detailed map showing location of the land with vicinity map.	9 of 16	✓
12	A description of all existing (if any) improvements (Attachment)	9 of 16	✓
13	Request for Waiver of Job Creation Requirement (if applicable) (Attachment)	9 of 16	✓
14	Calculation of three possible wage requirements with TWC documentation. (Attachment)	10 of 16	✓
15	Description of Benefits	10 of 16	✓
16	Economic Impact (if applicable)	10 of 16	✓
17	Schedule A completed and signed	13 of 16	✓
18	Schedule B completed and signed	14 of 16	✓
19	Schedule C (Application) completed and signed	15 of 16	✓
20	Schedule D completed and signed	16 of 16	✓
21	Map of Reinvestment Zone (Attachment) (Showing the actual or proposed boundaries and size, Certified to be accurate by either the government entity creating the zone, the local appraisal district, or a licensed surveyor, with vicinity map)*	9 of 16	✓
22	Order, Resolution, or Ordinance Establishing the Zone (Attachment)*	9 of 16	✓
23	Legal Description of Reinvestment Zone (Attachment)*	9 of 16	✓
24	Guidelines and Criteria for Reinvestment Zone(Attachment)*	9 of 16	✓

*To be submitted with application or before date of final application approval by school board.



APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

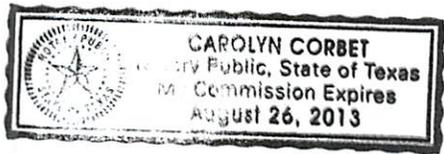
First Name CJ	Last Name Evans	
Title Director		
Firm Name Merit Advisors, L.P.		
Street Address		
Mailing Address 1410 N. Westshore Blvd., Suite111		
City Tampa	State FL	ZIP 33607
Phone Number 813.289.5600	Fax Number 813.289.1213	
Business email Address cjevans@meritac.com		

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 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.

Signature (Authorized Business Representative (Applicant)) 	Date 12/13/12
---	-------------------------

GIVEN under my hand and seal of office this 13th day of December, 2012



(Notary Seal)


 Notary Public, State of Texas

My commission expires _____

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

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)*

CHECKLIST ITEM 3

Page 5 - APPLICANT BUSINESS STRUCTURE – DOCUMENTATION OF THE COMBINED GROUP MEMBERSHIP & CONTACT INFORMATION:

- 1) Spinning Spur Wind Two LLC, a Texas limited liability company was formed March 3, 2011.

- 2) Spinning Spur Wind Two LLC is part of the Combined Group State of Texas tax return for Member b (ii) below the calendar year 2012 and that report will be submitted to the State of Texas on May 15, 2013.
 - a. Spinning Spur Wind Two LLC
Texas Tax Payer 32043736233

 - b. Spinning Spur Wind Two LLC has two Members:
 - i. Cielo Spinning Spur Two Limited LLC - 49%
Texas Tax Payer #32043736191
 - ii. EDF Renewable Development, Inc. – 51%
Company ID: 900072316

- 3) Contact information for Spinning Spur Wind Two LLC is as follows:
Contact: Jeff Ghiladi
Address: 15445 Innovation Dr., San Diego, CA 92128
Phone: 858-521-3579

CHECKLIST ITEM 4

Page 6 - PROJECT DESCRIPTION:

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. (Use attachments as necessary)

The proposed project will consist of a facility designed to use wind power for electricity generation. The project, located in Oldham County, Texas, will span two school districts, Vega and Adrian ISDs.

Applicant plans to build the project during 2013 with approximately \$154 million of \$205 million invested in Vega ISD, including 51 of the 70 wind turbine generators to be located in Vega ISD. Additionally, there will be approximately 18 miles of transmission line in Vega ISD, and approximately 27 miles outside of Vega ISD for interconnecting the project at Potter Substation in Potter County, Texas.

All of the property for which the Applicant is seeking a limitation of appraised value will be owned by the Applicant, Spinning Spur Wind Two, LLC.

Describe the ability of your company to locate or relocate in another state or another region of the state.

The Applicant can locate the Project anywhere in the U.S. with sufficient prevailing wind conditions conducive to power generation.

CHECKLIST ITEM 5

Applicant plans to invest approximately \$154 million of the \$205 million total investment in Vega ISD. Fifty-one of the seventy planned wind turbine generators will be located in Vega ISD. The remaining wind turbine generators and investment will be in Adrian ISD.

CHECK LIST ITEM 6

Page 8 - INVESTMENT:

Describe the qualified investment. [See 313.021(1).]

Attach a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 and a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment.

The Applicant is requesting an appraised value limitation on all of the property constructed or placed upon the real property described and shown on Exhibit A within Vega ISD, which is located in Oldham, County. The property for which the Applicant is requesting an appraised value limitation shall include, but is not limited to, the following: 51 Siemens 2.3 MW wind turbine towers to generate 117.3 megawatts of power; 51 reinforced concrete foundations supporting the weight of each turbine tower; 51 electric power transformers; electric poles and conductor cables used to transport electricity from each turbine tower to an electrical substation; a substation and approximately 18 miles of 345kV transmission line used to transport the electricity off the project site; and an Operations and Maintenance building for an onsite office, and to house maintenance supplies, replacement parts and other miscellaneous related equipment.

Note: The Qualified Investment description is the same as the Qualified Property.

Attach a map of the qualified investment showing location of new buildings or new improvements with vicinity map – SEE CONFIDENTIAL MAP

Please see attached map. The locations of the turbines are not finalized due to micro-siting, but the representation of the number of turbines within the District will remain the same.

CHECKLIST ITEM 7

Map of Qualified Investment - CONFIDENTIAL

CHECKLIST ITEM 8

Page 8 – QUALIFIED PROPERTY

See Attachment 6. The Qualified Property description is the same as the Qualified Investment.

CHECKLIST ITEM 9

Map of Qualified Property

Please refer to Attachment 7 for a Map of the Qualified Property

CHECKLIST ITEM 10

Description of Land – Not applicable.

CHECKLIST ITEM 11

Location of land with vicinity map - CONFIDENTIAL.

CHECKLIST ITEM 12

Description of Existing Improvements – Not Applicable.

CHECKLIST ITEM 13

December 12, 2012

Ms. Margo Knox, Superintendent
Vega Independent School District
200 Longhorn Dr
Vega, Texas 79092

Re: Chapter 313 Job Waiver Request

Dear Ms. Knox,

This letter is to advise you that Spinning Spur Wind LLC is amending its Chapter 313 Application for Appraised Value Limitation on Qualified Property by requesting a waiver of the requirement to create ten full time jobs. House Bill 1470 altered the jobs requirement by adding Section 313.025 (f-l) to permit a school district's board of trustees to make a finding that the job requirement could be waived if the job requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

Spinning Spur Wind LLC requests that the Vega ISD's Board of Trustees make such a finding and waive the job creation requirement for ten (10) permanent jobs. Based on the industry standard, the size and scope of this project will require five (5) permanent jobs, of which three (3) will be in Vega ISD and two (2) will be in Adrian ISD.

As background information on the creation of full-time jobs by a wind projects, wind projects create a large number of full-time, temporary jobs during the construction phase (1st year), but require a small number of highly skilled technicians to operate a wind project once construction operations cease and commercial operations start.

The permanent employees of a wind project maintain and service wind turbines, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the Project. The industry standard for permanent employment is one full-time employee for every fifteen-twenty (15 - 20) turbines, although this number varies depending on the turbines selected as well as the support and technical assistance offered by the turbine manufacturer. In addition to the onsite employees described above, there may be asset managers or technicians who supervise, monitor, and support wind project operations from offsite locations.

Sincerely,

Melissa Miller
VP, Texas Development

CHECKLIST ITEM 14

Page 9 - WAGE & EMPLOYMENT INFORMATION:

Job Waiver

In accordance with HB 1470, the Applicant is requesting a waiver of the statutory jobs requirement in lieu of providing 10 qualified jobs for the facility's operation. The qualified jobs established exceeds the standard we believe necessary to operate the facility, which is one (1) employee for every fifteen-twenty (15-20) operating turbines. As the project will require 5 total jobs, there are 3 jobs planned for Vega ISD and 2 jobs planned in Adrian ISD.

A letter to Adrian ISD Superintendent Mike Norrell has been included requesting a job waiver, see attached.

Calculation of Wage Requirements – Oldham County

110% of County Average Weekly Wage for ALL Jobs:

2012	Q1	\$776
2012	Q2	\$853
2011	Q1	\$625
2011	Q2	\$731
2011	Q3	\$706
<u>2011</u>	<u>Q4</u>	<u>\$654</u>

Total: $\$4345/6 = \724.17 average weekly salary x 1.1% = **\$796.58**

(*note – no data for Oldham County 2011 Manufacturing)

110% of County Average Weekly Wage for MANUFACTURING Jobs in Panhandle Region:

2012	Q1	\$996
2012	Q2	\$972
2011	Q1	\$937
2011	Q2	\$931
2011	Q3	\$995
<u>2011</u>	<u>Q4</u>	<u>\$970</u>

Total: $\$5801/6 = \966.83 average weekly salary x 1.1% = **\$1063.51**

The Panhandle Regional Planning Commission 2011 Manufacturing by Council of Government Region Wages for All Occupations was: $\$47,610 \times 1.1\% = \$52,371$.

Describe each type of benefits to be offered to qualifying jobholders.

Qualified employees of Spinning Spur Wind Two will be offered a full package of benefits including medical, dental and vision insurance, of which at least 80% of the premiums for the employee will be paid by the LLC. In addition, each qualifying employee will receive area wide competitive vacation time, sick leave, and skills training.

**2011 Manufacturing Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$22.89	\$47,610
*1. Panhandle Regional Planning Commission	\$19.32	\$40,196
2. South Plains Association of Governments	\$16.45	\$34,210
3. NORTEX Regional Planning Commission	\$18.14	\$37,733
4. North Central Texas Council of Governments	\$24.03	\$49,986
5. Ark-Tex Council of Governments	\$16.52	\$34,366
6. East Texas Council of Governments	\$18.27	\$37,995
7. West Central Texas Council of Governments	\$17.76	\$36,949
8. Rio Grande Council of Governments	\$15.69	\$32,635
9. Permian Basin Regional Planning Commission	\$21.32	\$44,349
10. Concho Valley Council of Governments	\$15.92	\$33,123
11. Heart of Texas Council of Governments	\$18.82	\$39,150
12. Capital Area Council of Governments	\$26.46	\$55,047
13. Brazos Valley Council of Governments	\$15.71	\$33,718
14. Deep East Texas Council of Governments	\$15.48	\$32,207
15. South East Texas Regional Planning Commission	\$28.23	\$58,724
16. Houston-Galveston Area Council	\$25.82	\$53,711
17. Golden Crescent Regional Planning Commission	\$20.38	\$42,391
18. Alamo Area Council of Governments	\$18.00	\$37,439
19. South Texas Development Council	\$13.85	\$28,806
20. Coastal Bend Council of Governments	\$22.35	\$46,489
21. Lower Rio Grande Valley Development Council	\$15.08	\$31,365
22. Texoma Council of Governments	\$20.76	\$43,190
23. Central Texas Council of Governments	\$16.17	\$33,642
24. Middle Rio Grande Development Council	\$13.65	\$28,382

Source: Texas Occupational Employment and Wages

Data published: July 2012

Data published annually, next update will be summer 2013

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2012	1st Qtr	Panhandle WDA	Private	31	2	31-33	Manufacturing	\$996
2012	2nd Qtr	Panhandle WDA	Private	31	2	31-33	Manufacturing	\$972

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2011	1st Qtr	Panhandle WDA	Private	31	2	31-33	Manufacturing	\$937
2011	2nd Qtr	Panhandle WDA	Private	31	2	31-33	Manufacturing	\$931
2011	3rd Qtr	Panhandle WDA	Private	31	2	31-33	Manufacturing	\$995
2011	4th Qtr	Panhandle WDA	Private	31	2	31-33	Manufacturing	\$970

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2012	1st Qtr	Oldham County	Private	00	0	10	Total, All Industries	\$776
2012	2nd Qtr	Oldham County	Private	00	0	10	Total, All Industries	\$853

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2011	1st Qtr	Oldham County	Private	00	0	10	Total, All Industries	\$625
2011	2nd Qtr	Oldham County	Private	00	0	10	Total, All Industries	\$731
2011	3rd Qtr	Oldham County	Private	00	0	10	Total, All Industries	\$706
2011	4th Qtr	Oldham County	Private	00	0	10	Total, All Industries	\$654

CHECKLIST ITEM 15

Description of Benefits

Qualified employees of Spinning Spur Wind Two will be offered a full package of benefits including medical, dental and vision insurance, of which at least 80% of the premiums for the employee will be paid by the LLC. In addition, each qualifying employee will receive area wide competitive vacation time, sick leave, and skills training.

CHECKLIST ITEM 16

Economic Impact – Not applicable.

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: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying Investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)		2013-2014	2013	\$0	\$0		\$0	\$0
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)		2013-2014	2013	\$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 (qualified investment and eligible to become qualified property)		2013-2014	2013	\$153,100,000	\$900,000	\$154,000,000	\$0	\$154,000,000
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	Complete tax years of qualifying time period	1	2014-2015	2014				\$0
		2	2015-2016	2015				\$0	
		3	2016-2017	2016				\$0	
		4	2017-2018	2017				\$0	
		5	2018-2019	2018				\$0	
		6	2019-2020	2019				\$0	
		7	2020-2021	2020				\$0	
		8	2021-2022	2021				\$0	
		9	2022-2023	2022				\$0	
		10	2023-2024	2023				\$0	
Credit Settle-Up Period	Continue to Maintain Viable Presence		11	2024-2025	2024				\$0
			12	2025-2026	2025				\$0
			13	2026-2027	2026				\$0
	Post- Settle-Up Period		14	2027-2028	2027				\$0
	Post- Settle-Up Period		15	2028-2029	2028				\$0

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.

[For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property].

Column B: Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period. The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).

For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

Column D: Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value-for planning, construction and operation of the facility. The most significant example for many projects would be land. Other examples may be items such as professional services, etc.

Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed.

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

December 13, 2012

DATE

					Qualified Property			Reductions from Market Value	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 building or "in or on the new improvement"	Exempted Value	Final taxable value for I&S - after all reductions	Final taxable value for M&O--after all reductions	
		pre- year 1	2013-2014	2013	N/A	\$0	\$0	\$0			
Complete tax years of qualifying time period		1	2014-2015	2014	N/A	\$866,700	\$147,435,300	\$0	\$148,302,000	\$148,302,000	
		2	2015-2016	2015	N/A	\$805,884	\$137,089,765	\$0	\$137,895,649	\$137,895,649	
Tax Credit Period (with 50% cap on credit)		Value Limitation Period	3	2016-2017	2016	N/A	\$777,135	\$132,199,336	\$10,000,000	\$132,976,471	\$10,000,000
			4	2017-2018	2017	N/A	\$748,387	\$127,308,907	\$10,000,000	\$128,057,294	\$10,000,000
			5	2018-2019	2018	N/A	\$719,638	\$122,418,478	\$10,000,000	\$123,138,117	\$10,000,000
			6	2019-2020	2019	N/A	\$690,890	\$117,528,049	\$10,000,000	\$118,218,939	\$10,000,000
			7	2020-2021	2020	N/A	\$662,141	\$112,637,620	\$10,000,000	\$113,299,762	\$10,000,000
			8	2021-2022	2021	N/A	\$633,393	\$107,747,192	\$10,000,000	\$108,380,585	\$10,000,000
			9	2022-2023	2022	N/A	\$604,645	\$102,856,763	\$10,000,000	\$103,461,407	\$10,000,000
			10	2023-2024	2023	N/A	\$604,645	\$102,856,763	\$10,000,000	\$103,461,407	\$10,000,000
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2024-2025	2024	N/A	\$547,148	\$93,075,905	\$0	\$93,623,053	\$93,623,053	
		12	2025-2026	2025	N/A	\$518,399	\$88,185,476	\$0	\$88,703,875	\$88,703,875	
		13	2026-2027	2026	N/A	\$489,651	\$83,295,047	\$0	\$83,784,698	\$83,784,698	
Post- Settle-Up Period		14	2027-2028	2027	N/A	\$460,902	\$78,404,618	\$0	\$78,865,521	\$78,865,521	
Post- Settle-Up Period		15	2028-2029	2028	N/A	\$432,154	\$73,514,189	\$0	\$73,946,343	\$73,946,343	

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

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

December 13, 2012

DATE

Schedule C- Application: Employment Information

Applicant Name Spinning Spur II LLC
ISD Name Vega ISD

Form 50-296

		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs		
					Column A: Number of Construction FTE's or man-hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs	
		pre- year 1	2013-2014	2013	150	\$52,500	0	\$0	0	\$0	
	Complete tax years of qualifying time period	1	2014-2015	2014	0	\$0	3	\$52,500	3	\$52,500	
		2	2015-2016	2015	0	\$0	3	\$52,500	3	\$52,500	
	Value Limitation Period	3	2016-2017	2016	0	\$0	3	\$52,500	3	\$52,500	
		4	2017-2018	2017	0	\$0	3	\$52,500	3	\$52,500	
		5	2018-2019	2018	0	\$0	3	\$52,500	3	\$52,500	
		6	2019-2020	2019	0	\$0	3	\$52,500	3	\$52,500	
		7	2020-2021	2020	0	\$0	3	\$52,500	3	\$52,500	
		8	2021-2022	2021	0	\$0	3	\$52,500	3	\$52,500	
		9	2022-2023	2022	0	\$0	3	\$52,500	3	\$52,500	
		10	2023-2024	2023	0	\$0	3	\$52,500	3	\$52,500	
	Credit Settle-Up Period	11	2024-2025	2024	0	\$0	3	\$52,500	3	\$52,500	
		12	2025-2026	2025	0	\$0	3	\$52,500	3	\$52,500	
		13	2026-2027	2026	0	\$0	3	\$52,500	3	\$52,500	
	Post- Settle-Up Period		14	2027-2028	2027	0	\$0	3	\$52,500	3	\$52,500
	Post- Settle-Up Period		15	2028-2029	2028	0	\$0	3	\$52,500	3	\$52,500

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

Melissa Miller

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

December 13, 2012

DATE

Applicant Name

Spinning Spur II LLC

ISD Name

Vega ISD

Form 50-296

					Sales Tax Information		Franchise Tax	Other Property Tax Abatements Sought			
					Sales Taxable Expenditures		Franchise Tax	County	City	Hospital	Other
		Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement
1	the year preceding the first complete year of the qualifying time period (assuming no deferrals)		2013-2014	2013	\$148,525,000	\$5,475,000					
	Complete tax years of qualifying time period	1	2014-2015	2014			\$0	100%			
		2	2015-2016	2015			\$0	100%			
Tax Credit period (with 0% cap on credit)	Value Limitation Period	3	2016-2017	2016			\$118,800	100%			
		4	2017-2018	2017			\$122,400	100%			
		5	2018-2019	2018			\$126,000	100%			
		6	2019-2020	2019			\$130,320	100%			
		7	2020-2021	2020			\$113,760	100%			
		8	2021-2022	2021			\$137,520	100%			
		9	2022-2023	2022			\$141,120	100%			
Credit Settle-Up Period	Continue to Maintain Viable Presence	10	2023-2024	2023			\$145,440	100%			
		11	2024-2025	2024			\$149,040				
		12	2025-2026	2025			\$147,600				
		13	2026-2027	2026			\$151,920				
	Post- Settle-Up Period	14	2027-2028	2027			\$156,960				
	Post- Settle-Up Period	15	2028-2029	2028			\$161,280				

for planning, construction and operation of the facility.


 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

December 13, 2012
 DATE

CHECKLIST ITEM 21

Map of Reinvestment Zone.

CHECKLIST ITEM 22

Resolution establishing Reinvestment Zone.

COPY

**RESOLUTION OF THE COMMISSIONERS COURT
OF OLDHAM COUNTY, TEXAS
DESIGNATING OLDHAM REINVESTMENT ZONE #3**

A RESOLUTION DESIGNATING A CERTAIN AREA AS A REINVESTMENT ZONE FOR A COMMERCIAL/INDUSTRIAL TAX ABATEMENT IN OLDHAM COUNTY, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Commissioners Court of Oldham County, Texas desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Property Tax Code § 312.001, *et seq.*), and the Guidelines and Criteria of the Commissioners Court of Oldham County for Granting a Tax Abatement in Reinvestment Zone Created in Oldham County, Texas (the "Guidelines"); and

WHEREAS, on December 13, 2010, a hearing before the Commissioners Court of Oldham County, Texas was held, such date being at least seven (7) days after the date of publication of the notice of such public hearing in the local newspaper of general circulation in Oldham County and the delivery of written notice to the respective presiding officers of each taxing entity that includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

WHEREAS, the Commissioners Court of Oldham County, Texas at such public hearing invited any interested person to appear and speak for or against the creation of the reinvestment zone and whether all or part of the territory described should be included in the proposed reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone and opponents, if any, of the reinvestment zone appeared to contest the creation of the reinvestment zone.

BE IT RESOLVED BY THE COMMISSIONERS COURT OF OLDHAM COUNTY, TEXAS:

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the Commissioners Court of Oldham County, Texas, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on adoption of the reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and
- (b) That the boundaries of the reinvestment zone should be the area described in the attached Exhibit "A" and depicted in the map attached hereto as Exhibit "B", which are incorporated herein by reference for all purposes. In the event of discrepancy between the descriptions of Exhibit "A" and map in Exhibit "B", the map shall control; and,
- (c) That creation of the reinvestment zone will result in benefits to Oldham County, Texas and to land included in the zone and that the improvements sought are feasible and practical; and
- (d) The reinvestment zone meets the criteria set forth in Texas Property Tax Code Chapter 312 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property and that would contribute to the economic development of Oldham County, Texas, and that the entire tract of land is located entirely within an unincorporated area of Oldham County, Texas.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, Oldham County Commissioner's Court hereby creates Oldham Reinvestment Zone #3, a reinvestment zone for commercial-industrial tax abatement encompassing only the area described in Exhibit "A" and depicted in Exhibit "B", and such reinvestment zone is hereby designated and shall hereafter be referred to as Oldham Reinvestment Zone #3.

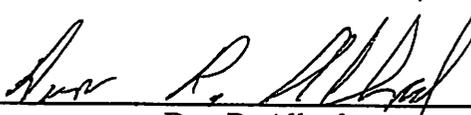
SECTION 4. That Oldham Reinvestment Zone #3 shall take effect on DEC. 19, 2010 and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation, and may be renewed for an additional five (5) year period thereafter.

SECTION 5. That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

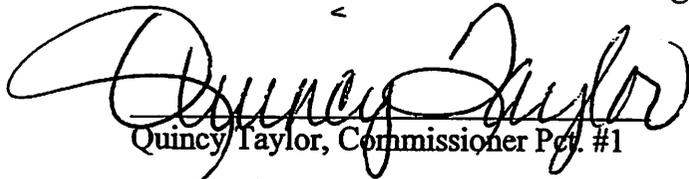
SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject, of the meeting of the Oldham County Commissioners Court at which this Resolution was adopted was posted at a place convenient and readily accessible at all times as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of general

circulation within the County, and furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this the 13th day of December, 2010.



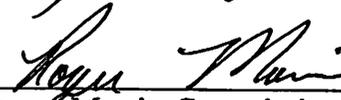
Don R. Allred
County Judge



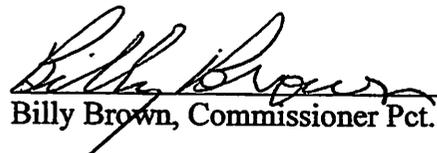
Quincy Taylor, Commissioner Pct. #1



Donnie Knox, Commissioner Pct. #2



Roger Morris, Commissioner Pct. #3



Billy Brown, Commissioner Pct. #4



Becky Groneman, County Clerk

[COUNTY SEAL]

**EXHIBIT A
LEGAL DESCRIPTION OF
OLDHAM REINVESTMENT ZONE #3**

Oldham Reinvestment Zone #3 is comprised of the following parcels. In the event of discrepancy between this Exhibit "A" and the attached map in Exhibit "B", the map in Exhibit "B" shall control.

All of Sections 326, 327, 328, 330, 333 ½, 334, and 335, Blk CL, Capitol Lands, Oldham County, Texas

The S/2 of Section 331, Blk CL, Capitol Lands, Oldham County, Texas, consisting of 2753.6 acres, more or less

The S/2 of Section 332, Blk CL, Capitol Lands, Oldham County, Texas, consisting of 2214.2 acres, more or less

That portion of Section 1, Blk B, CD Batson Survey, Oldham County, Texas lying north of Interstate 40

That portion of Section 1, Blk B1, JM Neely Survey, Oldham County, Texas lying north of Interstate 40

All of Sections 17, 18, 19, 20, 21, 22, 23, 32, 33, 39, 40, 41, 42, 43, and 44, Blk H1, TTRR Survey, Oldham County, Texas

Those portions of Sections 24, 25, 27, 28, 29, 30, and 31, Blk H1, TTRR Survey, Oldham County, Texas lying north of Interstate 40

Those portions of Sections 12, 34, 53, and 54, Blk H1, TTRR Survey, Oldham County, Texas lying west of US Hwy 385

All of Sections 2, 3, 4, 5, 6, 7, 8, 9, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, and 32, Blk H2, Landergin Brothers Ranch Subdivision, Oldham County, Texas

Those portions of Sections 10, 11, and 12, Blk H2, Landergin Brothers Ranch Subdivision, Oldham County, Texas lying west of US Hwy 385

All of Sections 1, 2, 3, 4, 5, and 6, Blk H2, GC & SF Survey, Oldham County, Texas

All of Sections 45 and 46, Blk H1, GC & SF Survey, Oldham County, Texas

Those portions of Sections 12, 38, 41, 64, and 67, Blk K11, GC & SF Survey, Oldham County, Texas lying north of Interstate 40

All of Sections 13, 14, 39, 40, 65, 66, 103, 104, and 105, Blk K11, GC & SF Survey, Oldham County, Texas

All of Section 1, Blk L A-922, Oldham County, Texas

All of Sections 14, 15, 25, 26, 33, 34, 41, 42, 49, 53, and 54, Blk S, GC & SF Survey, Oldham County, Texas

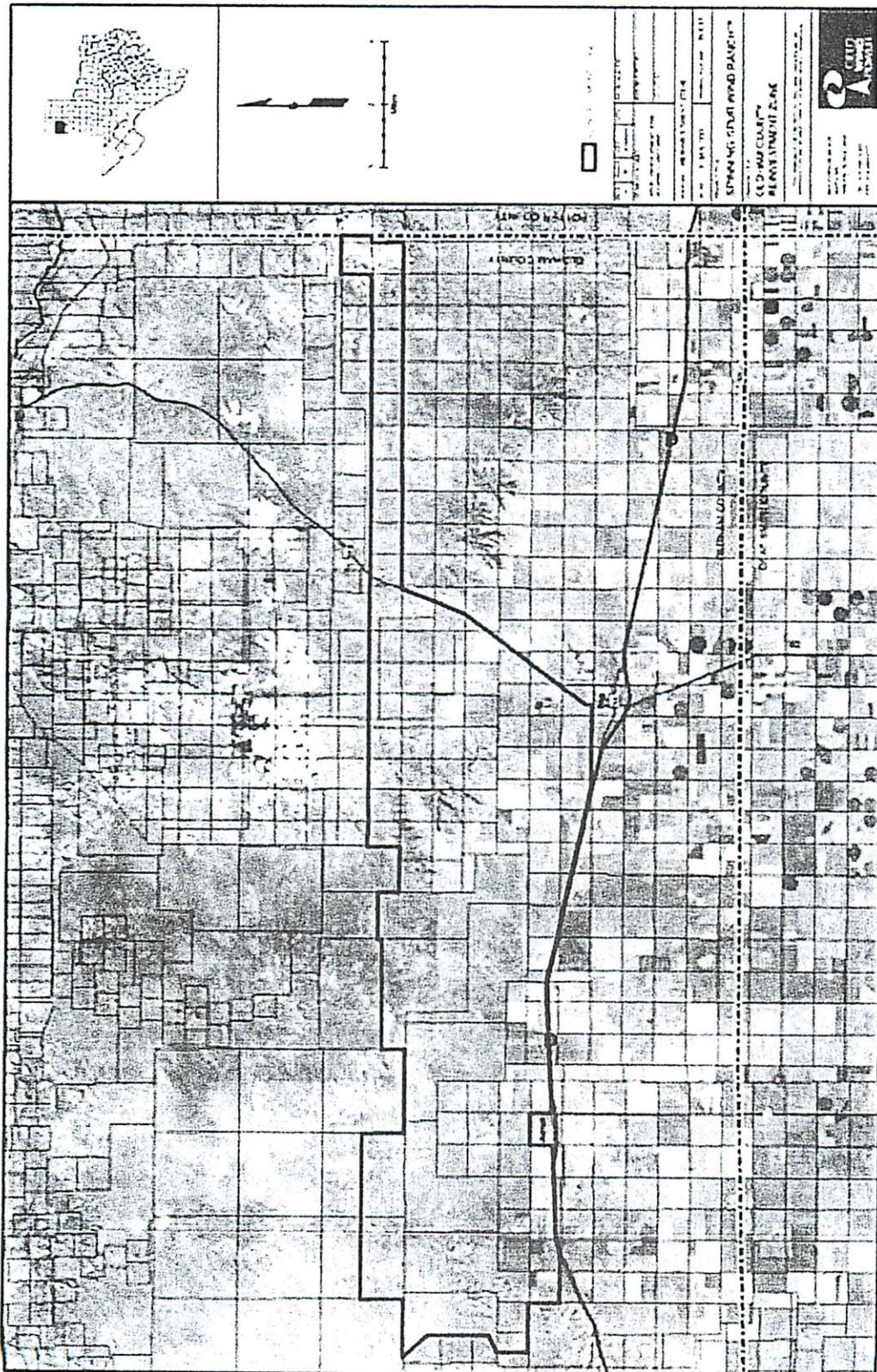
Those portions of Sections 37 and 38, Blk S, GC & SF Survey, Oldham County, Texas lying west of US Hwy 385

All of Sections 20 and 21, Blk M19, G & M Survey, Oldham County, Texas

All of Sections 1 and 6, Gregg County School Land, Oldham County, Texas

Those portions of Sections 2, 5, and 7, Gregg County School Land, Oldham County, Texas lying north of Interstate 40

EXHIBIT "B"
MAP OF
OLDHAM REINVESTMENT ZONE #3



Attachment B

LOCAL SPENDING AND SUPPORT PLAN

- A. In connection with the construction and operation of the Improvements in Oldham County (the "Project"), Spinning Spur Wind LLC ("Owner") and the Owner's prime contractor(s) ("Prime Contractor(s)") responsible for overseeing construction and/or operation of the Improvements will invest at least one million dollars (\$1,000,000) by using commercially reasonable efforts to use services, materials, and supplies purchased from Oldham County individuals and businesses, provided that nothing in this paragraph shall require Owner or the Prime Contractor(s) to use services, materials and supplies provided by Oldham County residents that are not: (i) of similar quality to those provided by nonresidents; or (ii) made available on terms and/or at prices comparable to those offered by nonresidents. Within ninety (90) days following completion of physical construction of the Project, Owner shall provide the County with a written project summary of the investment showing its compliance with the requirement set forth in this Local Spending and Support Plan.
- B. In no event shall Owner or the Prime Contractor discriminate against Oldham County residents in employment or in the purchase of goods and services.
- C. In filling employment vacancies in connection with the Project, Owner and the Prime Contractor(s) will use commercially reasonable efforts to use Oldham County labor, provided that nothing in this paragraph shall require Owner or the Prime Contractor to employ Oldham County residents who are not: (i) equally or more qualified than nonresident applicants; or (ii) available for employment on terms and/or at salaries comparable to those required by nonresident applicants.
- D. Owner or the Prime Contractor shall designate a Coordinator of Local Hiring and Services who will act as a liaison between all contractors and any individual or business residing in Oldham County who is interested in obtaining information about (1) employment, or (2) commercial services or supplies expected to be purchased by a contractor.
- E. Owner or the Prime Contractor shall hold a job and contracting information session prior to beginning physical construction of the project at which information will be provided regarding the construction and hiring needs of the Project. Such information also will be provided on a continuing basis through the Coordinator of Local Hiring and Services.
- F. For every year during the Term after the construction of the Improvements has been completed, Owner, its contractors and/or affiliates will collectively employ at least five (5) full time employees.

CHECKLIST ITEM 23

Legal Description of Reinvestment Zone.

**EXHIBIT A
LEGAL DESCRIPTION OF
OLDHAM REINVESTMENT ZONE #3**

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CHECKLIST ITEM 24

Guidelines and Criteria for Reinvestment Zone.

Resolution 02-13-12-01

GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN REINVESTMENT ZONES CREATED IN THE JURISDICTION OF OLDHAM COUNTY, TEXAS.

WHEREAS, the creation and retention of job opportunities that bring new wealth is one of the highest civic priorities; and,

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

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

WHEREAS, any tax incentives offered in Oldham County would reduce needed tax revenue unless these tax incentives are 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 primary jobs in industries that bring in money from outside a community instead of merely recirculation dollars within a community, has been shown to be an effective method of enhancing and diversifying an area's economy; and,

WHEREAS, Texas law requires any eligible taxing jurisdiction to establish guidelines and criteria as to eligibility for tax abatement agreements prior to the granting of any future tax abatement, which guidelines and criteria are to remain unchanged for a two-year period unless amended by a three fourths ($\frac{3}{4}$) majority vote of the governing body, as provided by said state law; and,

WHEREAS, these guidelines and criteria shall not be constructed as implying or suggesting that the County of Oldham, or any other taxing jurisdiction, is under any obligation to provide tax abatement or other incentives to any applicant, and all applicants shall be considered on a case-by-case basis; and,

WHEREAS, these guidelines and criteria are approved for circulation to all affected taxing jurisdiction for consideration as a common policy for all jurisdictions that choose to participate in tax abatement agreements;

NOW THEREFORE BE IT RESOLVED THAT, said guidelines and criteria are as follows:

Sec. 1. Definitions

(a) "Abatement" means the full or partial exemption from ad valorem taxes of certain real property, and certain personal property, in a reinvestment zone designated by the County of Oldham for economic development purposes.

(b) "Affected jurisdiction" means the County of Oldham, and any other taxing jurisdiction with any substantial parts of its area located in Oldham County; and that levies ad valorem taxes and provides services to property located in said County; and that chooses to participate in tax abatement agreements by, or pursuant to, these guidelines.

- (c) "Agreement" means a contractual agreement between a property owner or lessee, or both, and an affected jurisdiction for the purposes of tax abatement.
- (d) "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.
- (e) "Deferred maintenance" means improvements necessary for continued operations that do not improve productivity or alter the process technology.
- (f) "Distribution Center Facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, primarily to receive, store, service, or distribute goods or materials owned by the facility operator.
- (g) "Expansion" means the addition of permanent building and structures, fixed machinery and equipment for purposes of increasing production capacity.
- (h) "Facility" means property improvements completed or in the process of construction that together comprise and integral whole.
- (i) "Manufacturing Facility" means permanent buildings and structures, including fixed 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.
- (j) "Modernization" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of permanent buildings and structures, alteration, or installation of permanent buildings and structures, fixed machinery and equipment. Modernization shall include improvements for the purposes of increasing productivity or updating the technology of machinery or equipment or both.
- (k) "New Facility" means a property previously undeveloped that is placed into service by means other than by, or in conjunction with, expansion or modernization.
- (l) "Other basic industry" means permanent buildings and structures, including fixed machinery and equipment not elsewhere described, used or to be used, for the production of products or services that primarily serve a market that result in the creation of new permanent jobs, and that bring in new wealth.
- (m) "Productive life" means the number of years a property improvement is expected to be in service in a facility.
- (n) "Regional entertainment facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment through the admission of the general public.

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

(p) "Regional service facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, to service goods.

(q) "Renewable Energy Resource" means a resource which produces energy derived from renewable energy technologies, as defined in PUC Substantive Rule 25.5.

Sec. 2. Criteria for Abatement and Designating a Reinvestment Zone.

(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, renewable energy resource, or other basic industry.

(b) Creation of new value. Abatement may be granted only for the additional value of eligible property improvements made subsequent to, and specified in, an abatement agreement between Oldham County and the property owner or lessee, subject to such limitation as Oldham County may require.

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

(d) Eligible property. Abatement may be extended to the value of permanent buildings and structures, fixed machinery and equipment, and certain other personal property, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility.

(e) Ineligible property. The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; housing; hotel accommodations; deferred maintenance investments; property to be rented or leased, except as provided in Section 2 (f); any improvements, including those to produce, store or distribute natural gas, fluids or gases, that are not integral to the operation of the facility; property owned or used by the State of Texas or its political subdivision or by any organization owned, operated, or directed by a political subdivision of the State of Texas.

(f) Owned and Leased Facilities. If a leased facility is granted abatement, the agreement shall be executed with the lessor and the lessee.

(g) Value and term of abatement. A tax abatement agreement granted by Oldham County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100% of the ad valorem property taxes assessed.

(h) Economic qualification. In order to be eligible to receive tax abatement the planned improvement:

(1) must be reasonably expected to increase the value of the property in the amount of at least \$1,000,000 for new businesses and \$500,000 for existing businesses;

(2) must be expected to prevent the loss of employment, retain employment, or create employment on a permanent basis.

(3) must not be expected to solely or primarily have the effect of transferring employment from one part of the County of Oldham to another; and,

(i) Existing business. Recognizing the importance of cosmetic improvements to the community of those existing businesses that modernize or expand over and above normal repair and upkeep, they may be granted a two-year tax abatement of the amount of value the facility is increased. (If a business has a building appraised at \$500,000.00 and modernization or expansion changes the appraised value to \$1,000,000.00, \$500,000.00 of the new value could be abated for two years beginning January 1 after the year completed.)

(j) Taxability. From the execution of the abatement agreement to the end of the agreement period taxes shall be assessed as follows:

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

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

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

Sec. 3. Application and Hearing

(a) Any present or potential owner of taxable property in the jurisdiction of the Taxing Entities of the County of Oldham, Texas may request tax abatement by filing a written request with the Oldham County Commissioners Court.

(b) The application shall consist of a completed application form accompanied by: a nonrefundable application fee of \$1,000, a general description of the proposed use and the general nature and extent of the modernization, expansion, or new improvements to be undertaken; a descriptive list of the improvements that will be a part of the facility; a map and property description; and a time schedule for undertaking and completing the planned improvements.

In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be give for the tax year immediately preceding the application. The application form may require any financial and other information that may be appropriate for evaluating the financial capacity of the applicant and any other factors.

(c) After receipt of an application, the Commissioners Court shall determine within forty-five (45) days how to proceed with the application. Within this time frame, the Commissioners Court shall choose either to deny the application, consider the application, or consider the application on an expedited basis.

(d) Consideration of Application. If the County determines that the application should be further considered, then the County Judge shall schedule a hearing to obtain public input on the application. At least seven (7) days prior to the hearing, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place and subject in the local newspaper. At the hearing the commissioners Court

evaluates the application against the criteria in Section 2 and decides whether to designate the property for which an abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the application fails, although it may be amended and resubmitted. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then arrange to consider for approval the tax abatement agreement between the applicant and the County at its next regularly scheduled meeting. At least seven (7) days prior to entering into a tax abatement agreement, the County must give written notice of its intent to do so to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.

(e) Expedited Consideration of Application. If the County determines that the application should receive expedited consideration, then the County Judge shall schedule an opportunity to obtain public input on the application at the Commissioners Court's next meeting. At least seven (7) days prior to the meeting, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place and subject in the local newspaper. Also at this time, the County must give written notice of its intent to enter into a tax abatement agreement to the presiding officers of all taxing units with jurisdiction over the property for which the abatement is sought, along with a copy of the proposed tax abatement agreement. During the Commissioners Court meeting, the Commissioners Court shall evaluate the application against the criteria in Sections 2 and shall decide whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then immediately consider for approval the tax abatement agreement between the applicant and the County. After consideration, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or the decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.

(f) Confidentiality. As required by Section 312.003 of the Texas Tax Code, information that is provided to the County in connection with an application or a request for a tax abatement under this chapter that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which the abatement is sought is confidential and not subject to public disclosure until the tax abatement is executed.

(g) When the abatement is disapproved, an applicant may be granted a review, or rehearing, in which a new application and hearing may be required.

(h) Tax abatement may not be approved if the County finds that the application therefore was filed after the commencement of the construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.

(i) Request for variance from the provisions of Section 2 may be made in written form to the Commissioners Court of Oldham County. Such request shall include all the items listed in Section 3 (b) above, together with a complete description of the circumstances that prompt the applicant to request variance. The approval process for a variance shall be identical to that for a standard application and may be supplemented by such additional requirements as may be deemed necessary by the County.

Sec. 4. Standards for denying Approval of Abatement.

(a) If any affected jurisdiction is able to conclusively show cause in the public hearing why the granting of the abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity, or the providing of services, Oldham County shall deny the approval of abatement.

(b) An abatement agreement shall not be granted if it is determined that:

(1) there would be substantial adverse effect on the providing of government services or tax bases;

(2) the applicant has insufficient financial capacity;

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

(4) codes or laws would be violated.

Sec. 5. Effect of Approval of Application

Oldham County Commissioners Court acts only for the taxing entity of Oldham County and for no other taxing entity within Oldham County. The County's approval or disapproval of an application has no effect on any other taxing entity within the jurisdiction or their right to approve or disapprove an application. Only the governing bodies of the effected jurisdictions may grant tax abatements, and enter into tax abatement agreements with applicants.

Sec. 6. Tax Abatement Agreements

The Oldham County Commissioners Court after approval of an application shall enter into an agreement with the applicant. Such agreements shall be executed with the owner of the facility, and with the lessee when required. Such agreements shall include:

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

(2) the percentage of value to be abated each year as provided in Sec. 2 (g, h, & i);

(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 improvements list as provided in application, Section 3 (b);

(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, h, & i), 7, 8, and 9.

(6) size of investment and average number of jobs involved. Such agreement shall normally be executed within 30 days after the applicant has forwarded all necessary information and documentation to the County; and

(7) the agreement shall stipulate that employees, or designated representatives, or both, of Oldham County will have access to the reinvestment zone during the terms 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 24 hours prior notice and will be conducted in such a manner that they will not unreasonably interfere with the construction or operation or both of the facility. All inspections will be made in the presence of one or more representatives of the company or individual and in accordance with the safety standards of the company or individual.

Sec. 7 Recapture

(a) If the facility is completed and begins producing products or services, but subsequently discontinues producing products or services for any reason excepting fire, explosion, or other casualty or accident or natural disaster, for a period of one year during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the affected jurisdiction within 60 days from the date of termination.

(b) If the Oldham County Commissioners Court determines that the company or individual is in default according to the terms and conditions of its agreement, the Commissioners Court shall notify the company or individual in writing at the address stated in the agreement, and if such default is not cured within 60 days from the date of such notice ("cure period") , then the agreement may be terminated.

(c) If the company or individual (1) allows its ad valorem taxes owed to the County of Oldham, or any other taxing entity in Oldham County, to become delinquent and fails to timely and properly follow the legal procedures for their protest or contest or both; or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure-period, the agreement may then be terminated, and all taxes previously abated by virtue of the agreement will be recaptured and paid within 60 days of the termination.

Sec. 8. Administration

(a) The Chief Appraiser of the Oldham County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, any 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 affected jurisdictions that levy taxes of the amount of the assessment.

(b) Upon completion of construction, a designated representative of Oldham County shall annually value each facility receiving abatement to insure compliance with the agreement and shall make a report to the Commissioners Court regarding the findings of each evaluation.

Sec. 9. Assignment

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 the affected jurisdiction, 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 the affected jurisdiction. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner, or the new lessee are liable to any taxing entity in Oldham County for outstanding delinquent taxes or other obligations. Approval shall not be unreasonably withheld.

Sec. 10. Sunset Provision

The guidelines and criteria are effective upon the date of their adoption and will remain in force for two years unless amended by a three-quarters vote of the Oldham County Commissioners Court, at which time the tax abatement contracts created according to these provisions will be reviewed to determine whether or not the goals have been achieved. Based on that review, the guidelines and criteria may be further modified, renewed or eliminated.

Moved, Seconded, and Passed Unanimously, This the _____ day of _____ 2012.

Don R. Allred, Oldham County Judge

Quincy Taylor, Commissioner Precinct 1

Clay Crist, Commissioner Precinct 2

Roger Morris, Commissioner Precinct 3

Billy Brown, Commissioner Precinct 4

ATTEST:

Becky Groneman
Oldham County/District Clerk

OLDHAM COUNTY TAX ABATEMENT APPLICATION
FOR
ECONOMIC DEVELOPMENT INCENTIVES

PROPERTY/PROJECT DESCRIPTION

1. Property Owner

Mailing Address

Telephone

2. Project Sponsor
(If different than property owner)

Mailing address

Telephone

3. Applicant's Representative

Telephone

4. Property Address

Legal Description

(provide attachment if by metes and bounds)

5. Located within: Adrian ISD _____ Boys Ranch ISD

 Vega ISD _____ Wildorado ISD

6. Description of Project:

7. Date (s) projected for occupation of project/initiation of operations:

8. Employment Impact

a. How many jobs will be brought to Oldham County?

b. What types of jobs will be created?

c. What will the total annual payroll be?

9. Fiscal Impact

- a. How much real and personal property value will be added to the tax roles?
- b. How much direct sales tax will be generated?
- c. How will this project affect existing business and/or office facilities?
- d. What infrastructure construction would be required?
- e. What is the total annual operation budget of this facility projected to be?

10. Community Impact

- a. What effect would the project have on the local housing market?
- b. What environmental impact, if any, will be created by the project?

11. Type and value of incentive requested: