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Amarillo, TX 79105-9158

June 3, 2013

**VIA EMAIL AND FEDERAL EXPRESS**

Ms. Jenny Hicks  
Research Analyst  
Economic Analysis  
Local Government Assistance and Economic Development Division  
Texas Comptroller of Public Accounts  
LBJ State Office Building  
111 E. 17<sup>th</sup> Street  
Austin, TX 78774

Re: 313 Application – Longhorn Wind Project, LLC

Dear Jenny:

Enclosed please find an application for appraised value limitation on qualified property submitted to Lockney ISD by Longhorn Wind Project, LLC on May 28, 2013. A CD containing the application is also enclosed.

The Lockney ISD Board elected to accept the application on May 28, 2013. The application was determined to be complete on May 28, 2013. We ask that the Comptroller's Office prepare the economic impact report for this development.

A copy of the application will also be submitted to the Floyd County Appraisal District in accordance with 34 Tex. Admin. Code §9.1054. Please feel free to contact me if you have any questions or concerns.

Sincerely,

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

Audie Sciumbato, PhD

Enclosures

H0YM2HUD0D3KBF

cc: Chief Appraiser, Floyd County Appraisal District  
Wes Jackson, Cummings Westlake, LLC

**LONGHORN WIND PROJECT, LLC**

**CHAPTER 313 APPLICATION  
FOR APPRAISED VALUE LIMITATION  
TO LOCKNEY ISD**

**May 29, 2013**



# 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

<b>Authorized School District Representative</b>		Date application received by district May 29, 2013
First Name Phil	Last Name Cotham	
Title Superintendent		
School District Name Lockney ISD		
Street Address 416 W. Willow		
Mailing Address same		
City Lockney	State TX	ZIP 79241
Phone Number (806) 652-2115	Fax Number	
Mobile Number (optional)	E-mail Address cotham.phil@lockneyisd.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 <b>Audie</b>		Last Name <b>Sciumbato</b>	
Title <b>Attorney</b>			
Firm Name <b>Underwood Law Firm, P.C.</b>			
Street Address <b>500 S. Taylor, Suite 1200</b>			
Mailing Address <b>PO Box 9158</b>			
City <b>Amarillo</b>		State <b>TX</b>	ZIP <b>79105</b>
Phone Number <b>(806) 379-0326</b>		Fax Number <b>(806) 379-0316</b>	
Mobile Number (Optional)		E-mail Address <b>audie.sciumbato@ulaw.com</b>	

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) <i>Mike Lass</i>	Date <b>5/28/13</b>
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Has the district determined this application complete?  Yes  No

If yes, date determined complete. 5/28/13

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

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Date application received by the ISD	1 of 16	✓
2	Certification page signed and dated by authorized school district representative	2 of 16	✓
3	Date application deemed complete by ISD	2 of 16	✓
4	Certification pages signed and dated by applicant or authorized business representative of applicant	4 of 16	✓
5	Completed company checklist	12 of 16	✓
6	School finance documents described in TAC 9.1054(c)(3) (Due within 20 days of district providing notice of completed application)	2 of 16	will submit

**APPLICANT INFORMATION - CERTIFICATION OF APPLICATION**

**Authorized Business Representative (Applicant)**

First Name <b>Shalini</b>		Last Name <b>Ramanathan</b>	
Title <b>Vice President</b>			
Organization <b>RES America Development Inc.</b>			
Street Address <b>9050 Capital Of Texas Hwy North, Suite 390</b>			
Mailing Address <b>same</b>			
City <b>Austin</b>		State <b>TX</b>	ZIP <b>78759</b>
Phone Number <b>(512) 708-1538</b>		Fax Number	
Mobile Number (optional)		Business e-mail Address <b>Shalini.Ramanathan@res-americas.com</b>	

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 <b>Chad</b>		Last Name <b>Horton</b>	
Title <b>Director of Development</b>			
Organization <b>RES America Development Inc.</b>			
Street Address <b>9050 Capital Of Texas Hwy North, Suite 390</b>			
Mailing Address <b>same</b>			
City <b>Austin</b>		State <b>TX</b>	ZIP <b>78759</b>
Phone Number <b>(512) 338-8561</b>		Fax Number	
Mobile Number (optional)		E-mail Address <b>Chad.Horton@res-americas.com</b>	

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

Wes

Last Name

Jackson

Title

Partner

Firm Name

Cummings Westlake LLC

Street Address

12837 Louetta Road, Suite 201

Mailing Address

same

City

Cypress

State

TX

ZIP

77429-5611

Phone Number

713-266-4456 X-2

Fax Number

713-266-2333

Business email Address

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.

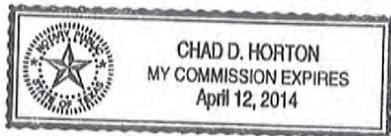
Signature (Authorized Business Representative (Applicant))

*[Handwritten Signature]*

Date

May 24, 2013

GIVEN under my hand and seal of office this 21 day of May, 2013



(Notary Seal)

*[Handwritten Signature]*

Notary Public, State of Texas

My commission expires 4/12/2014

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

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

NAICS code

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

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

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.)

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?



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)

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

PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

- 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, Construction Complete, Purchase Machinery & Equipment, Begin Hiring New Employees, Fully Operational

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?



**ECONOMIC INCENTIVES**

Identify state programs the project will apply for:

State Source	Amount
_____	_____
_____	_____
_____	_____
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 PROPERTY**

Identify county or counties in which the proposed project will be located \_\_\_\_\_

Central Appraisal District (CAD) that will be responsible for appraising the property \_\_\_\_\_

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: \_\_\_\_\_ (Name and percent of project)      City: \_\_\_\_\_ (Name and percent of project)

Hospital District: \_\_\_\_\_ (Name and percent of project)      Water District: \_\_\_\_\_ (Name and percent of project)

Other (describe): \_\_\_\_\_ (Name and percent of project)      Other (describe): \_\_\_\_\_ (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.



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? \_\_\_\_\_

What is the amount of appraised value limitation for which you are applying? \_\_\_\_\_

What is your total estimated qualified investment? \_\_\_\_\_

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? \_\_\_\_\_

What is the anticipated date of the beginning of the qualifying time period? \_\_\_\_\_

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? \_\_\_\_\_

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? 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? 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? Yes No
(3) on the same parcel of land as the building for which you are applying for an appraised value limitation? 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? Yes No

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

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

Will the project be on leased land? 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 [ ] 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. (Market Value) (Tax Year)

Is any of the existing property subject to a value limitation agreement under Tax Code 313? [ ] Yes [ ] 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? [ ] 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)?

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

- [ ] First Quarter [ ] Second Quarter [ ] Third Quarter [ ] Fourth Quarter of (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?

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.

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

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 [ ] 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)? [ ] 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?

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 \_\_\_\_\_

110% of the county average weekly wage for manufacturing jobs in the county is \_\_\_\_\_

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

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? \_\_\_\_\_

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? \_\_\_\_\_

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? \_\_\_\_\_

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.)

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**

	<b>Checklist</b>	<b>Page X of 16</b>	<b>Check Completed</b>
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.**

**ATTACHMENT 1**

See executed application attached.

**ATTACHMENT 2**

Proof of Payment of Application Fee

Please find on the attached page, copy of the check for the \$65,000 application fee to Lockney Independent School District.

THIS DOCUMENT HAS A COLORED SECURITY BACKGROUND. DO NOT CASH IF THE WORD "VOID" IS VISIBLE. THIS PAPER HAS AN ARTIFICIAL WATERMARK ON REVERSE SIDE AND IS ALTERATION PROTECTED.

**RES** AMERICAS  
**RES AMERICA DEVELOPMENTS INC.**  
11101 W. 120TH AVE., STE. 400  
BROOMFIELD, CO 80021



Wells Fargo Bank, N.A.  
1700 Lincoln St., Denver, CO 80203  
11-24/1210

018931

05/15/2013  
MM/DD/YYYY

PAY TO THE ORDER OF \*\*\*Lockney Independent School District\*\*\*

\$\*65,000.00\*\*

Sixty-Five Thousand And 00/100 U.S. Dollars

US DOLLARS

Lockney Independent School District  
PO Box 428  
Lockney, TX 79241

TWO SIGNATURES REQUIRED OVER \$10,000.00

MEMO CHAPTER 313 APPLICATION FEE

⑈018931⑈ ⑆121000248⑆ 4122035272⑈

RES AMERICA DEVELOPMENTS INC.  
Lockney Independent School District

018931

Date	Reference	Amount	Discount	Payment
05/13/2013	051313LONGHORN	65,000.00	0.00	65,000.00

**ATTACHMENT 3**

Documentation of Combined Group membership under Texas Tax Code 171.0001(7) is attached.

**TEXAS FRANCHISE TAX  
EXTENSION AFFILIATE LIST**

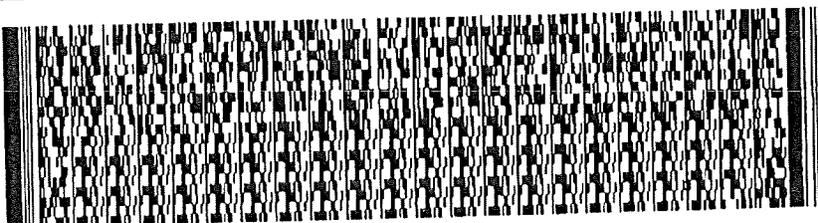
■ Reporting entity taxpayer number 19546837303	■ Report year 2012	Reporting entity taxpayer name RENEWABLE ENERGY SYSTEMS AMERICAS, INC.
---	-----------------------	---

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. RESA AMERICA CONSTRUCTION INC.	32002899410	<input type="checkbox"/>
2. RES AMERICA DEVELOPMENTS INC.	17429692852	<input type="checkbox"/>
3. RES WIND POWER (GP) INC.	770535301	<input checked="" type="checkbox"/>
4. RES WIND POWER (LP) INC.	742981517	<input checked="" type="checkbox"/>
5. RES AMERICA WIND OPERATIONS INC.	12080244457	<input type="checkbox"/>
6. RES AMERICA INVESTMENTS INC.	13202044551	<input type="checkbox"/>
7. RES AMERICA ENGINEERING INC.	263643624	<input type="checkbox"/>
8. BLUE SKY WIND LLC	753061040	<input checked="" type="checkbox"/>
9. CEDAR ELM WIND LLC	13837599573	<input type="checkbox"/>
10. CENTRAL PLAINS POWER LLC	753061023	<input checked="" type="checkbox"/>
11. WHEAT GROWERS WIND LLC	260706273	<input checked="" type="checkbox"/>
12. COTTONWOOD WIND LLC	13837599557	<input type="checkbox"/>
13. CROSS TIMBERS EDUCATION CENTER LLC	12607085094	<input type="checkbox"/>
14. GRANITE WIND LLC	320207528	<input checked="" type="checkbox"/>
15. RES EARTH AND CABLE LLC	12721352719	<input type="checkbox"/>
16. HIGH PLAINS POWER LLC	753061019	<input checked="" type="checkbox"/>
17. KEECHI WIND LLC	12608650268	<input type="checkbox"/>
18. LITTLE GOOSE WIND LLC	260706175	<input checked="" type="checkbox"/>
19. LOWER SNAKE WIND LLC	260706216	<input checked="" type="checkbox"/>
20. TEXAS LAND PARTNERS LP	14319729969	<input type="checkbox"/>
21. TEXAS LP HOLDINGS LLC	542070767	<input checked="" type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

**Texas Comptroller Official Use Only**

VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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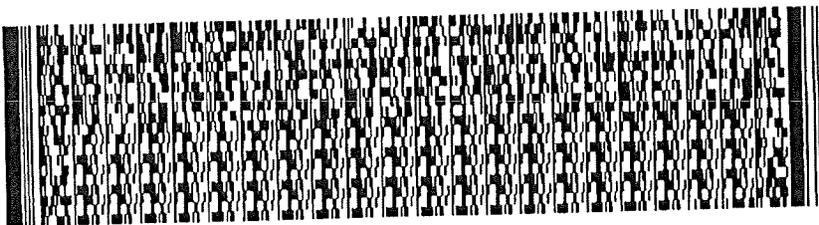
**TEXAS FRANCHISE TAX  
EXTENSION AFFILIATE LIST**

<input checked="" type="checkbox"/> Reporting entity taxpayer number <div style="border: 1px solid black; padding: 2px;">19546837303</div>	<input checked="" type="checkbox"/> Report year <div style="border: 1px solid black; padding: 2px;">2012</div>	Reporting entity taxpayer name <div style="border: 1px solid black; padding: 2px;">RENEWABLE ENERGY SYSTEMS AMERICAS, INC.</div>
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LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER <small>(if none, enter FEI number)</small>	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. RATTLESNAKE POWER LLC	12608649864	<input type="checkbox"/>
2. RES CONSTRUCTION (GP) LLC	17429931482	<input type="checkbox"/>
3. RES (CONSTRUCTION) LP	17429931466	<input type="checkbox"/>
4. RES (CONSTRUCTION) LP LLC	742993152	<input checked="" type="checkbox"/>
5. RES GP-1 LLC	17429815214	<input type="checkbox"/>
6. ROCK CREEK WIND POWER LLC	273331782	<input checked="" type="checkbox"/>
7. RES NORTH AMERICA LEASING LLC	753062064	<input checked="" type="checkbox"/>
8. RES PORTFOLIO HOLDINGS LLC	16115307866	<input type="checkbox"/>
9. ROADRUNNER WIND LLC	14122505754	<input type="checkbox"/>
10. TEXAS GP HOLDINGS LLC	17430599427	<input type="checkbox"/>
11. CEDAR POINT WIND LLC	371527352	<input checked="" type="checkbox"/>
12. OKLAHOMA LAND PARTNERS LLC	262159163	<input checked="" type="checkbox"/>
13. WESTERN OK WIND LEASING LLC	262159352	<input checked="" type="checkbox"/>
14. ANTELOPE HILLS WIND ENERGY LLC	262601245	<input checked="" type="checkbox"/>
15. CHEROKEE WIND ENERGY LLC	262601333	<input checked="" type="checkbox"/>
16. CROSSROADS WIND ENERGY LLC	262601430	<input checked="" type="checkbox"/>
17. GREAT WESTERN WIND ENERGY LLC	262601971	<input checked="" type="checkbox"/>
18. ORIGIN WIND ENERGY LLC	262602125	<input checked="" type="checkbox"/>
19. NORTH RIM WIND ENERGY LLC	262588593	<input checked="" type="checkbox"/>
20. ROLL DIVIDE WIND ENERGY LLC	262704471	<input checked="" type="checkbox"/>
21. BLUE STEM WIND ENERGY LLC	262704423	<input checked="" type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-184 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

**Texas Comptroller Official Use Only**



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1062

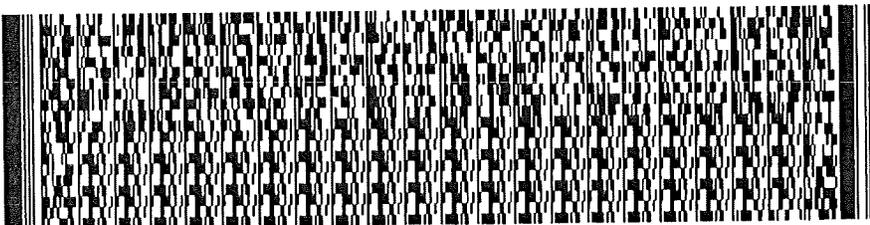
**TEXAS FRANCHISE TAX  
EXTENSION AFFILIATE LIST**

■ Reporting entity taxpayer number <b>19546837303</b>	■ Report year <b>2012</b>	Reporting entity taxpayer name <b>RENEWABLE ENERGY SYSTEMS AMERICAS, INC.</b>
--	------------------------------	--

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. QUAIL RUN SOLAR LLC	273477515	<input checked="" type="checkbox"/>
2. WEBBERVILLE SOLAR LLC	32038323450	<input type="checkbox"/>
3. SOUTHWEST LAND PARTNERS LLC	262601019	<input checked="" type="checkbox"/>
4. CHINA MOUNTAIN WIND LLC	830505066	<input checked="" type="checkbox"/>
5. IRON HORSE LAND PARTNERS LLC	010954762	<input checked="" type="checkbox"/>
6. RES MEXICO HOLDINGS I LLC	264743514	<input checked="" type="checkbox"/>
7. RES MEXICO HOLDINGS II LLC	264743525	<input checked="" type="checkbox"/>
8. BLACKHAWK WIND LLC	264261474	<input checked="" type="checkbox"/>
9. CORNHUSKER WIND LLC	264261586	<input checked="" type="checkbox"/>
10. PRITCHETT WIND LLC	264743479	<input checked="" type="checkbox"/>
11. BORDER WINDS ENERGY, LLC	454126872	<input checked="" type="checkbox"/>
12. PLEASANT VALLEY WIND LLC	270378724	<input checked="" type="checkbox"/>
13. GLACIER RIDGE WIND FARM LLC	270329971	<input checked="" type="checkbox"/>
14. MOAPA SOLAR LLC	271006934	<input checked="" type="checkbox"/>
15. USRA SOLUTIONS LLC	270728964	<input checked="" type="checkbox"/>
16. LITTLE LAKE NORTH WIND LLC	262603319	<input checked="" type="checkbox"/>
17. LITTLE LAKE SOUTH RENEWABLES LLC	263639813	<input checked="" type="checkbox"/>
18. IMPERIAL WIND LLC	263563119	<input checked="" type="checkbox"/>
19. PIONEER SOLAR LLC	263976977	<input checked="" type="checkbox"/>
20. SANTA FE LAND PARTNERS LLC	010954760	<input checked="" type="checkbox"/>
21. RES UNDERGROUND SERVICES, LLC	452435880	<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

**Texas Comptroller Official Use Only**



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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### TEXAS FRANCHISE TAX EXTENSION AFFILIATE LIST

■ Reporting entity taxpayer number

■ Report year

Reporting entity taxpayer name

954683730

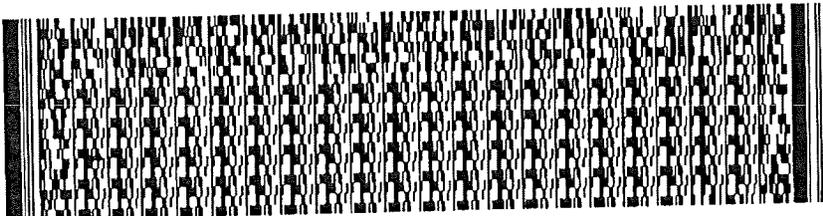
2012

RENEWABLE ENERGY SYSTEMS AMERICAS, INC.

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. KEECHI WIND PARTNER, LLC	32045097246	<input type="checkbox"/>
2. RES STORAGE, LLC	32044265901	<input type="checkbox"/>
3.		<input type="checkbox"/>
4.		<input type="checkbox"/>
5.		<input type="checkbox"/>
6.		<input type="checkbox"/>
7.		<input type="checkbox"/>
8.		<input type="checkbox"/>
9.		<input type="checkbox"/>
10.		<input type="checkbox"/>
11.		<input type="checkbox"/>
12.		<input type="checkbox"/>
13.		<input type="checkbox"/>
14.		<input type="checkbox"/>
15.		<input type="checkbox"/>
16.		<input type="checkbox"/>
17.		<input type="checkbox"/>
18.		<input type="checkbox"/>
19.		<input type="checkbox"/>
20.		<input type="checkbox"/>
21.		<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-184 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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1062

**ATTACHMENT 4**

Detailed Description of the Project

*Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.*

Longhorn Wind Project, LLC (Longhorn) is requesting an appraised value limitation from Lockney Independent School District (ISD) for the Longhorn Wind Project (the "Project"), a proposed wind powered electric generating facility in Briscoe and Floyd Counties. The proposed Lockney ISD portion of the Project (this application) will be constructed within the Floyd County Wind Reinvestment Zone #1 that was established by Floyd County on March 11, 2013. A map showing the location of the project is included as Attachment 7.

The proposed Project is anticipated to have a total capacity of 300 MW, with approximately 96 MW located in Lockney ISD. Turbine selection is ongoing at this time and has not been finalized. The exact number of wind turbines and size of each turbine will vary depending upon the wind turbines selected, manufacturer's availability and prices, ongoing wind studies and the final megawatt generating capacity of the Project when completed. Current plans are to install 3.0 MW Siemens turbines with an estimated 32 turbines located in Lockney ISD. The remaining turbines will be located in Floydada ISD and Silvertown ISD. Longhorn Wind is also constructing approximately 17 miles of generation transmission tie line, of which 2 miles will be in Floyd County and approximately 15 miles in Briscoe County. A separate Chapter 313 application is being submitted to those districts for their respective portion of the project. The Applicant request a value limitation for all materials and equipment installed for the Project, including but not limited to; wind turbines, towers, foundations, roadways, buildings and offices, anemometer towers, collection system, electrical substations, transmission line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in the fourth quarter of 2013 with completion by December 31, 2014.

**ATTACHMENT 4A**

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

RES America Developments Inc. (RES-A) is the development subsidiary of Renewable Energy Systems Americas Inc. (RES Americas), which also has subsidiaries which oversee the construction, ownership, and operations of its renewable energy projects.

RES-A is headquartered at 11101 West 120th Avenue, Suite 400 Broomfield, Colorado 80021 with a regional office located at 9050 Capital of Texas Highway, Suite 390, Austin, TX 78759. RES Americas is a wholly-owned indirect subsidiary of Renewable Energy Systems Limited (RES Ltd.), one of the most experienced wind development, construction and operations companies in the world. The organization is currently developing, constructing and operating wind and solar projects on six continents. Established in 1982, RES Ltd. is an affiliate of the Sir Robert McAlpine Group, the second largest commercial construction company in the United Kingdom. RES Americas and its subsidiaries are the entities through which North American activities are conducted.

RES Americas is a developer and EPC/BOP contractor of utility-scale renewable energy projects, having built or currently constructing over 5,740 MW throughout North America to date. As such, RES has the ability to locate wind farms throughout the US and in foreign countries.

RES Americas has been constructing renewable energy projects in the U.S. since 1997 and is part of the much larger engineering and construction company, Sir Robert McAlpine. RES Americas has negotiated 2,574MW of Power Purchase Agreements, sold over \$4.5B of renewable generation assets and RES Americas finance team has placed over \$3B in project financing and tax equity. RES Americas also owns and operates two projects in Texas, the Whirlwind Energy Center and the Hackberry Wind Farm, totaling 226 MW of generation.

**ATTACHMENT 5**

List of districts and percentages where the project is located

The Lockney ISD portion of the project is wholly located in Floyd County. The jurisdiction percentages of the total project are as follows:

Briscoe County	<b>25%</b>
Silverton Independent School District	<b>25%</b>
Floyd County	<b>75%</b>
Floydada Independent School District	<b>43%</b>
Lockney Independent School District	<b>32%</b>
Caprock Hospital District	<b>75%</b>

**ATTACHMENT 6**

Description of Qualified Investment

- 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 improvement 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 (Please see Attachment 7)*

Longhorn Wind Project, LLC plans to construct a 300 MW wind farm in Briscoe and Floyd Counties. Approximately seventy five (75) wind turbines will be located in Floyd County, of which thirty two (32) will be located in Lockney ISD and the remaining forty three (43) will be located in Floydada ISD. Turbine selection is ongoing at this time and has not been finalized. For purposes of this application, the project anticipates using 3.0 MW turbines manufactured by Siemens, although final turbine selection may change. Longhorn Wind is also constructing approximately 2 miles of generation transmission tie line in Floyd County and Lockney ISD.

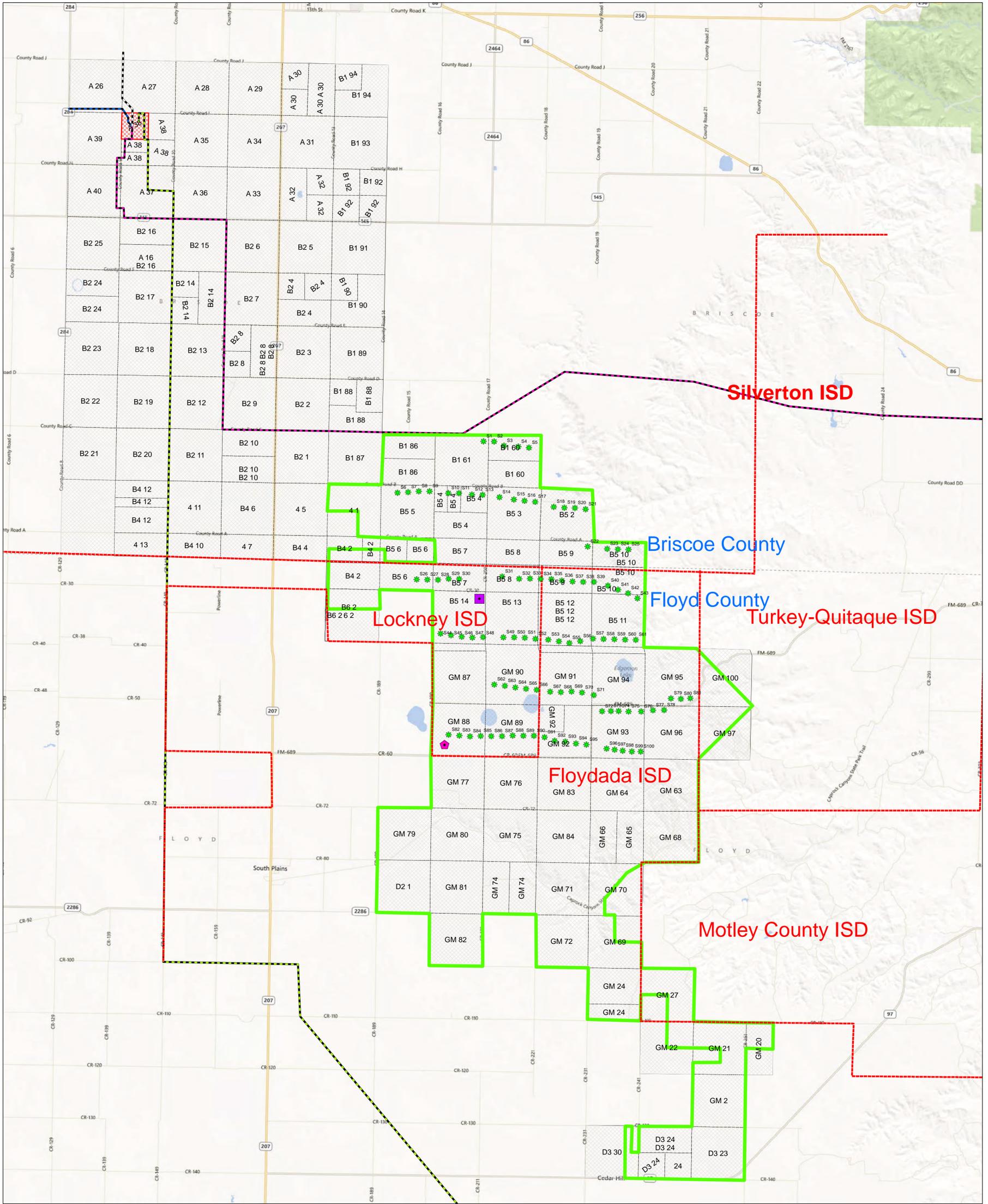
This application covers all qualified property within Lockney ISD necessary for the commercial operations of the wind farm. Qualified Investment and qualified property includes, but is not limited to, turbines, towers, foundations, underground collection systems, electrical substation(s), generation transmission tie lines, electrical interconnections, met towers, roads, operations & maintenance buildings, spare parts, and control systems necessary for commercial generation of electricity.

The map in Attachment 7 shows the proposed project area with the proposed improvement locations. The exact placement of turbines is subject to ongoing planning, wind studies, engineering, and discussions with landowners and turbine manufacturers. The final location of turbines, transmission lines, and supporting structures will be determined before construction begins.

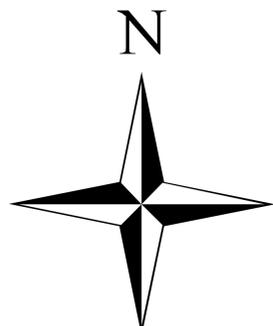
**ATTACHMENT 7**

Map of qualified investment showing location of improvements with vicinity map

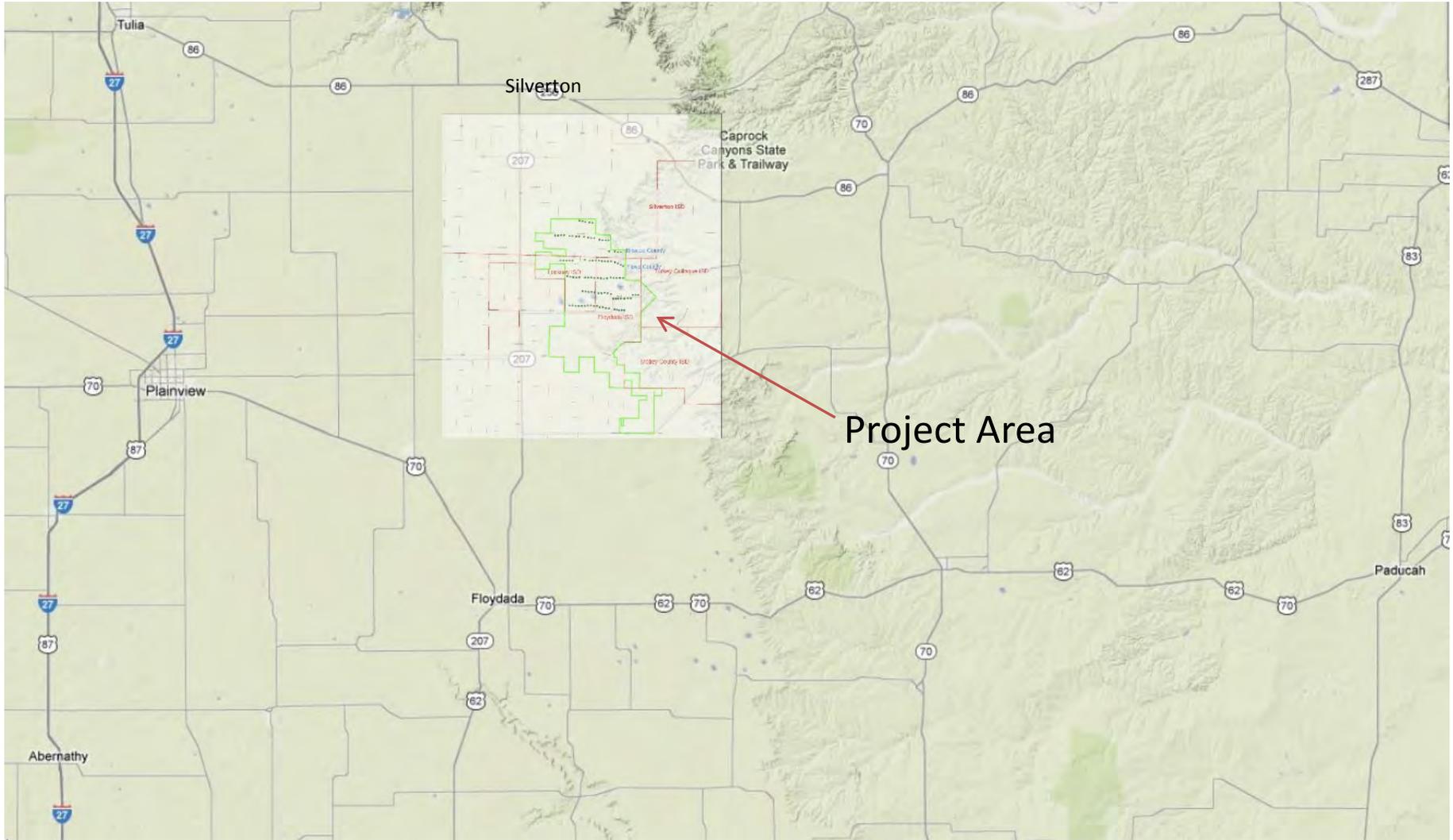
# Longhorn Wind Project Reinvestment Zone Briscoe and Floyd Counties Confidential, Preliminary and Subject to Change



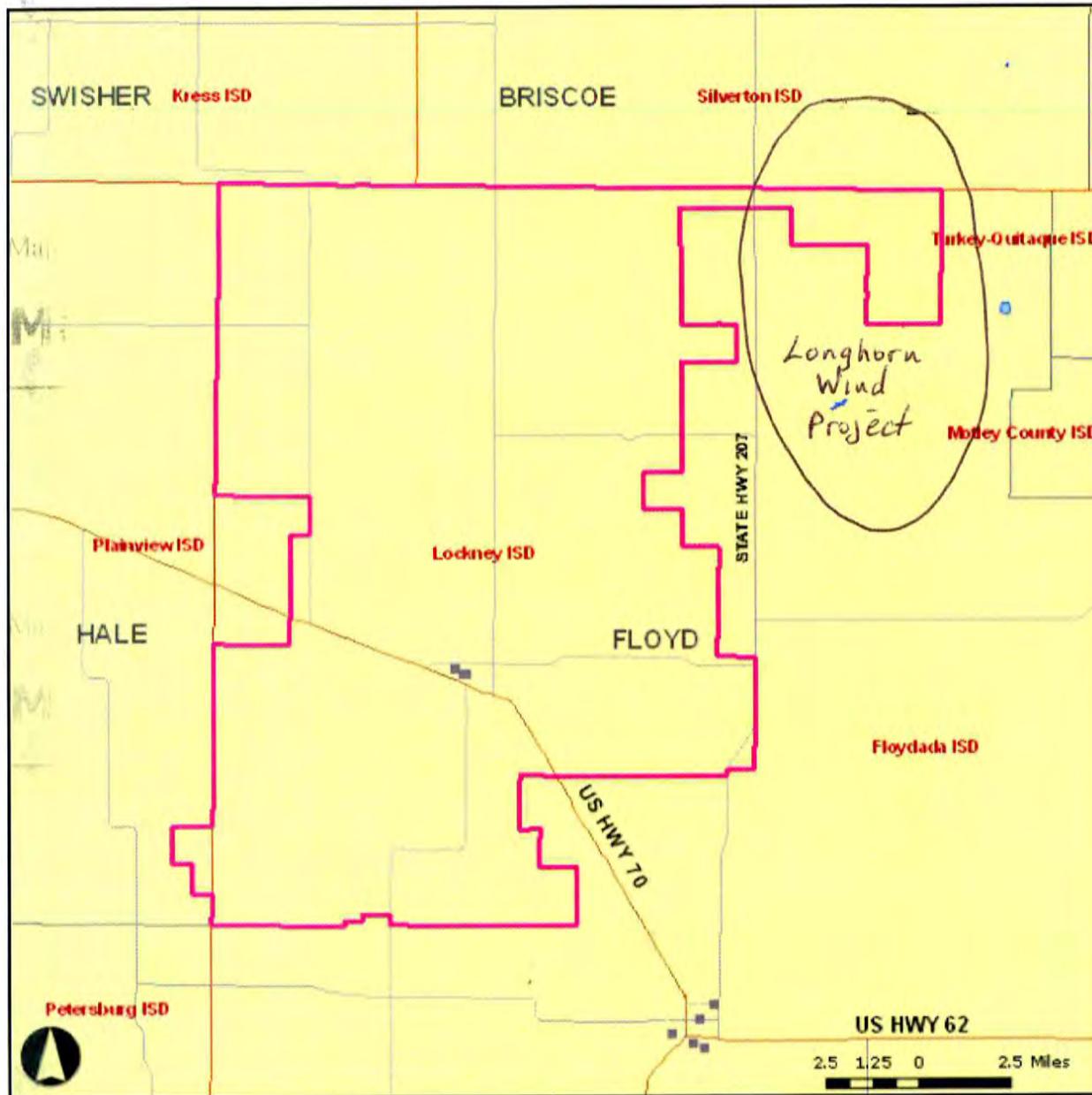
- Legend**
- Longhorn Reinvestment Zone
  - Longhorn ISD Boundaries
  - Longhorn Wind Energy Project Area
  - Longhorn\_200MW\_Layout
  - Longhorn Operations Building
  - Longhorn Substation
  - Sharyland's\_CREZ\_sub
  - Sharylands Silverton to Nazareth
  - Sharylands Silverton to White Deer
  - Sharyland Silverton-Cottonwood
  - Cross Texas Silverton-Tesla



# Vicinity Map



# Map



### Schools4

■ Schools

### HigherEd

● Universities

### Hwys2

—Other

▬A11

▬A15

▬A17

▬A21

▬A22

▬A23

### Hwys2 (continued)

▬A25

▬A27

▬A60

### Gulf

■

### Counties1

■ Counties

### Counties3

### Hydrology

■

### Districts2

■

### School Districts

■ School Districts

### Districts

### Texas

■

### Gulf

■

### Texas

■

**ATTACHMENT 8**

Description of Qualified Property

- 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 (Please see Attachment 7)*

Longhorn Wind Project, LLC plans to construct a 300 MW wind farm in Briscoe and Floyd Counties. Approximately seventy five (75) wind turbines will be located in Floyd County, of which thirty two (32) will be located in Lockney ISD and the remaining forty three (43) will be located in Floydada ISD. Turbine selection is ongoing at this time and has not been finalized. For purposes of this application the project anticipates using 3.0 MW turbines manufactured by Siemens, although final turbine selection may change. Longhorn Wind is also constructing approximately 2 miles of generation transmission tie line in Floyd County and Lockney ISD.

This application covers all qualified property within Lockney ISD necessary for the commercial operations of the wind farm. Qualified Investment and qualified property includes, but is not limited to, turbines, towers, foundations, underground collection systems, electrical substation(s), generation transmission tie lines, electrical interconnections, met towers, roads, operations & maintenance buildings, spare parts, and control systems necessary for commercial generation of electricity.

The map in Attachment 7 shows the proposed project area with the proposed improvement locations. The exact placement of turbines is subject to ongoing planning, wind studies, engineering, and discussions with landowners and turbine manufacturers. The final location of turbines, transmission lines, and supporting structures will be determined before construction begins.

**ATTACHMENT 9**

See Attachment 7

The maps of the qualified property, showing location of improvements, and a separate vicinity map are in Attachment 7

**ATTACHMENT 10**

<b>Legal Description of Land</b>	<b>Acreage</b>	<b>County</b>	<b>ISD</b>
BLK: GM, SURV: 90 W D LONG	736	Floyd	Lockney
TR: E/2, BLK: GM, SURV: 87 GCSF RR	320	Floyd	Lockney
BLK: GM, SURV: 88 W D LONG	533	Floyd	Lockney
TR: W/2, BLK: GM, SURV: 87 GCSF RR	320	Floyd	Lockney
TR: E/50AC OF S/2 BLK: B-5 SURV: 8 E L AYERS	50	Floyd	Lockney
TR: W/50AC S/2 BLK: B-5 SURV: 8 E L AYERS	50	Floyd	Lockney
TR: E/2 BLK: B-5 SURV: 14 MAUDIE A MARSHALL	320	Floyd	Lockney
BLK: GM SURV: 1 J A DEAVENPORT	90	Floyd	Lockney
TR: NE/PT BLK: B-4 SURV: 2 J W DEAVENPORT	105	Floyd	Lockney
TR: S/2 BLK: B-4 SURV: 2 J W DEAVENPORT	215	Floyd	Lockney
TR: PT NW/4 BLK: B-6 SURV: 2 I P VERNON	50	Floyd	Lockney
TR: N & SE/PTS NE/4 BLK: B-6 SURV: 2 I P VERNON	135	Floyd	Lockney
TR: BLK: B-5 SURV: 13 BS&F	640	Floyd	Lockney
TR: W/PT S/2 BLK SURV: 8 E L AYERS	180	Floyd	Lockney
TR: BLK: B-5 SURV: 14 I P VERNON	320	Floyd	Lockney
AB 2376, BLK: B02 SURV: 2	100	Floyd	Lockney
BLK: B-5 SURV: 7 BS&F	353	Floyd	Lockney
E/40 AC S/2 BLK: B-5 SURV: 8 E L AYERS	40	Floyd	Lockney

**ATTACHMENT 11**

See Attachment 7

A detailed map showing location of the land and separate vicinity map are in Attachment 7

**ATTACHMENT 12**

Description of all existing (if any) improvements

There are no existing wind farm related improvements at this site.

**ATTACHMENT 13**

Request of waiver of job creation requirement

## CUMMINGS WESTLAKE LLC

12837 Louetta Road, Suite 201 Cypress, Texas 77429-5611 713-266-4456 Fax: 713-266-2333

---

May 24, 2013

Mr. Phil Cotham, Superintendent  
Lockney Independent School District  
416 W. Willow  
Lockney, TX 79241

### **Re: Chapter 313 Job Waiver Request**

Dear Mr. Cotham,

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

Longhorn Wind Project, LLC requests that the Lockney Independent School District makes such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, Longhorn Wind Project, LLC has committed to create seven total jobs for the project, of which two will be in Lockney ISD. Wind projects create a large number of full and part-time, but temporary jobs during the construction phase of the project, but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences.

The industry standard for employment is typically one full-time employee for approximately every 15 turbines. This number may vary depending on the operations and maintenance requirements of the turbines selected as well as the support and technical assistance offered by the turbine manufacturer. 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. In addition to the onsite employees, there may be managers or technicians who support the project from offsite locations.

Sincerely,



J. Weston Jackson  
Partner

**ATTACHMENT 14**

*Calculation of three possible wage requirements with TWC documentation*

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

**LONGHORN WIND PROJECT, LLC  
ATTACHMENT 14**

**LOCKNEY ISD - FLOYD COUNTY  
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2012	\$ 591	\$ 30,732
SECOND	2012	\$ 605	\$ 31,460
THIRD	2012	\$ 617	\$ 32,084
FOURTH	2012	\$ 733	\$ 38,116
AVERAGE		\$ 637	\$ 33,098
X		110%	110%
		\$ 700	\$ 36,408

**LOCKNEY ISD - FLOYD COUNTY  
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2012	\$ 830	\$ 43,160
SECOND	2012	\$ 801	\$ 41,652
THIRD	2012	\$ 706	\$ 36,712
FOURTH	2012	\$ 900	\$ 46,800
AVERAGE		\$ 809	\$ 42,081
X		110%	110%
		\$ 890	\$ 46,289

**CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE**

REGION	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
South Plains	2011	\$ 657.88	\$ 34,210
X		110%	110%
		\$ 723.67	\$ 37,631

\* SEE ATTACHED TWC DOCUMENTATION

# 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	Floyd County	Private	00	0	10	Total, All Industries	\$591
2012	2nd Qtr	Floyd County	Private	00	0	10	Total, All Industries	\$605
2012	3rd Qtr	Floyd County	Private	00	0	10	Total, All Industries	\$617
2012	4th Qtr	Floyd County	Private	00	0	10	Total, All Industries	\$733

# 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	Floyd County	Private	31	2	31-33	Manufacturing	\$830
2012	2nd Qtr	Floyd County	Private	31	2	31-33	Manufacturing	\$801
2012	3rd Qtr	Floyd County	Private	31	2	31-33	Manufacturing	\$706
2012	4th Qtr	Floyd County	Private	31	2	31-33	Manufacturing	\$900

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

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

110% x \$34,210 =  
\$37,631

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.

**ATTACHMENT 15**

*Description of Benefits*

At least 80% of employees of the operator of the Longhorn Wind Project will be employed in qualifying jobs pursuant to Texas Tax Code 313.024(d). Qualifying jobs will meet the definition of Texas Tax Code Section 313.051(b). Employees will be offered a group health benefit plan for which the operator of the Longhorn Wind Project will pay at least 80% of the premiums or other charges assessed for employee-only coverage under the plan or as necessary to be in compliance with the Affordable Care Act. In addition, each qualifying employee will receive area wide competitive 401(k) Retirement Savings Plan, vacation time, sick leave and skills training.

**Longhorn Wind Project, LLC**

Chapter 313 Application to Lockney ISD

Cummings Westlake, LLC

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**ATTACHMENT 16**

The Economic Impact Study will be performed by the Comptroller at a future date.

**Longhorn Wind Project, LLC**

Chapter 313 Application to Lockney ISD

Cummings Westlake, LLC

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**ATTACHMENTS 17**

See attached Schedule A

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)	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)	2013-2014	2013	0	0	0	0	0
			7,200,000	700,000	7,900,000	0	7,900,000
Tax Credit Period (with 50% cap on credit)	1-15	2014-2028	136,100,000	0	136,100,000	0	136,100,000
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
Credit Settle-Up Period	16-17	2029-2030	0	0	0	0	0
			0	0	0	0	0
Post-Settle-Up Period	18-19	2031-2032	0	0	0	0	0
			0	0	0	0	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 §13.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.

Column B: [For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property]. Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.

Column C: 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 §13.021(1)(E).

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

Column E: 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: *[Signature]* DATE: May 29, 2013

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

**Longhorn Wind Project, LLC**

Chapter 313 Application to Lockney ISD

Cummings Westlake, LLC

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**ATTACHMENT 18**

See attached Schedule B

Applicant Name ISD Name	LOCKNEY ISD	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Reductions from Market Value		Estimated Taxable Value	
					Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		1	2014-2015	2014	\$ -	\$ -	\$ 3,600,000	\$ -	\$ -	\$ 3,600,000	\$ 3,600,000
		2	2015-2016	2015	\$ -	\$ -	\$ 137,568,000	\$ -	\$ -	\$ 137,568,000	\$ 137,568,000
		3	2016-2017	2016	\$ -	\$ -	\$ 126,563,000	\$ -	\$ -	\$ 126,563,000	\$ 10,000,000
		4	2017-2018	2017	\$ -	\$ -	\$ 116,438,000	\$ -	\$ -	\$ 116,438,000	\$ 10,000,000
		5	2018-2019	2018	\$ -	\$ -	\$ 107,123,000	\$ -	\$ -	\$ 107,123,000	\$ 10,000,000
		6	2019-2020	2019	\$ -	\$ -	\$ 98,553,000	\$ -	\$ -	\$ 98,553,000	\$ 10,000,000
		7	2020-2021	2020	\$ -	\$ -	\$ 90,669,000	\$ -	\$ -	\$ 90,669,000	\$ 10,000,000
		8	2021-2022	2021	\$ -	\$ -	\$ 83,415,000	\$ -	\$ -	\$ 83,415,000	\$ 10,000,000
		9	2022-2023	2022	\$ -	\$ -	\$ 76,742,000	\$ -	\$ -	\$ 76,742,000	\$ 10,000,000
		10	2023-2024	2023	\$ -	\$ -	\$ 70,603,000	\$ -	\$ -	\$ 70,603,000	\$ 10,000,000
		11	2024-2025	2024	\$ -	\$ -	\$ 64,955,000	\$ -	\$ -	\$ 64,955,000	\$ 64,955,000
		12	2025-2026	2025	\$ -	\$ -	\$ 59,759,000	\$ -	\$ -	\$ 59,759,000	\$ 59,759,000
		13	2026-2027	2026	\$ -	\$ -	\$ 54,978,000	\$ -	\$ -	\$ 54,978,000	\$ 54,978,000
		14	2027-2028	2027	\$ -	\$ -	\$ 50,580,000	\$ -	\$ -	\$ 50,580,000	\$ 50,580,000
		15	2028-2029	2028	\$ -	\$ -	\$ 46,534,000	\$ -	\$ -	\$ 46,534,000	\$ 46,534,000
Tax Credit Period (with 50% cap on credit)											
Value Limitation Period											
Credit Settle-Up Period											
Post- Settle-Up Period											
Post- Settle-Up Period											

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.


 DATE May 24, 2013

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

**Longhorn Wind Project, LLC**

Chapter 313 Application to Lockney ISD

Cummings Westlake, LLC

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**ATTACHMENT 19**

See attached Schedule C



**Longhorn Wind Project, LLC**

Chapter 313 Application to Lockney ISD

Cummings Westlake, LLC

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**ATTACHMENT 20**

See attached Schedule D

Schedule D: (Rev. January 2013): Other Tax Information

Applicant Name	Sales Tax Information			Franchise Tax				Other Property Tax Abatements Sought			
	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	Franchise Tax	County	City	Hospital	Other	
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)		2013-2014	2013	402,912	6,797,088	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	
	Complete tax years of qualifying time period	1	2014-2015	2014	7,655,328	129,144,672	0	0%	n/a	n/a	n/a
		2	2015-2016	2015			0	80%	n/a	80%	n/a
		3	2016-2017	2016			0	80%	n/a	80%	n/a
		4	2017-2018	2017			0	75%	n/a	75%	n/a
		5	2018-2019	2018			0	75%	n/a	75%	n/a
		6	2019-2020	2019			80,000	75%	n/a	75%	n/a
		7	2020-2021	2020			80,000	55%	n/a	55%	n/a
		8	2021-2022	2021			80,000	55%	n/a	55%	n/a
		9	2022-2023	2022			80,000	55%	n/a	55%	n/a
		10	2023-2024	2023			80,000	55%	n/a	55%	n/a
	Tax Credit Period (with 50% cap on credit)	Value Limitation Period	2024-2025	2024			80,000	55%	n/a	55%	n/a
			2025-2026	2025			80,000	0%	-	0%	-
			2026-2027	2026			80,000	0%	-	0%	-
	Credit Settle-Up Period	Continue to Maintain Viable Presence	2027-2028	2027			80,000	0%	-	0%	-
2028-2029			2028			80,000	0%	-	0%	-	
Post-Settle-Up Period											

\*For planning, construction and operation of the facility.

*John*  
 May 24, 2013  
 DATE

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

**Longhorn Wind Project, LLC**

Chapter 313 Application to Lockney ISD

Cummings Westlake, LLC

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**ATTACHMENT 21**

See attached map of the reinvestment zone



**Longhorn Wind Project, LLC**

Chapter 313 Application to Lockney ISD

Cummings Westlake, LLC

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**ATTACHMENT 22**

The order establishing the Floyd County Wind Reinvestment Zone #1 was approved on March 11, 2013 and is attached.

Exhibit D

**ORDER NO. 2013-11-03 OF THE COMMISSIONERS COURT  
OF FLOYD COUNTY, TEXAS  
DESIGNATING REINVESTMENT ZONE**

**AN ORDER DESIGNATING A CERTAIN AREA AS FLOYD COUNTY WIND REINVESTMENT ZONE NO.1, FOR COMMERCIAL/INDUSTRIAL TAX ABATEMENT IN FLOYD COUNTY, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF, AND PROVIDING FOR AN EFFECTIVE DATE.**

*WHEREAS*, the Commissioners Court of Floyd 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 Floyd County for Granting a Tax Abatement in a Reinvestment Zone Created in Floyd County, Texas (the “Guidelines”); and

*WHEREAS*, on March 11, 2013, a hearing before the Commissioners Court of Floyd 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 *Floyd County Hesperian Beacon* and the delivery of written notice to the respective presiding officers of each taxing entity that it includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

*WHEREAS*, the Commissioners Court of Floyd 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 FLOYD COUNTY, TEXAS:*

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

SECTION 2. That the Commissioners Court of Floyd 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 Floyd County Wind Reinvestment Zone No. 1 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 Floyd County Wind Reinvestment Zone No. 1 should be the area within the boundaries described in Exhibit "A" and as depicted in the plat map indicating the boundaries thereof, attached hereto as Exhibit "B," and incorporated herein by reference for all intents and purposes; and,
- (c) That creation of the Floyd County Wind Reinvestment Zone No. 1 with boundaries as described in Exhibit "A" and depicted in "B" will result in benefits to the Floyd County, Texas and to land included in the zone and that the improvements sought are feasible and practical; and
- (d) The Floyd County Wind Reinvestment Zone No. 1, as described in Exhibit "A" and depicted in Exhibit "B" 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 Floyd County, Texas, and that the entire tract of land is located entirely within an unincorporated area of Floyd County, Texas.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, Floyd County Commissioner's Court hereby creates Floyd County Wind Reinvestment Zone No. 1; a reinvestment zone for commercial-industrial tax abatement encompassing only the area within the boundaries described in "Exhibit A" and that is depicted in the plat map thereof in Exhibit "B," and such reinvestment zone is hereby designated and shall hereafter be referred to as Floyd County Wind Reinvestment Zone No. 1.

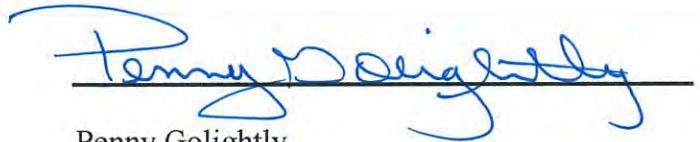
SECTION 4. That Floyd County Wind Reinvestment Zone No. 1 shall take effect on March 11, 2013 and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation, and may be renewed for an additional five (5) year period thereafter.

SECTION 5. That if any section, paragraph, clause or provision of this Order shall for any reason beheld 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 Order.

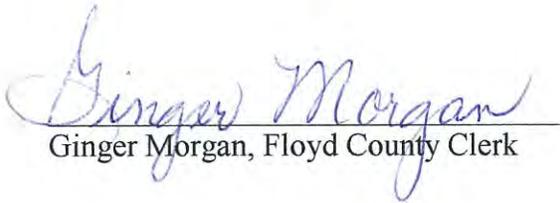
SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject, of the meeting of the Floyd County Commissioners Court at which this Order was adopted was posted at a place convenient and readily accessible at all times

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 11th day of March, 2013.



Penny Golightly,  
Floyd County Judge



Ginger Morgan, Floyd County Clerk

[COUNTY SEAL

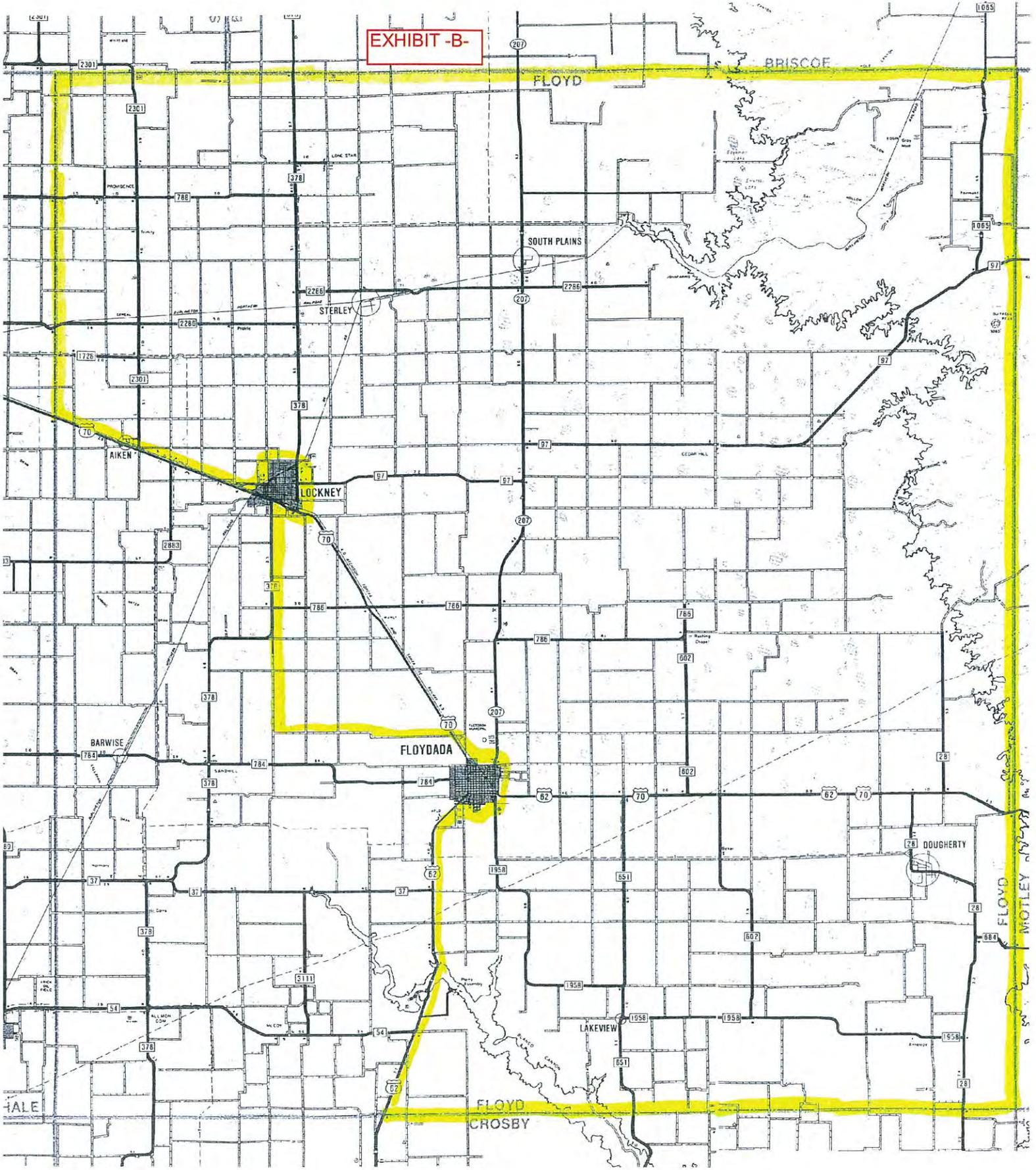
## EXHIBIT –A-

Beginning in the northwest corner of Floyd County and then:

- following the northerly Floyd County line eastward to the northeast corner of Floyd County,
- Then following the easterly Floyd County line southward to the southeast corner of Floyd County,
- Then following the southerly Floyd County line westward to the east side of US Highway 62.
- Then following the east boundary of US Highway 62 northward to the city limits of Floydada, TX
- Then following the Floydada city limits around the east and north sides of the city to the east side of US Highway 70
- Then following the east side of US Highway 70 northward to CR 232
- Then following the north side of CR 232 westward to the east side of CR 91
- Then following the east side of CR 91 northward until it joins and turns into FM 378
- Then following the east side of FM 378 northward to the southeastly city limits of Lockney, TX
- Then following the Lockney city limits around the east, north, and finally the west side of the city back to north side of US Highway 70
- Then following north side of US Highway 70 northwestward to the Floyd/Hale county line.
- Then following the westerly boundary of Floyd County northward to the beginning point, being the northwest corner of Floyd County

For the avoidance of doubt, this area specifically excludes the incorporated municipalities of Lockney and Floydada and that area within the boundaries of the Whirlwind Reinvestment Zone No. 2 as described in Exhibit A of Order 11-10-08 of the Commissioners Court of Floyd County, Texas Designating Reinvestment Zone.

**EXHIBIT -B-**



**ATTACHMENT 23**

See attached legal description of Reinvestment Zone

Beginning in the northwest corner of Floyd County and then:

- following the northerly Floyd County line eastward to the northeast corner of Floyd County,
- Then following the easterly Floyd County line southward to the southeast corner of Floyd County,
- Then following the southerly Floyd County line westward to the east side of US Highway 62.
- Then following the east boundary of US Highway 62 northward to the city limits of Floydada, TX
- Then following the Floydada city limits around the east and north sides of the city to the east side of US Highway 70
- Then following the east side of US Highway 70 northward to CR 232
- Then following the north side of CR 232 westward to the east side of CR 91
- Then following the east side of CR 91 northward until it joins and turns into FM 378
- Then following the east side of FM 378 northward to the southeastly city limits of Lockney, TX
- Then following the Lockney city limits around the east, north, and finally the west side of the city back to north side of US Highway 70
- Then following north side of US Highway 70 northwestward to the Floyd/Hale county line.
- Then following the westerly boundary of Floyd County northward to the beginning point, being the northwest corner of Floyd County

For the avoidance of doubt, this area specifically excludes the incorporated municipalities of Lockney and Floydada and that area within the boundaries of the Whirlwind Reinvestment Zone No. 2 as described in Exhibit A of Order 11-10-08 of the Commissioners Court of Floyd County, Texas Designating Reinvestment Zone.

**Longhorn Wind Project, LLC**

Chapter 313 Application to Lockney ISD

Cummings Westlake, LLC

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**ATTACHMENT 24**

See attached Guidelines and Criteria for Floyd County

**Exhibit A**

RESOLUTION NO. 2012-11-19

RESOLUTION OF THE COMMISSIONERS' COURT OF FLOYD COUNTY, TEXAS, ADOPTING GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT FOR SELECTED TAXING UNITS CONTAINED WITHIN FLOYD COUNTY (INDUSTRIAL ABATEMENT)

WHEREAS, Floyd County, Texas, is committed to the promotion of high quality economic development in all parts of Floyd County, Texas and the ongoing improvement in quality of life for the citizens residing in Floyd County;

WHEREAS, Floyd County, Texas recognizes that these objectives are generally served by the enhancement and expansion of the local economy;

WHEREAS, Floyd County, Texas has elected, in Resolution No. 2012-11-19 to be eligible to participate in tax abatement;

WHEREAS, Section 312.002(a) of the Texas Tax Code requires that the County establish guidelines and criteria governing tax abatement agreements by the County;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS' COURT OF FLOYD COUNTY, TEXAS:

THAT, Floyd County adopts the attached GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT FOR SELECTED TAXING UNITS CONTAINED WITHIN FLOYD COUNTY, a copy of which is attached hereto as Exhibit "A" and incorporated by reference the same as if copied in its entirety.

PASSED AND APPROVED this 19 day of November 2012

## EXHIBIT A

### GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT FOR SELECTED TAXING UNITS CONTAINED WITHIN FLOYD COUNTY, TEXAS

#### SECTION I. General Purpose:

The Affected Jurisdictions located wholly within or partially within the County of Floyd, Texas, are committed to the promotion of high quality development in all parts of Floyd County, Texas; and to an ongoing improvement in the quality of life for the citizens residing within the Affected Jurisdictions. The Affected Jurisdictions recognize that these objectives are generally served by enhancement and expansion of the local economy. The Affected Jurisdictions will, on a case by case basis, give consideration to providing tax abatement, as authorized by V.T.C.A., Tax Code, Chapter 312, as stimulation for economic development within the Affected Jurisdictions. It is the policy of the Affected Jurisdictions that said consideration will be provided in accordance with the guidelines and criteria herein set forth and in conformity with the Tax Code.

Nothing contained herein shall imply, suggest or be understood to mean that the Affected Jurisdictions are under any obligation to provide tax abatement to any applicant and attention is called to V.T. C. A., Tax Code, Section 312.002(d). With the above rights reserved all applications for tax abatement will be considered on a case by case basis.

#### SECTION II. Definitions:

As used within these guidelines and criteria, the following words or phrases shall have the following meaning:

1. **Abatement of Taxes:** To exempt from ad valorem taxation all or part of the value of certain improvements placed on land located in a reinvestment zone designated for economic development purposes as of the date of execution of the Tax Abatement Agreement for a period of time not to exceed ten (10) years.
2. **Affected Jurisdiction:** The County of Floyd and any other governmental taxing unit located totally within or partially within the County of Floyd that has adopted these guidelines and criteria.
3. **Abatement Agreement:** (1) A contract between a property owner and an Affected Jurisdiction for the abatement of taxes on qualified property located within the reinvestment zone; or, (2) a contract for the abatement of taxes between an Affected Jurisdiction and a certified air carrier who owns or leases Real Property located within the reinvestment zone or Personal Property or both as authorized by V.T.C.A., Tax Code, Section 312.204(e)
4. **Base Year Value:** The assessed value of property eligible for tax abatement as of January 1 preceding the execution of an Abatement Agreement as herein defined.

## EXHIBIT A

5. **Distribution Center Facility:** A building or structure including Tangible Personal Property used or to be used primarily to receive, store, service or distribute goods or materials.
6. **Expansion of Existing Facilities or Structures:** The addition of buildings, structures, machinery or equipment to a Facility after the date of execution of an Abatement Agreement.
7. **Existing Facility or Structure:** A facility as of the date of execution of the Tax Abatement Agreement, located in or on Real Property eligible for tax abatement.
8. **Facility:** The improvements made to Real Property eligible for tax abatement and including the building or structure erected on such Real Property and/or any Tangible Personal Property to be located in or on such property.
9. **Improvements to Real Property or Improvements:** Shall mean the construction, addition to, structural upgrading of, replacement of, or completion of any facility located upon, or to be located upon, Real Property, as herein defined, or any Tangible Personal Property placed in or on said Real Property.
10. **Manufacturing Facility:** A Facility which is or will be used for the primary purpose of the production of goods or materials or the processing or change of goods or materials to a finished product.
11. **Modernization of Existing Facilities:** The replacement or upgrading or existing facilities.
12. **New Facility:** The construction of a Facility on previously undeveloped real property eligible for tax abatement.
13. **New Permanent Job:** A new employment position created by a business that has provided employment to an employee of at least 1,820 hours annually and intended to be an employment position that exists during the life of the abatement. In the case of a seasonal industry, a new permanent job shall mean a apposition which provides employment to an employee of at least 36 hours per week during the season or seasons of business activity and intended to be an employment position that exists during each season of business activity during the life of the abatement.

## EXHIBIT A

14. **Other Basic Industry:** A Facility other than a distribution center facility, a research facility, a regional service facility or a manufacturing facility which produces goods or services or which creates new or expanded job opportunities.
15. **Owner:** The record title owner of Real Property or the legal owner of Tangible Personal Property. In the case of land leased from an Affected Jurisdiction the lessee shall be deemed the owner of such leased property together with all improvements and Tangible Personal Property located thereon.
16. **Productive Life:** The number of years a Facility is expected to be in service.
17. **Real Property:** Land on which Improvements are to be made or fixtures placed.
18. **Regional Services Facility:** A Facility, the primary purpose of which is to service or repair goods or materials and which creates job opportunities within the Affected Jurisdictions.
19. **Reinvestment Zone:** Real Property designated as a Reinvestment Zone under the provisions of V.T.C.A., Tax Code, Section 312.202.
20. **Research Facility:** A Facility used or to be used primarily for research or experimentation to improve or develop new goods and/or services or to improve or develop the production process for such goods and/or services.
21. **Tangible Personal Property:** Any Personal Property, not otherwise defined herein and which is necessary for the proper operation of any type of Facility.

### **SECTION III. Intent of Criteria and Guidelines:**

The Intent of the criteria and guidelines, as herein set forth, is to establish the minimum standards which an applicant for tax abatement must meet in order to be considered for such status by the Affected Jurisdictions.

### **SECTION IV. Criteria and Guidelines for Tax Abatement:**

1. Any type of Facility will be eligible for tax abatement consideration provided such Facility meets the following guidelines and criteria:
2. To qualify for Tax Abatement, the company must modernize or expand an existing facility or construct a new facility.

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3. In addition to the aforementioned, the taxing jurisdiction will consider abatement if the company meets one of the following criteria:
  - a) The facility will conduct its primary business in one of the following target industries:
    - i) Value-added Agricultural Production including Food Processing and Machinery
    - ii) Warehouse Distribution
    - iii) Dairy Production
    - iv) Confined Cattle Feeding Operations
    - v) Tourism
    - vi) Hospitality
  - b) The project is not included as a target industry, but is expected to create a substantial economic impact on an Affected Jurisdiction or has the potential of generating additional significant economic development opportunities to Floyd County.
4. The project will significantly increase assessed valuation of real property and/or personal property, or will create new permanent jobs of substantial value to an Affected Jurisdiction.
5. New or existing facilities, of any type herein defined, located in a reinvestment zone or upon Real Property eligible for such status will be eligible for consideration for tax abatement status provided that all other criteria and guidelines are satisfied.
6. Improvements to Real Property are eligible for tax abatement status.
7. The following types of Property shall be ineligible for tax abatement status and shall be fully taxed
  - a) Real Property;
  - b) inventories or supplies;
  - c) dwelling units intended for lease passive income to the landlord; provided, however, that nursing homes, hotels and the like which include the provision of services as a substantial component of the enterprise are not hereby excluded from eligibility for tax abatement;
  - d) vehicles;
  - e) aircraft;
  - f) boats;
  - g) property owned by the State of Texas or any State agency; and,
  - h) property owned or leased by a member of the Affected Jurisdiction.
8. In order for a Facility to qualify for abatement, the following conditions must apply:

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- a) The owner or leaseholder must make eligible improvements to the property; and,
  - b) In the case of lessees the leaseholder must have a commitment at least equal to the term of the abatement agreement plus one year.
9. In reinvestment zones, the amount and term of abatement shall be determined on a case by case basis, however, in no event shall taxes be abated for a term in excess of ten (10) years. The amount of the taxable value of Improvements to be abated and the term of the abatement shall be determined by the municipality in all cases where the property for which tax abatement is applied for is within the City limits of a City or by the County of Floyd in all cases where the property for which tax abatement is applied for is outside of the City limits of a municipality, but within the County of Floyd, except that a reinvestment zone that is a state enterprise zone is designated for the same period as a state enterprise zone as provided by Chapter 2303, Government Code. The authority of all other taxing units shall be as set forth in V.T.C.A., Tax Code, Section 312.206.

In enterprise zones, the governing body of each taxing jurisdiction may execute a written agreement with the owner of the property not later than the 90<sup>th</sup> day after the date the municipal or county agreement, whichever is later. The agreement may, but is not required to, contain terms that are identical to those contained in the agreement with the municipality, county, or both, whichever applies, and the only terms for the agreement that may vary are the portion of the property that is to be exempt from taxation under the agreement and the duration of the agreement.

10. No property shall be eligible for tax abatement unless such property is located in a reinvestment zone in accordance with V.T. C. A., Tax Code, Section 312.202.
11. Notwithstanding any of the requirements set forth in Section 10, the governing body of an Affected Jurisdiction upon the affirmative vote of three-fourths (3/4) of its members may vary any of the above requirements when it is demonstrated by the applicant for Tax Abatement that variation is in the best interest of the Affected Jurisdiction and will enhance the economic development of the Affected Jurisdiction. By way of example only and not by imitation the governing body of an Affected Jurisdiction may consider the following or similar terms in determining whether a variance shall be granted:
- a) That the increase in productivity of the Facility will be substantial and hence directly benefit the economy.
  - b) That the increase of goods or services produced by the Facility will be substantial and directly benefit the economy.
  - c) That the employment maintained at the Facility will be increased.
  - d) That the waiver of the requirement will contribute and provide for the retention of existing jobs within the Affected Jurisdiction.
  - e) That the applicant for tax abatement has demonstrated that if tax abatement is granted to his Facility even though his Facility will not employ additional personnel, nevertheless due to the existence of said Facility new jobs will be created as a direct result of his Facility in other facilities located within the Affected Jurisdiction.

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- f) Any other evidence tending to show a direct economic benefit to the Affected Jurisdiction.

### 12. Taxability:

- a) The portion of the value of Improvements to be abated shall be abated in accordance with the terms and provisions of a Tax Abatement Agreement executed between the Affected Jurisdiction and the owner of the Real Property and/or Tangible Personal Property, (which agreement shall be) in accord with the provisions of V.T. C. A., Tax Code, Section 312.205.
- b) All ineligible property, if otherwise taxable as herein described, shall be fully taxed.

13. The governing body of each Affected Jurisdiction shall have total discretion as to whether tax abatement is to be granted. Such discretion, as herein retained, shall be exercised on a case by case basis. The adoption of these guidelines and criteria by the governing body of an Affected Jurisdiction does not:

- a) Limit the discretion of the governing body to decide whether to enter into a specific tax abatement agreement;
- b) Limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for tax abatement; or,
- c) Create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application or request for tax abatement.

14. The burden to demonstrate that an application for tax abatement should be granted shall be upon the applicant. Each Affected Jurisdiction to which the application has been directed shall have full authority to request any additional information from the applicant that the governing body of such Affected Jurisdiction deems necessary to assist it in considering such application.

### **SECTION V. Criteria and Guidelines for Creation of Reinvestment Zone:**

- 1. No property shall be eligible for tax abatement unless such property is located in a reinvestment zone designated as such as in accordance with V.T.C.A., Tax Code, Section 312.202. To be designated as a reinvestment zone an area must:
  - a) Substantially arrest or impair the sound growth of the municipality or county creating the zone, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use because of the presence of:
    - 1. a substantial number of substandard, slum, deteriorated, or deteriorating structures;
    - 2. the predominance of defective or inadequate sidewalks or streets;
    - 3. faulty size, adequacy, accessibility or usefulness of lots;
    - 4. unsanitary or unsafe conditions;

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5. the deterioration of site or other improvements;
  6. tax or special assessment delinquency exceeding the fair value of the land;
  7. defective or unusual conditions of title;
  8. conditions that endanger life or property by fire or other cause; or
  9. any combination of these factors;
- b) Be predominantly open and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the municipality;
- c) Be in a federally assisted new community located in a home rule municipality or in an area immediately adjacent to a federally assisted new community located in a home rule municipality;
- d) Be located entirely in an area that meets the requirements for federal assistance under Section 119 of the Housing and Community Development Act of 1974 (42 U.S.C. Section 5318);
- e) Encompass signs, billboards, or other outdoor advertising structures designated by the governing body of the municipality for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the municipality, which the legislature declares to be a public purpose; or,
- f) Be reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the municipality.
2. For purposes of this Section, federally assisted new community is a federally assisted area:
- a) That has received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act (12 U.S.C., Section 1749aa et seq); and,
  - b) A portion of which has received grants under Section 107 (a) (1) of the Housing and Community Development Act of 1974, as amended.
3. The governing body of a municipality, as required by Section 312.201, or a county as required by V.T.C.A., Tax Code, Section 312.401, shall hold a public hearing on the designation of an area within its jurisdiction as a reinvestment zone. The burden shall be on the owner of the property sought to be included in the zone or applicant for the creation of the reinvestment zone to establish the following:
- a) That the requirements of Subsection 1 of this Section have been met; and
  - b) That the improvements sought are feasible and practical.

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4. No later than the seventh day before the date set for the above public hearing notice of such hearing shall be:
  - a) Published in a newspaper having general circulation in the Affected Jurisdiction; and
  - b) Delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries Real Property that is to be included in the reinvestment zone.
5. At the public hearing above described in Subsection 3 above, any interested person is entitled to speak and present evidence for or against the designation of such reinvestment zone.
6. At the conclusion of the hearing described in Subparagraph 3 above, the governing body shall enter its findings as follows:
  - a) That the applicant or owner has or has not met his burden as hereinabove set forth, and/or,
  - b) That the improvements sought are or are not feasible and practical.
  - c) That the proposed improvements sought will or will not be a benefit to the land to be included in the reinvestment zone and to the Affected Jurisdiction after the expiration of an agreement entered into under V.T.C.A., Tax Code, Section 312.204.
7. An application for the creation of a reinvestment zone shall not be granted unless the Affected Jurisdiction considering such application enters affirmative findings to Subparagraphs a, b, and c of Subsection 6 above set forth.
8. At the conclusion of the public hearing herein required and upon the affirmative finding of the governing body as required by Subsection 7 above set forth, the governing body may designate a reinvestment zone in accordance with the provisions of V.T.C.A., Tax Code, Sections 312.201 or 312.401, whichever Section shall be applicable to the premises.
9. The designation of a reinvestment zone expires five years after the date of the designation and may be renewed for periods not to exceed five years, except that a reinvestment zone that is a state enterprise zone as provided by Chapter 2303, Government Code. The expiration of the designation does not affect an existing tax abatement agreement made in accordance with V.T.C.A., Tax Code, Section 312.201 through Section 312.209.
10. Designation of an area as an enterprise zone under the Texas Enterprise Zone Act, Chapter 2303, Subchapter C, Texas Government code, constitutes designation of the area as a reinvestment zone under Subchapter B of the Property Redevelopment and Tax Abatement Act without further hearing or other procedural requirements other than those

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provided by the Texas Enterprise Zone Act, Chapter 2303 Subchapter C, Texas Government Code.

### SECTION VI. Tax Abatement Agreement:

1. After the creation of a reinvestment zone as hereinabove authorized a Tax Abatement Agreement may be executed between the owner and any Affected Jurisdiction. A Tax Abatement Agreement shall:
  - a) Establish and set forth the Base Year assessed value of the property for which tax abatement is sought.
  - b) Provide that the taxes paid on the base year assessed value shall not be abated as a result of the execution of said Tax Abatement Agreement.
  - c) Provide that ineligible property as subscribed in Section IV, Subsection 6, hereinabove shall be fully taxed.
  - d) Provide for the exemption of Improvements in each year covered by the agreement only to the extent the value of such improvements for each such year exceeds the value for the year in which the agreement is executed.
  - e) Fully describe and list the kind, number and location of all of the improvements to be made in or on the Real Property.
  - f) Set forth the estimated value of all improvements to be made in or on the Real Property.
  - g) Clearly provide that tax abatement shall be granted only to the extent:
    1. The Improvements to Real Property increase the value of the Real Property for the year in which the Tax Abatement Agreement is executed; and
    2. That the Tangible Personal Property improvements to Real Property were not located on the Real Property prior to the execution of the Tax Abatement Agreement.
  - h) Provide for the portion of the value of the improvements to Real Property or improvements to be abated. This determination is to be made consistent with the provisions of Section IV, Subsection 6, of these guidelines and criteria as hereinabove set forth.

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- i) Provide for the commencement date and the termination date. In no event shall said dates exceed a period of ten years.
  
- j) Describe the type and proposed use of the improvements to Real Property or improvements including:
  - 1. The type of facility.
  
  - 2. Whether the improvements are for a new facility, modernization of a facility, or expansion of a facility.
  - 3. The nature of the construction, proposed time table of completion, a map or drawings of the improvements above mentioned.
  
  - 4. The amount of investment and the commitment for the creation of new jobs.
  
  - 5. A list containing the kind, number and location of all proposed Improvements.
  
  - 6. Any other information required by the Affected Jurisdiction.
  
- k) Provide a legal description of the Real Property upon which improvements are to be made.
  
- l) Provide access to and authorize inspection of the Real Property or improvements by employees of the Affected Jurisdiction, who have executed a Tax Abatement Agreement with owner to insure improvements are made according to the specifications and conditions of the Tax Abatement Agreement.
  
- m) Provide for the limitation of the uses of the Real Property or improvements consistent with the general purpose of encouraging development or redevelopment of the zone during the period covered by the Tax Abatement Agreement.
  
- n) Provide the contractual obligations in the event of default by owner, violation of the terms or conditions by owner, recapturing property tax revenue in the event owner defaults or otherwise fails to make improvements as provided in said Tax Abatement Agreement, and any other provision as may be required or authorized by State Law.

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- o) Contain each term agreed to by the owner of the property.
  - p) Require the owner of the property to certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the agreement.
  - q) Provide that the governing body of the municipality may cancel or modify the agreement if the property owner fails to comply with agreement.
2. Not later than the seventh day before a municipality or the County of Floyd (as required by V.T.C.A., Tax Code 312.2041 or Section 312.402) enters into an agreement for tax abatement under V.T.C.A., Tax Code, Section 312.204, the governing body of a municipality or a designated officer or employee thereof or the governing body of the County of Floyd or a designated officer or employee thereof shall deliver to the presiding officer of the governing body of each of the taxing units in which the property to be subject to the agreement is located, a written notice that the municipality or the County of Floyd as the case may be, intends to enter into the agreement. The notice must include a copy of the proposed Tax Abatement Agreement.
  3. A notice, as above described in Subparagraph 2, is presumed delivered when placed in the mail, postage paid and properly addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee.
  4. Failure to deliver the notice does not affect the validity of the agreement.

### **SECTION VII. Application:**

1. Any present owner or lessee of taxable property located within an Affected Jurisdiction may apply for tax abatement by filing an application with the County of Floyd, when the Real Property or Tangible Personal Property for which abatement is sought is located within the County of Floyd but outside of the City limits of any City or with the appropriate City when the Real Property or Tangible Personal Property for which abatement is sought is located within the City limits of a municipality located wholly or partially within Floyd County.
2. The application shall consist of a completed application form accompanied by:
  - a) A general description of the improvements to be undertaken.

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- b) A descriptive list of the improvements for which tax abatement is requested.
- c) A list of the kind, number and location of all proposed improvements of the Real Property Facility or Existing Facility.
- d) A map indicating the approximate location of improvements on the Real Property Facility or Existing Facility together with the location of any or all Existing Facilities located on the Real Property or Facility.
- e) A list of any and all Tangible Personal Property presently existing on the Real Property or located in an existing facility.
- f) A proposed time schedule for undertaking and completing the proposed improvements.
- g) A general description stating whether the proposed improvements are in connection with:
  - 1. the modernization of a facility (of any type herein defined); or,
  - 2. construction of a new facility (of any type herein defined); or,
  - 3. expansion of a facility (of any type herein defined); or,
  - 4. any combination of the above.
- h) A statement of the additional value to the Real Property or Facility as a result of the proposed improvements.
- i) A statement of the assessed value of the Real Property, Facility or Existing Facility for the Base Year.
- j) Information concerning the number of new jobs that will be created or information concerning the number of existing jobs to be retained as result of the improvements undertaken.

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- k) Any other information which the Affected Jurisdiction, to which the application has been directed, deems appropriate for evaluating the financial capacity of the applicant and compatibility of the proposed improvements with these guidelines and criteria.
  
- l) Information that is provided to an Affected Jurisdiction in connection with an application or request for tax abatement and which describes the specific processes or business activity to be conducted or the equipment or other property to be located on the property for which tax abatement is sought is confidential and not subject to public disclosure until the Tax Abatement Agreement is executed. Information in the custody of an Affected Jurisdiction after the agreement is executed is not confidential. (V.T.C.A., Tax Code, Section 312.003)
  
- m) The Affected Jurisdiction to which the application for tax abatement has been directed shall determine if the property described in said application is within a designated reinvestment zone. If the Affected Jurisdiction determines that the property described is not within a current reinvestment zone then they shall so notify the applicant and said applicant shall then be considered both as an application for the creation of a reinvestment zone and a request for tax abatement to be effective after the zone is created.

### SECTION VIII. Recapture:

1. In the event that any type of facility, (as defined in Section II, Subparagraphs 5, 6, 7, 8, 10, 1, 12, 14, 18, 20) is completed and begins producing goods or services, but subsequently discontinues producing goods or services for any reason, excepting fire, explosion, other casualty accident, natural disaster or other event beyond the reasonable control of applicant or owner, including the inability to produce energy due to the lack of wind energy for a period of 180 consecutive days during the term of a tax abatement agreement, then in such even the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later than January 31<sup>st</sup> of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within (60) days of the date of termination. The burden shall be upon the applicant or owner to prove to the satisfaction of the Affected Jurisdiction to which the application for tax abatement was directed that the discontinuance of producing goods or services was as a result of fire, explosion, other casualty accident, natural disaster or other event beyond the control of applicant or owner. In the event that applicant or owner meets this burden and the Affected Jurisdiction is satisfied that the discontinuance of the production of goods or services was the result of events beyond the control of the applicant or owner, then such applicant or owner shall have a period of one year, then the Tax Abatement Agreement shall terminate and the Abatement of all taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later

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than January 31<sup>st</sup> of the following year. Taxes abated in years prior to the days of the date of termination shall be payable to each Affected Jurisdiction within sixty (60) days of the date of termination. The one year time period, hereinabove mentioned, shall commence upon written notification from the Affected Jurisdiction to the applicant or owner.

2. In the event that the applicant or owner has entered into a tax abatement agreement to make improvements to a facility of any type described in Section 1 above, but fails to undertake or complete such improvements, then in such event the Affected Jurisdiction to whom the application for tax abatement was directed shall give the applicant or owner sixty (60) days notice of such failure. The applicant or owner shall demonstrate to the satisfaction of the Affected Jurisdiction, above mentioned, that the applicant or owner has commenced to cure such failure within the sixty (60) days above mentioned. In the event that the applicant or owner fails to demonstrate that he is taking affirmative action to cure his failure, then in such event the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later than January 31<sup>st</sup> of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within sixty (60) days of the date of termination.
3. In the event that the Affected Jurisdiction to which the application for tax abatement was directed determines that the applicant or owner is in default of any of the terms or conditions contained in the Tax Abatement Agreement, then in such event the Affected Jurisdiction, shall give the applicant or owner sixty (60) days written notice to cure such default. In the event such default is not cured to the satisfaction of the Affected Jurisdiction within the sixty (60) days notice period, then the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate, however, where fulfillment of any obligation requires more than sixty (60) days, performance shall be commenced within sixty (60) days after receipt of the notice and such performance shall be diligently continued until the default is cured; provided, however, that if such default is not cured within one hundred and fifty (150) days from the date of such notice of default from the Affected Jurisdiction, the failure to cure such default shall constitute a default hereunder. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later than January 31<sup>st</sup> of the following year.
4. In the event that the applicant or owner allows ad valorem taxes on property ineligible for tax abatement owed to any Affected Jurisdiction, to become delinquent and fails to timely and properly follow the legal procedures for their protest or contest, then in such event the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination, under this subparagraph, takes place shall be payable to each Affected Jurisdiction by no later than January 31<sup>st</sup> of the following year.

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5. In the event that the applicant or owner, who has executed a tax abatement agreement with Affected Jurisdiction, relocates the business for which tax abatement has been granted, to a location outside of the designated reinvestment zone, then in such event, the Tax Abatement Agreement shall terminate after sixty (60) days written notice by the Affected Jurisdiction to the Owner/Applicant. Taxes abated during the calendar year in which termination, under this subparagraph takes place shall be payable to each Affected Jurisdiction by no later than January 31<sup>st</sup> of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within sixty (60) days of the date of termination.
6. The date of termination as that term is used in this Subsection VIII shall, in every instance, be the 60<sup>th</sup> day or the 150<sup>th</sup> day, if applicable, as described in Section VIII(3) after the day the Affected Jurisdiction sends notice of default, in the mail to the address shown in the Tax Abatement Agreement to the Applicant or Owner. Should the default be cured by the owner or Applicant within the sixty (60) day notice period, the Owner/Applicant shall be responsible for so advising the Affected Jurisdiction and obtaining a release from the notice of default from the Affected Jurisdiction, failing in which, the abatement remains terminated and the abated taxes must be paid.
7. In every case of termination set forth in Subparagraphs 1, 2, 3, 4 and 5 above, the Affected Jurisdiction to which the application for tax abatement was directed shall determine whether default has occurred by Owner (Applicant) in the terms and conditions of the Tax Abatement Agreement and shall so notify all other Affected Jurisdictions.

### **SECTION IX. Miscellaneous:**

1. Any notice required to be given by these criteria or guidelines shall be given in the following manner:
  - a) To the owner or applicant: written notice shall be sent to the address appearing on the Tax Abatement Agreement.
  - b) To an Affected Jurisdiction: written notice shall be sent to the address appearing on the Tax Abatement Agreement.
2. The Chief Appraiser of the Floyd County Central Appraisal District shall annually assess the Real and Personal Property comprising the reinvestment zone. Each year, the applicant or owner receiving tax abatement shall furnish the Chief Appraiser with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the Affected Jurisdictions which levy taxes of the amount of assessment.

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3. Upon the completion of improvements made to any type of Facility as set forth in Section VIII, Subparagraph 1 of these criteria and guidelines a designated employee or employees of any Affected Jurisdiction having executed a tax abatement agreement with applicant or owner shall have access to the Facility to insure compliance with the Tax Abatement Agreement.
4. A tax abatement agreement may be assigned, in whole or in part, to a new owner but only after written consent has been obtained from all Affected Jurisdictions which have executed an agreement with the applicant or owner, however, assignment may be made with or without the consent in the context of financing the facility or in the case of a transfer to an entity that has equal or greater financial strength than the Owner.
5. These guidelines and criteria are effective upon the date of their adoption by an Affected Jurisdiction and shall remain in force for two years. At the end of the two year period these guidelines and criteria may be readopted, modified, amended or rewritten as the conditions may warrant.
6. Each Affected Jurisdiction shall determine whether or not said Affected Jurisdiction elects by resolution to become eligible to participate in tax abatement, then such Affected Jurisdiction shall adopt these guidelines and criteria by separate resolution forwarding a copy of both resolutions to all other Affected Jurisdictions.
7. In the event of a conflict between these guidelines and criteria and V.T.C.A., Tax Code, Chapter 312, then in such event the Tax Code shall prevail and these guidelines and criteria interpreted accordingly.
8. The guidelines and criteria once adopted by an Affected Jurisdiction may be amended or repealed by a vote of three-fourths of the members of the governing body of an Affected Jurisdiction during the two year term in which these guidelines and criteria are effective.

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**SECTION X. Road Maintenance :**

- 1. During construction of the Improvements, Owner agrees to use commercially reasonable efforts to minimize the disruption to County roads by Owner or its agents during the construction period.**
- 2. After construction, Owner will leave such County roads in a state of equal or better condition than they were prior to construction, excepting normal wear and tear.**