

FINDINGS
of the
***MIAMI INDEPENDENT
SCHOOL DISTRICT
BOARD OF TRUSTEES***

**Under Chapter 313 of the
Texas Tax Code**

**ON THE APPLICATION FOR A
LIMITED APPRAISED VALUE ON
QUALIFIED PROPERTY**

SUBMITTED BY

MIAMI WIND I, LLC

Comptroller Application Number 331

RESOLUTION AND FINDINGS OF FACT
of the
MIAMI INDEPENDENT SCHOOL DISTRICT BOARD OF TRUSTEES
UNDER CHAPTER 313 OF THE TEXAS TAX CODE
ON THE APPLICATION FOR A
LIMITED APPRAISED VALUE ON QUALIFIED PROPERTY SUBMITTED
BY MIAMI WIND I, LLC

STATE OF TEXAS §
 §
COUNTY OF ROBERTS §

PREAMBLE

On the 27th day of November, 2013, a public meeting of the Board of Trustees of the Miami Independent School District (the “Board”) was held to solicit input from interested parties on the application by MIAMI WIND I, LLC (“Miami Wind I” or “Applicant”) for an appraised value limitation on qualified property under Chapter 313 of the Texas Tax Code. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board considered the application by Miami Wind I for a Limited Appraised Value on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations from interested parties within the District. After hearing presentations from the District’s administrative staff and the consultants retained by the District to advise the Board in this matter, the Board of Trustees of the Miami Independent School District makes the following Findings regarding the Application:

On or about the 30th day of July, 2013, the Board of Trustees for the Miami Independent School District, received an Application for an Appraised Value Limitation on Qualified Property from Miami Wind I, pursuant to Chapter 313 of the Texas Tax Code. The general nature of Applicant’s investment in qualified property set forth in the Application is for equipment and material related to the creation of a wind power electric generation facility. *See* Comptroller’s Recommendation Letter, dated November 12, 2013, attached hereto as Attachment C. The Board agreed to consider such Application, and the District formally acknowledged receipt of the Application for consideration on behalf of the District. The Texas Comptroller of Public Accounts received the completed Application on or about August 6, 2013. Thereafter, on behalf of the Applicant, the District submitted Amendments to the Application, including: Amendment No. 001 on August 28, 2013 (updated wage data information), and the Comptroller issued its notice of completeness by letter dated August 30, 2013, the Application review start date. A copy of the Application and Comptroller letter of August 30, 2013 are attached as Attachment A. The District also submitted Amendment No. 002 to the Controller on behalf of the Applicant on September 17, 2013 (reinvestment zone documents). The Application and Amendments Nos. 001 and 002 are collectively referred to as the “Application.”

The Texas Taxpayer Identification number for Miami Wind I is 32045958413. Miami Wind I is an entity subject to Chapter 171 of the Texas Tax Code and is certified to be in good

standing with the Texas Comptroller of Public Accounts as required by Texas Tax Code §313.024(a). *See* Attachments A, B and C.

The Board acknowledged receipt of the Application and necessary application fee as established by §313.025(a)(1) of the Texas Tax Code and Local District Policy.

The Application was delivered to the Texas Comptroller's Office for review pursuant to §313.025(b) of the Texas Tax Code.

A copy of the Application was delivered to the Roberts and Gray County Appraisal Districts for review pursuant to 34 Texas Administrative Code §9.1054.

The Application was reviewed by the Texas Comptroller's Office pursuant to Texas Tax Code §§313.025 and 313.026. After receipt of the Application, the Texas Comptroller's Office caused an economic impact evaluation to be conducted pursuant to §313.026 of the Texas Tax Code. The Comptroller, pursuant to Texas Tax Code §313.025(h), determined the project subject to the Application meets the requirements for eligibility under Texas Tax Code §313.024 for a limitation on appraised value, and after reviewing the Application based on the criteria set out in Texas Tax Code § 313.026, issued a recommendation on November 12, 2013 that the Application be approved. *See* Attachment C. The Board of Trustees has carefully considered such evaluation and recommendation. Copies of the Recommendation and Economic Impact Evaluation are attached to these Findings as Attachments C and D.

The Board also directed that a specific school financial analysis be conducted of the impact of the proposed value limitation on the finances of Miami Independent School District. A copy of a report prepared by Randy McDowell and Neal Brown is attached to these Findings as Attachment E.

The Board has confirmed that the taxable value of industrial property in the Miami Independent School District for the preceding tax year, as determined under Subchapter M, Chapter 403 of the Texas Government Code, falls within a rural school district, Category III of §313.054 of the Texas Tax Code. *See* Comptroller's "2012 ISD Summary Worksheet," attached hereto as Attachment F, and Attachment C.

After receipt of the completed Application, the District entered into negotiations with Miami Wind I regarding the specific language to be included in the Limitation on Appraised Value Agreement ("LAVA") pursuant to Chapter 313 of the Texas Tax Code, including appropriate revenue protection provisions for the District. The proposed LAVA is attached to these Findings as Attachment G, and the LAVA was submitted to and approved by the Comptroller as set out under 34 Texas Administrative Code §9.1015, *et seq.* *See* copy of November 19, 2013 Agreement approval letter from the Comptroller, attached to these Findings as Attachment H.

After review of the Comptroller's recommendation, and in consideration of its own analysis of Miami Wind I's Application and all other substantive documentation related thereto, the Board, in addition to the above Findings, further finds as follows:

Board Finding Number 1.

There is a strong relationship between the Applicant's industry and the types of qualifying jobs to be created by the Applicant and the long-term economic growth plan of this State as described in the strategic plan for economic development (the ED Plan) submitted by the Texas Strategic Economic Development Commission under § 481.033 of the Texas Government Code.

In support of Finding Number 1, the Economic Impact Evaluation states:

The Texas Economic Development Plan focuses on attracting and developing industries using technology. It also identifies opportunities for existing Texas industries. The plan centers on promoting economic prosperity throughout Texas and the skilled workers that the Miami Wind I, LLC project requires appear to be in line with the focus and themes of the plan. Texas identified energy as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the energy industry.

Board Finding Number 2.

Applicant's renewable energy generation facility will improve the economic condition of both Roberts and Gray Counties and the region.

In support of this Finding, the information provided by the Comptroller's Office analyzes several economic factors and conditions, including population, employment and taxes. The Comptroller's Economic Impact Evaluation indicates the population growth of Roberts County lagged behind that of the state in recent years. The state population grew by 1.8 percent between 2009 and 2010, while the population of Roberts County decreased 0.6 percent over the same period. The population of Gray County also lagged behind the state, down 1.4 percent from 2009. Roberts County was the 248th largest county in population in 2010, and the 220th fastest growing county from 2009 to 2010. Gray County was the 109th largest county in population in 2010, and the 244th fastest growing county from 2009 to 2010.

September 2011 employment for Roberts County, however, was up 3.1 percent from September 2010, while the state total employment increased .9 percent in this same period. Gray County was also up 3.0 percent for that same period. The total Roberts County employment in September 2011 was 554. The total Gray County employment in September 2011 was 10,309. The unemployment rate in Roberts County was 3.9 percent in September 2011, which was unchanged from 3.9 percent in September 2010. The unemployment rate in Gray County was 6.6 percent in September 2011, down from 6.8 percent in September 2010. These were both, however, lower than the state average of 8.5 percent for September 2011.

Roberts County has lower per-capita personal income than the state as a whole. The average per-capita income for Roberts County residents for 2009 was \$33,218, which ranked 119th

among the 254 counties in Texas, and was down 16.5 percent from 2008. The average per-capita income for Gray County residents for 2009 was \$39,357, which ranked 37th among the 254 counties in Texas, and was down 4.0 percent from 2008. The Texas average was \$38,609 for the same period.

Taxable sales in Roberts County through the fourth quarter of 2010 were \$1.43 million, down 37.2 percent from the same period in 2009. Taxable sales in the City of Miami through the fourth quarter of 2010 were \$1.29 million, which was down 42.3 percent from the same period in 2009. Taxable sales in Gray County through the fourth quarter of 2010 were \$485 million, up 17.2 percent from the same period in 2009.

Given recent income levels and sales tax activity, Roberts County will likely benefit, and Gray County will likely continue to benefit, from economic activity like that associated with the Miami Wind I project. Major capital investments like this project are beneficial to the community on a number of fronts, including employment, expanded opportunities for existing businesses, and an increased local tax base. See Attachment 3, and Tables 1 and 2, of Attachment D.

Board Finding Number 3.

Based on the Application, the level of the Applicant's average investment per qualifying job over the term of the Agreement is estimated to be approximately \$33.4 million, based on eight (8) qualifying positions to be allocated for the Miami Wind I project in Miami ISD.

In support of Finding Number 3, the Economic Impact Evaluation states:

The project's total investment is \$266.9 million, resulting in a relative level of investment per qualifying job of \$33.4 million.

The investment amount per job may vary, depending on the site layout, turbine technology and total number of turbines actually installed by Applicant. See Attachment I.

Board Finding Number 4.

The average salary level of qualifying jobs is expected to be at least \$48,700 per year, which meets the requirements under Chapter 313 for an appropriate wage-level, and each qualifying job will receive benefits such as 80 percent of the premiums for medical, dental, vision and life insurance, disability plans, 401(k) retirement savings plan, paid vacation and sick leave. Miami Wind I indicates that it will allocate eight (8) new jobs within the District, all eight (8) of which will be permanent jobs that will meet the criteria of a qualifying job.

In support of Finding Number 4, the Economic Impact Evaluation states:

After construction, the project will create eight new jobs when fully operational. All eight jobs will meet the criteria for qualifying jobs as specified in Tax Code Section 313.021(3). According to the Texas Workforce Commission (TWC), the regional manufacturing wage for the Panhandle Regional Planning Commission, where Roberts County is located was \$41,850 in 2012. The annual average manufacturing wage for 2012 for Roberts County is not published or available. In 2012-2013, the county annual average wage for all industries was \$32,279. In addition to an annual average salary of \$48,700 each qualifying position will receive benefits such as 80 percent of the premiums for medical, dental, vision and life insurance, disability plans, 401(k) retirement savings plan, paid vacation and sick leave.

Board Finding Number 5.

The new jobs creation requirement under § 313.051(b) exceeds the industry standard for the number of employees reasonably necessary for the operation of the Applicant's facility described in the Application, and Applicant qualifies for a waiver of the new jobs requirement pursuant to § 313.025(f-1).

In support of this Finding, Applicant, as Attachment 13 to its Application, submitted information regarding the industry standard for the number of jobs for a project with qualified property of this size and type. Attachment 13 provides that for a project of the size and type described in the Application, the project will require less than ten (10) permanent jobs. The industry standard requires approximately one (1) full time position for every 10 to 15 turbines, depending on the site layout, size and type of turbines selected, which is less than the requirements of §313.051(b). Applicant intends to use GE 1.7 MW turbines, which would require one (1) full time job for every 12 turbines. A copy of Attachment and check list item 13 submitted with the Application is attached hereto as Attachment I. Applicant reported in its Application that it would create at least eight (8) new jobs, all eight (8) of which are qualifying jobs, to service and support approximately 80 to 95 turbines, which is in line with the requirement under Texas Tax Code § 313.051 and industry standards. See Attachments A and I.

Board Finding Number 6.

The ability of the Applicant to locate the proposed wind energy facility in another state or another region of this state is significant because of the highly competitive marketplace for economic development.

In support of Finding Number 6, the Economic Impact Evaluation states:

According to the Miami Wind I, LLC application, 'Invenergy develops, owns and operates wind energy projects across the US, Canada and in Europe. We have

numerous developments in the nearby states of Kansas and Oklahoma, where the wind resource is equivalent and their taxing incentives are similar to Texas. The Miami Wind Energy project is currently in competition with a 250 MW wind project in Oklahoma, a 200 MW wind energy project in Kansas, and a 300 MW project in Texas.’

Board Finding Number 7.

Subsequent positive economic effects on the local and regional tax bases will be significant. The District will receive revenue gains due to the increase in its tax base. Likewise, the Board finds that the local and regional tax base will increase, and that the Applicant’s renewable energy project will improve the economic condition of the region and the state.

In support of Finding Number 7, the Economic Impact Evaluation states:

Table 1 depicts Miami Wind I, LLC’s estimated economic impact to Texas. It depicts the direct, indirect and induced effects to employment and personal income within the state. The Comptroller’s office calculated the economic impact based on 16 years of annual investment and employment levels using software from Regional Economic Models, Inc., (REMI). The impact includes the construction period and the operating period of the project.

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Table 1: Estimated Statewide Economic Impact of Investment and Employment in Miami Wind I, LLC

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2013	3	3	6	\$131,115	-\$131,115	\$0
2014	140	139	279	\$6,814,254	\$9,185,746	\$16,000,000
2015	8	12	20	\$389,600	\$1,610,400	\$2,000,000
2016	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2017	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2018	8	13	21	\$389,600	\$1,610,400	\$2,000,000
2019	8	17	25	\$389,600	\$1,610,400	\$2,000,000
2020	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2021	8	19	27	\$389,600	\$1,610,400	\$2,000,000
2022	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2023	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2024	8	17	25	\$389,600	\$2,610,400	\$3,000,000
2025	8	19	27	\$389,600	\$1,610,400	\$2,000,000
2026	8	8	16	\$389,600	\$1,610,400	\$2,000,000
2027	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2028	8	12	20	\$389,600	\$1,610,400	\$2,000,000

Source: CPA, REMI, Miami Wind I, LLC

The statewide average ad valorem tax base for school districts in Texas was \$1.7 billion in 2011. Miami ISD's ad valorem tax base in 2012-13 was \$697 million. The statewide average wealth per WADA was estimated at \$343,155 for fiscal 2012-2013. During that same year, Miami ISD's estimated wealth per WADA was \$2,015,830. The impact on the facilities and finances of the district are presented in Attachment 2 [of the Comptroller's Economic Impact Evaluation].

Table 2 examines the estimated direct impact on ad valorem taxes to the school district, Roberts and Gray Counties, special purpose districts and Clarendon Community College district with all property tax incentives sought being granted using estimated market value from Miami Wind I, LLC's application. Miami Wind I, LLC has applied for both a value limitation under Chapter 313, Tax Code and a tax abatement with the counties and Roberts ESD #1. Table 3 illustrates the estimated tax impact of the Miami Wind I, LLC project on the region if all taxes are assessed.

Table 2 Estimated Direct Ad Valorem Taxes with all property tax incentives sought

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Miami ISD I&S Levy	Miami ISD M&O Levy	Miami ISD M&O and I&S Tax Levies (Before Credit Credited)	Miami ISD M&O and I&S Tax Levies (After Credit Credited)	Roberts County Tax Levy (89%)	Gray County Tax Levy (11%)	Roberts ESD #1 Tax Levy (89%)	Clarendon Community College District Tax Levy (11%)	Panhandle Water District #3 Tax Levy (89%)	Panhandle Ground WCD #3 (Gray Co.) Tax Levy (11%)	Estimated Total Property Taxes	
2014	\$5,772,892	\$5,772,892		\$1.385	\$60.038	\$61,424	\$61,424	\$0	\$0	\$0	\$2,886	\$512	\$512	\$65,334	
2015	\$266,936,306	\$266,936,306		\$64,065	\$2,776,138	\$2,840,202	\$2,840,202	\$0	\$0	\$0	\$133,468	\$23,677	\$23,677	\$3,021,025	
2016	\$250,920,128	\$10,000,000		\$60,221	\$104,000	\$164,221	\$164,221	\$0	\$0	\$0	\$125,460	\$22,257	\$22,257	\$334,194	
2017	\$235,864,920	\$10,000,000		\$56,608	\$104,000	\$160,608	\$160,608	\$0	\$0	\$0	\$117,932	\$20,921	\$20,921	\$268,382	
2018	\$221,713,025	\$10,000,000		\$53,211	\$104,000	\$157,211	\$157,211	\$0	\$0	\$0	\$110,857	\$19,666	\$19,666	\$255,400	
2019	\$208,410,243	\$10,000,000		\$50,018	\$104,000	\$154,018	\$154,018	\$0	\$0	\$0	\$104,205	\$18,486	\$18,486	\$243,196	
2020	\$195,905,629	\$10,000,000		\$47,017	\$104,000	\$151,017	\$151,017	\$0	\$0	\$0	\$97,953	\$17,377	\$17,377	\$231,724	
2021	\$184,151,291	\$10,000,000		\$44,196	\$104,000	\$148,196	\$148,196	\$0	\$0	\$0	\$92,076	\$16,334	\$16,334	\$220,940	
2022	\$173,102,214	\$10,000,000		\$41,545	\$104,000	\$145,545	\$145,545	\$0	\$0	\$0	\$86,551	\$15,354	\$15,354	\$210,804	
2023	\$162,716,081	\$10,000,000		\$39,052	\$104,000	\$143,052	\$143,052	\$0	\$0	\$0	\$81,358	\$14,433	\$14,433	\$201,276	
2024	\$152,953,116	\$12,953,116		\$36,709	\$1,590,712	\$1,627,421	\$36,709	\$932,084	\$760,691	\$21,490	\$76,477	\$13,567	\$13,567	\$1,854,585	
2025	\$143,775,929	\$143,775,929		\$34,506	\$1,495,270	\$1,529,776	\$812,351	\$876,159	\$715,049	\$20,201	\$71,888	\$12,753	\$12,753	\$2,521,154	
2026	\$135,149,373	\$135,149,373		\$32,436	\$1,405,553	\$1,437,989	\$1,437,989	\$823,589	\$672,146	\$18,989	\$67,575	\$11,988	\$11,988	\$3,044,264	
2027	\$127,040,411	\$127,040,411		\$30,490	\$1,321,220	\$1,351,710	\$1,351,710	\$774,174	\$631,818	\$17,850	\$63,520	\$11,268	\$11,268	\$2,861,609	
2028	\$119,417,986	\$119,417,986		\$28,660	\$1,241,947	\$1,270,607	\$1,270,607	\$727,724	\$593,909	\$16,779	\$59,709	\$10,592	\$10,592	\$2,689,912	
							Total	\$8,670,860	\$4,133,730	\$3,373,613	\$95,308	\$1,291,915	\$229,186	\$229,186	\$18,023,798

Assumes School Value Limitation and Tax Abatements with the County, College District, and Hospital District.

Source: CPA, Miami Wind I, LLC
¹Tax Rate per \$100 Valuation

Table 3 Estimated Direct Ad Valorem Taxes without property tax incentives

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Miami ISD I&S Levy	Miami ISD M&O Levy	Miami ISD M&O and I&S Tax Levies	Roberts County Tax Levy (89%)	Gray County Tax Levy (11%)	Roberts ESD #1 Tax Levy (89%)	Clarendon Community College District Tax Levy (11%)	Panhandle Water District #3 Tax Levy (89%)	Panhandle Ground WCD #3 (Gray Co.) Tax Levy (11%)	Estimated Total Property Taxes	
2014	\$5,772,892	\$5,772,892		\$1.385	\$60.038	\$61,424	\$35,180	\$28,711	\$811	\$2,886	\$512	\$512	\$130,035	
2015	\$266,936,306	\$266,936,306		\$64,065	\$2,776,138	\$2,840,202	\$1,626,688	\$1,327,570	\$37,505	\$133,468	\$23,677	\$23,677	\$6,012,789	
2016	\$250,920,128	\$250,920,128		\$60,221	\$2,609,569	\$2,669,790	\$1,529,087	\$1,247,916	\$35,235	\$125,460	\$22,257	\$22,257	\$5,652,022	
2017	\$235,864,920	\$235,864,920		\$56,608	\$2,452,995	\$2,509,603	\$1,437,342	\$1,173,041	\$33,140	\$117,932	\$20,921	\$20,921	\$5,312,900	
2018	\$221,713,025	\$221,713,025		\$53,211	\$2,305,815	\$2,359,027	\$1,351,101	\$1,102,650	\$31,151	\$110,857	\$19,666	\$19,666	\$4,994,126	
2019	\$208,410,243	\$208,410,243		\$50,018	\$2,167,467	\$2,217,485	\$1,270,035	\$1,036,499	\$29,282	\$104,205	\$18,486	\$18,486	\$4,694,479	
2020	\$195,905,629	\$195,905,629		\$47,017	\$2,037,419	\$2,084,436	\$1,191,833	\$974,309	\$27,525	\$97,953	\$17,377	\$17,377	\$4,412,810	
2021	\$184,151,291	\$184,151,291		\$44,196	\$1,915,173	\$1,959,370	\$1,122,203	\$915,851	\$25,874	\$92,076	\$16,334	\$16,334	\$4,148,042	
2022	\$173,102,214	\$173,102,214		\$41,545	\$1,800,263	\$1,841,808	\$1,054,871	\$860,900	\$24,321	\$86,551	\$15,354	\$15,354	\$3,899,159	
2023	\$162,716,081	\$162,716,081		\$39,052	\$1,692,247	\$1,731,299	\$991,579	\$809,246	\$22,862	\$81,358	\$14,433	\$14,433	\$3,665,210	
2024	\$152,953,116	\$152,953,116		\$36,709	\$1,590,712	\$1,627,421	\$932,084	\$760,691	\$21,490	\$76,477	\$13,567	\$13,567	\$3,445,297	
2025	\$143,775,929	\$143,775,929		\$34,506	\$1,495,270	\$1,529,776	\$876,159	\$715,049	\$20,201	\$71,888	\$12,753	\$12,753	\$3,238,579	
2026	\$135,149,373	\$135,149,373		\$32,436	\$1,405,553	\$1,437,989	\$823,589	\$672,146	\$18,989	\$67,575	\$11,988	\$11,988	\$3,044,264	
2027	\$127,040,411	\$127,040,411		\$30,490	\$1,321,220	\$1,351,710	\$774,174	\$631,818	\$17,850	\$63,520	\$11,268	\$11,268	\$2,861,609	
2028	\$119,417,986	\$119,417,986		\$28,660	\$1,241,947	\$1,270,607	\$727,724	\$593,909	\$16,779	\$59,709	\$10,592	\$10,592	\$2,689,912	
						Total	\$27,491,946	\$15,745,651	\$12,850,315	\$363,036	\$1,291,915	\$229,186	\$229,186	\$58,201,233

Source: CPA, Miami Wind I, LLC
¹Tax Rate per \$100 Valuation

See also the District's Financial Impact Report, Tables III, IV and V, attached hereto as Attachment E.

Board Finding Number 8.

The revenue gains that will be realized by the school district if the Application is approved will be significant in the long term, with special reference to revenues used for supporting school district debt.

In support of this Finding, Randy McDowell and Neal Brown estimate in the District's Financial Impact Report, based on Miami Wind I's Application, that the project would add \$266,963,306 to the tax base at the peak investment level for the 2015 tax year. This additional value is fully taxable for debt service taxes and can be used to meet any current or future debt needs. See Table I of Attachment E and Table 2 of Attachment D. In addition, the projected revenue gains from the proposed Agreement would be approximately \$255,820, based on \$100 per student per year in average daily attendance. See Table VI of Attachment E.

Board Finding Number 9.

The effect of the applicant's proposal, if approved, is not expected to increase the District's instructional facility needs. Miami ISD can easily accommodate the projected student growth with its existing facilities. However, possible increase in and/or changes to class size and personnel could cause the District to incur extraordinary educational expenses.

The Application indicates that Miami Wind I expects eight (8) new full-time jobs in the District, all eight (8) of which meet the criteria of qualifying jobs. It is not known whether these would be new employees to the District, or if current residents would fill these positions. But, it is assumed in the Financial Impact Report that these employees would be new residents to the District, and provide four (4) new students to the District. It is believed that Miami ISD will easily be able to accommodate new students, if any, which may result from these new jobs. See Table VII of Attachment E. The District must plan to educate all students who reside within its boundaries, and the number of new students could vary widely depending on the number of construction jobs and workers present during the construction phase of Miami Wind I's renewable energy project. Therefore, the District may need to hire additional temporary teachers and staff to educate the additional students that could enroll in the District. The proposed Limitation on Appraised Value Agreement pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, provides that Applicant shall reimburse the District for extraordinary educational related expenses paid by the District that are directly attributable to Applicant's project.

Board Finding Number 10.

During the past two (2) years, twenty-four (24) projects in the Panhandle Regional Planning Commission Region applied for value limitation agreements under Tax Code Chapter 313.

Board Finding Number 11.

The Board finds that the total investment of the Applicant is \$266,936,306, and the projected market value of the qualified property of the Applicant is also \$266,936,306, as determined by the Comptroller.

See Table 2 of Attachment D; see also Table II of Attachment E.

Board Finding Number 12.

The proposed limitation on appraised value for the qualified property is \$10,000,000.

Board Finding Number 13.

The projected dollar amount of the taxes that would be imposed on the qualified property, for each year of the Agreement, if the property does not receive a limitation on appraised value with the projected depreciations of investment, is shown in Table II of Attachment E, and is based on the assumption that the projected total maintenance and operations tax rate per \$100 in valuation in each year of the Agreement will be as follows:

TABLE II- Computation of Net Tax Savings:

Fiscal Year	Projected M&O Tax Rate	Projected I&S Tax Rate	Taxes w/o Agreement	Tax Savings with Agreement	Tax Credits	Payment of District's Revenue Losses	Net Tax Savings
2014-2015	1.040	0.000	60,038	0	n/a	0	0
2015-2016	1.040	0.000	2,776,138	0	n/a	0	0
2016-2017	1.040	0.000	2,609,569	2,505,569	n/a	(94,441)	2,411,129
2017-2018	1.040	0.000	2,452,995	2,348,995	52,000	(100,212)	2,300,783
2018-2019	1.040	0.000	2,305,815	2,201,815	52,000	(93,770)	2,160,046
2019-2020	1.040	0.000	2,167,467	2,063,467	52,000	(87,812)	2,027,655
2020-2021	1.040	0.000	2,037,419	1,933,419	52,000	(82,036)	1,903,383
2021-2022	1.040	0.000	1,915,173	1,811,173	52,000	(76,901)	1,786,272
2022-2023	1.040	0.000	1,800,263	1,696,263	52,000	(71,963)	1,676,300
2023-2024	1.040	0.000	1,692,247	1,588,247	52,000	(67,392)	1,572,856
2024-2025	1.040	0.000	1,590,712	0	1,590,712	0	1,590,712
2025-2026	1.040	0.000	1,495,270	0	717,425	0	717,425
2026-2027	1.040	0.000	1,405,553	0	0	0	0
Totals			24,308,660	16,148,949	2,672,137	(674,526)	18,146,560

The Comptroller's estimated dollar amount of the taxes that would be imposed on the qualified property, for each year of the Agreement, if the property does not receive a limitation on appraised value with the projected depreciations of investment, is depicted in Table 3 of the Economic Impact Evaluation. See Finding No. 7, page 8, infra.

Board Finding Number 14.

The projected dollar amount of the taxes that would be imposed on the qualified property, for each year of the Agreement, if the property does receive a limitation on appraised value with the projected depreciations of investment, is discernible from Table II of Attachment E, and is based on the assumption that the projected total maintenance and operations tax rate per \$100 in valuation in each year of the Agreement will be as follows:

TABLE II- Computation of Net Tax Savings:

Fiscal Year	Projected M&O Tax Rate	Projected I&S Tax Rate	Taxes w/o Agreement	Tax Savings with Agreement	Tax Credits	Payment of District's Revenue Losses	Net Tax Savings
2014-2015	1.040	0.000	60,038	0	n/a	0	0
2015-2016	1.040	0.000	2,776,138	0	n/a	0	0
2016-2017	1.040	0.000	2,609,569	2,505,569	n/a	(94,441)	2,411,129
2017-2018	1.040	0.000	2,452,995	2,348,995	52,000	(100,212)	2,300,783
2018-2019	1.040	0.000	2,305,815	2,201,815	52,000	(93,770)	2,160,046
2019-2020	1.040	0.000	2,167,467	2,063,467	52,000	(87,812)	2,027,655
2020-2021	1.040	0.000	2,037,419	1,933,419	52,000	(82,036)	1,903,383
2021-2022	1.040	0.000	1,915,173	1,811,173	52,000	(76,901)	1,786,272
2022-2023	1.040	0.000	1,800,263	1,696,263	52,000	(71,963)	1,676,300
2023-2024	1.040	0.000	1,692,247	1,588,247	52,000	(67,392)	1,572,856
2024-2025	1.040	0.000	1,590,712	0	1,590,712	0	1,590,712
2025-2026	1.040	0.000	1,495,270	0	717,425	0	717,425
2026-2027	1.040	0.000	1,405,553	0	0	0	0
Totals			24,308,660	16,148,949	2,672,137	(674,526)	18,146,560

The Comptroller's estimated dollar amount of the taxes that would be imposed on the qualified property, for each year of the Agreement, if the property does receive a limitation on appraised value with the projected depreciations of investment, is depicted in Table 2 of the Economic Impact Evaluation. See Finding No. 7, page 8, infra.

Board Finding Number 15.

The projected effect on the Foundation School Program and impact on the District's finances resulting from payments to the District for each year of the Agreement is shown on Tables III, IV and V of Attachment E. The economic impact from Miami Wind I's project on the State of Texas, local employment levels and personal income is shown, and in Tables 1, 2 and 3 of the Economic Impact Evaluation. See Finding No. 7, pages 6, 7 and 8, infra.

Board Finding Number 16.

The projected future tax credits for each year of the Agreement are shown in Table II of Attachment E; See also Finding No. 7, Table 2, at p. 8.

Board Finding Number 17.

Assuming that Applicant would still construct is renewal energy project in the District, without a limitation on appraised value for the qualified property, the total amount of taxes to be lost over the life of the Agreement by subtracting the projected taxes stated in Finding Number 13 from the projected taxes stated in Finding Number 14 is shown in Table II of Attachment E (column labeled “Tax Savings with Agreement,” which is highlighted in Finding No. 14, page 11). See also difference between Table 3 and Table 2, Finding No. 7, page 8.

Board Finding Number 18.

The Board of Trustees hired consultants to review and verify the information in the Application from Miami Wind I. Based upon the consultants’ review, the Comptroller’s Economic Impact Evaluation, and the Comptroller’s Recommendation letter, the Board has determined that the information provided by the Applicant in its Application was true and correct when it was submitted (see Attachments B, C and D).

Board Finding Number 19.

The Applicant (Taxpayer Id. 32045958413) is eligible for the limitation on appraised value of qualified property as specified in the Agreement based on its “good standing” certification as a franchise-tax paying entity (See Attachments B and C).

Board Finding Number 20.

The Limited Appraised Valuation Agreement on Qualified Property (LAVA), pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, includes adequate and appropriate revenue protection provisions for the District.

In support of this Finding, the Financial Impact Report demonstrates that the District will incur a revenue loss during years 3 through 10 of the proposed LAVA. However, the negative consequences of granting the value limitation are offset through the “hold harmless” provision of

the LAVA and other revenue protection provisions agreed to by the Applicant and the District. See Table II in Attachment E.

Board Finding Number 21.

The general nature of Applicant's qualified investment is renewable energy electricity generation (wind), which is eligible for the limitation on the appraised value of Applicant's Property.

Board Finding Number 22.

Considering the purpose and effect of the law and the terms of the Agreement, it is in the best interest of the District and the State to approve Miami Wind I's Application and enter into the attached Limited Appraised Valuation Agreement of Property for School District Maintenance and Operations Taxes.

IT IS THEREFORE ORDERED, that all of the Findings herein, including the recitals and statements set out in the Preamble herein, are adopted and approved as the Findings of the Miami Independent School District Board of Trustees, and the Board of Trustees has made the above factual Findings in accordance with the Texas Tax Code § 313.025(e) and Texas Administrative Code 34, Chapter 9, subchapter F; and,

IT IS FURTHER ORDERED that the Application attached hereto as Attachment A is hereby APPROVED; and,

IT IS FURTHER ORDERED that the new jobs requirement pursuant to § 313.051(b) is hereby WAIVED; and,

IT IS FURTHER ORDERED that the Agreement attached hereto as Attachment G is APPROVED and is hereby authorized to be executed and delivered by the Trustee whose signature appears below on behalf of the Miami Independent School District, along with a copy of the these Findings, which shall be binding upon the parties upon receipt of an executed original of the Agreement from Applicant; and,

IT IS FURTHER ORDERED that these Findings and the Attachments referenced herein be made a part of the official minutes of this meeting, and maintained in the permanent records of the Miami Independent School District Board of Trustees.

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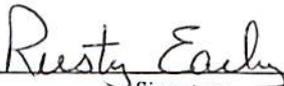
Dated this 27th day of November, 2013.

Miami Independent School District

By  _____
Signature

THOMAS H. GRANTMAN, PRESIDENT
Printed Name and Title

Attest:

By  _____
Signature

RUSTY EARLY SECRETARY
Printed Name and Title

LIST OF ATTACHMENTS

<i>Attachment</i>	<i>Description</i>
A	Application and Comptroller's Completeness Letter
B	Franchise Tax Certification of Account Status
C	Comptroller's Recommendation Letter
D	Comptroller Economic Impact Evaluation
E	District's Financial Impact Report
F	Comptroller's 2012 ISD Summary Worksheet
G	Proposed Limited Assessed Valuation Agreement
H	November 19, 2013 Agreement approval letter from Comptroller
I	Job waiver request

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

P.O. Box 13528 • AUSTIN, TX 78711-3528



August 30, 2013

Donna Gill
Superintendent
Miami Independent School District
100 Warrior Lane
Miami, Texas 79059

Dear Superintendent Gill:

On August 6, 2013, the Comptroller's office received from Miami Independent School District (Miami ISD) an application from Miami Wind I, LLC for a limitation on appraised value. The purpose of this letter is to inform you that the Comptroller's office has received all required documents for the application review and economic impact evaluation.

The Comptroller's office will move forward with our economic impact evaluation and recommendation to the school district. Tax Code §313.025(d) allows the Comptroller's office to complete the economic impact evaluation and recommendation on or before 91 days from the date of this letter. The Comptroller's office will send a letter of recommendation to the ISD and the applicant.

Please be advised we may request additional or clarifying information to complete our review of the application.

Should you have any questions, please contact Michelle Luera with our office. She can be reached by email at michelle.luera@cpa.state.tx.us or by phone at 1-800-531-5441, ext. 3-6053, or direct in Austin at 512-463-6053.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Wood", is written over a horizontal line.

Robert Wood
Director
Economic Development & Analysis

cc: Audie Sciumbato, Underwood Law Firm, P.C.
Bryan Schueler, Invenergy, LLC
Evan Horn, Ryan, LLC



Application for Appraised Value Limitation on Qualified Property

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

Form 50-296
(Revised May 2010)

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

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

- notify the Comptroller that the school board has elected to consider the application.

This notice must include:

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

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

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its Web site. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules as explained in the Confidentiality Notice below.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, make a recommendation to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

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

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

SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION

Authorized School District Representative		Date application received by district
		July 30, 2013
First Name	Last Name	
Donna	Gill	
Title		
Superintendent		
School District Name		
Miami ISD		
Street Address		
100 Warrior Lane		
Mailing Address		
100 Warrior Lane		
City	State	ZIP
Miami	Texas	79059
Phone Number	Fax Number	
806-868-3971		
Mobile Number (optional)	E-mail Address	
	Donna.Gill@region16.net	

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

Will consultant be primary contact? Yes No



SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name **Audie** Last Name **Sciumbato**

Title **Attorney**

Firm Name **Underwood Law Firm, P.C.**

Street Address

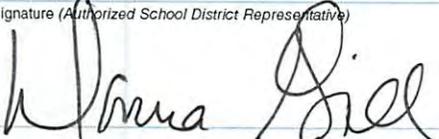
Mailing Address **P.O. Box 1655**

City **Hereford** State **TX** ZIP **79045**

Phone Number **(806) 364-2626** Fax Number **(806) 364-9368**

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

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

Signature (Authorized School District Representative)  Date **7-30-13**

Has the district determined this application complete? Yes No

If yes, date determined complete. July 30, 2013

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	TO BE SUPPLEMENTED



APPLICANT INFORMATION - CERTIFICATION OF APPLICATION

Authorized Business Representative (Applicant)

First Name Bryan		Last Name Schueler	
Title Senior Vice President, Development			
Organization Invenergy LLC			
Street Address One South Wacker Drive, Suite 1900			
Mailing Address One South Wacker Drive, Suite 1900			
City Chicago		State IL	ZIP 60606
Phone Number 312-582-1421		Fax Number	
Mobile Number (optional)		Business e-mail Address bschueler@invenergyllc.com	

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

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

First Name Joe		Last Name Condo	
Title General Counsel			
Organization Invenergy LLC			
Street Address One South Wacker Drive, Suite 1900			
Mailing Address One South Wacker Drive, Suite 1900			
City Chicago		State IL	ZIP 60606
Phone Number 312-582-1465		Fax Number	
Mobile Number (optional)		E-mail Address	

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

Will consultant be primary contact? Yes No



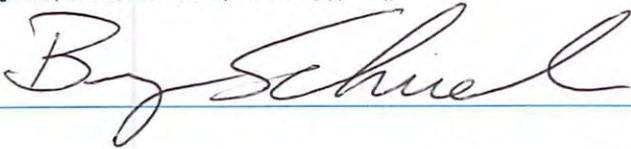
APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name Evan	Last Name Horn	
Title Manager		
Firm Name Ryan, LLC		
Street Address 400 W 15th Street, Suite 700		
Mailing Address 400 W 15th Street, Suite 700		
City Austin	State TX	ZIP 78701
Phone Number 512-691-6067	Fax Number	
Business email Address Evan.Horn@Ryan.com		

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

Signature (Authorized Business Representative (Applicant)) 	Date 7/25/2013
---	-------------------

GIVEN under my hand and seal of office this 25th day of July, 2013



(Notary Seal)

Ruth M. Nadolny
Notary Public, State of Illinois

My commission expires 3.8.2017

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)? Yes No

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)? Yes No

BUSINESS APPLICANT INFORMATION

Legal Name under which application is made

Miami Wind I LLC

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

32045958413

NAICS code

221115*

Is the applicant a party to any other Chapter 313 agreements? Yes No

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

See attachment for list of Chapter 313 agreements with Invenergy LLC subsidiaries.

APPLICANT BUSINESS STRUCTURE

Registered to do business in Texas with the Texas Secretary of State? Yes No

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

Limited Liability Company

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)? Yes No
If so, please attach documentation of the combined group membership and contact information.

2. Is the applicant current on all tax payments due to the State of Texas? Yes No

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas? NA Yes No

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

*2012 NAICS Code

ELIGIBILITY UNDER TAX CODE CHAPTER 313.024

Are you an entity to which Tax Code, Chapter 171 applies? Yes No

The property will be used as an integral part, or as a necessary auxiliary part, in one of the following activities:

- (1) manufacturing Yes No
- (2) research and development Yes No
- (3) a clean coal project, as defined by Section 5.001, Water Code Yes No
- (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code Yes No
- (5) renewable energy electric generation Yes No
- (6) electric power generation using integrated gasification combined cycle technology Yes No
- (7) nuclear electric power generation Yes No
- (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) Yes No

Are you requesting that any of the land be classified as qualified investment? Yes No

Will any of the proposed qualified investment be leased under a capitalized lease? Yes No

Will any of the proposed qualified investment be leased under an operating lease? Yes No

Are you including property that is owned by a person other than the applicant? Yes No

Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? Yes No

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)

See checklist item #4

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

See checklist item #4

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 October 2013 Begin Hiring New Employees June 2014
 Construction Complete December 2014 Fully Operational December 2014
 Purchase Machinery & Equipment January 2014

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)? Yes No
Note: Improvements made before that time may not be considered qualified property.

When do you anticipate the new buildings or improvements will be placed in service? December 2014

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.) See Schedule D for Details

Roberts, Gray, and Hemphill County - Chapter 312 agreements - 10 year abatements
 Roberts ESD #1 - Chapter 312 agreement - 10yr abatement
 Hemphill County Hospital District - Chapter 312 agreement - 10yr abatement

THE PROPERTY

Identify county or counties in which the proposed project will be located Roberts & Gray County

Central Appraisal District (CAD) that will be responsible for appraising the property Roberts & Gray CAD

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: Roberts (89%), Gray (11%) City: _____
(Name and percent of project) (Name and percent of project)

Hospital District: Emergency Services Dist #1(89%) Water District: Panhandle Water Dist #3(89%), Gray Co Water Dist(11%)
(Name and percent of project) (Name and percent of project)

Other (describe): Clarendon Community College(11%) Other (describe): _____
(Name and percent of project) (Name and percent of project)

Is the project located entirely within this ISD? Yes No

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

The Miami Wind Energy project will consist of an estimated 166 turbines totalling an estimated 280 MWs. 95 of these turbines will be located in Miami ISD, 50 in Ft. Elliott CISD, and 21 in Canadian ISD.



INVESTMENT

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's Web site at www.window.state.tx.us/taxinfo/proptax/hb1200/values.html.

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

What is the amount of appraised value limitation for which you are applying? \$10,000,000

What is your total estimated qualified investment? \$262,053,953 (60% of total project)

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? 11/30/2013

What is the anticipated date of the beginning of the qualifying time period? 11/30/2013

What is the total estimated investment for this project for the period from the time of application submission to the end of the limitation period? \$266,936,306

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

Attach the following items to this application:

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

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

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

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

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

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

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

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

QUALIFIED PROPERTY

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

Attach the following items to this application:

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

Land

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

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

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

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

*Reinvestment zone has been established in Roberts County, but has not been set in Gray County.

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)? 0

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

First Quarter Second Quarter Third Quarter Fourth Quarter of 2013
(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?
0

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

Total number of new jobs that will have been created when fully operational 8* associated with Miami ISD

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? 8* associated with Miami ISD

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).

*Because the turbine layout and full project scope has yet to be determined, we currently assume that 60% of the project will be located in Miami ISD and an estimated 8 jobs will be created. However, potential changes later in the year may affect the number of turbines located in Miami ISD and alter the amount of jobs associated with the school district. See the attached statement for more details regarding the job waiver request.

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 \$682.83
 110% of the county average weekly wage for manufacturing jobs in the county is \$814.83
 110% of the county average weekly wage for manufacturing jobs in the region is \$885.29

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? \$46,035

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? \$48,700

- 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? Approximately 30% of the technician positions may be filled by contractors

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.)

In addition to annual salary, each qualified position will be eligible to receive medical, dental, vision and participate in a 401k retirement plan.

ECONOMIC IMPACT

- Is an Economic Impact Analysis attached (If supplied by other than the Comptroller's office)? Yes No
- Is Schedule A completed and signed for all years and attached? Yes No
- Is Schedule B completed and signed for all years and attached? Yes No
- Is Schedule C (Application) completed and signed for all years and attached? Yes No
- Is Schedule D completed and signed for all years and attached? Yes No

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

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

CONFIDENTIALITY NOTICE

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

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

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

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

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

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

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

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

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

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

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

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



COMPANY CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Certification pages signed and dated by Authorized Business Representative (applicant)	4 of 16	✓
2	Proof of Payment of Application Fee (Attachment)	5 of 16	
3	For applicant members, documentation of Combined Group membership under Texas Tax Code 171.0001(7) (if Applicable) (Attachment)	5 of 16	✓
4	Detailed description of the project	6 of 16	✓
5	If project is located in more than one district, name other districts and list percentage in each district (Attachment)	7 of 16	✓
6	Description of Qualified Investment (Attachment)	8 of 16	✓
7	Map of qualified investment showing location of new buildings or new improvements with vicinity map.	8 of 16	✓
8	Description of Qualified Property (Attachment)	8 of 16	✓
9	Map of qualified property showing location of new buildings or new improvements with vicinity map	8 of 16	✓
10	Description of Land (Attachment)	9 of 16	N/A
11	A detailed map showing location of the land with vicinity map.	9 of 16	N/A
12	A description of all existing (if any) improvements (Attachment)	9 of 16	N/A
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	N/A
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.

CHECK LIST ITEM #2

Proof of Payment of Application Fee

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

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

CHECKLIST ITEM #3

Combined Group Membership Documentation

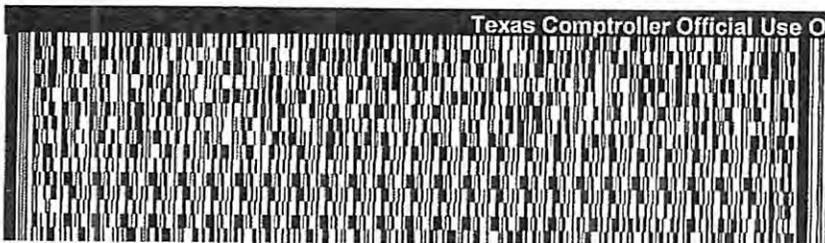
Texas Franchise Tax Extension Affiliate List

■ Reporting entity taxpayer number 12006168525	■ Report year 2013	Reporting entity taxpayer name POLSKY ENERGY HOLDINGS LLC
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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. INVENERGY LLC	■ 13644627930	■ <input type="checkbox"/>
2. INVENERGY SERVICES LLC	■ 32020649813	■ <input type="checkbox"/>
3. INVENERGY ENERGY MGMT LLC	■ 32038203900	■ <input type="checkbox"/>
4. INVENERGY WIND NORTH AMERICA	■ 12082346938	■ <input type="checkbox"/>
5. DOUGHERTY WIND ENERGY LLC	■ 32037772806	■ <input type="checkbox"/>
6. GOLDWATHE WIND ENERGY LLC	■ 32037772772	■ <input type="checkbox"/>
7. GUNSIGHT MIN WIND ENERGY LLC	■ 32033576318	■ <input type="checkbox"/>
8. INVENERGY MET LLC	■ 32037132977	■ <input type="checkbox"/>
9. INVENERGY WIND DEVELOPMENT	■ 32034181217	■ <input type="checkbox"/>
10. PISTOL HILL WIND ENERGY LLC	■ 32033576326	■ <input type="checkbox"/>
11. STERLING WIND ENERGY LLC	■ 32033691760	■ <input type="checkbox"/>
12. POLSKY ENERGY INVESTMENTS	■ 200616874	■ <input checked="" type="checkbox"/>
13. INVENERGY INVESTMENT CO LLC	■ 371456538	■ <input checked="" type="checkbox"/>
14. INVENERGY WIND HOLDINGS LLC	■ 263467425	■ <input checked="" type="checkbox"/>
15. INVENERGY WIND INVESTMENT CORP.	■ 300447600	■ <input checked="" type="checkbox"/>
16. INVENERGY WIND FINANCING LLC	■	■ <input checked="" type="checkbox"/>
17. INVENERGY WIND LLC	■ 200783399	■ <input checked="" type="checkbox"/>
18. INVENERGY THERMAL LLC	■ 203817973	■ <input checked="" type="checkbox"/>
19. INVENERGY SOLAR LLC	■ 270748782	■ <input checked="" type="checkbox"/>
20. INVENERGY ROC HOLDINGS	■ 263866744	■ <input checked="" type="checkbox"/>
21. INVENERGY WIND FINANCE ROC LLC	■	■ <input checked="" type="checkbox"/>

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Do not file this form when requesting a second extension.



Texas Comptroller Official Use Only

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Texas Franchise Tax Extension Affiliate List

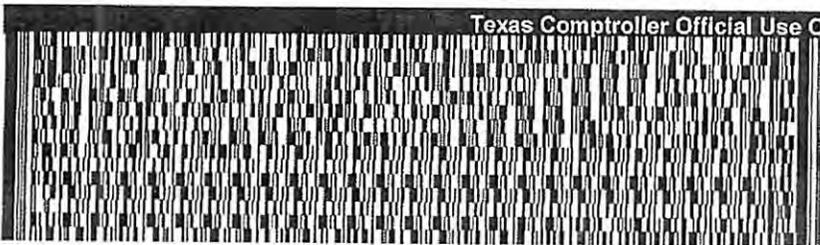
■ Tcode 13298

■ Reporting entity taxpayer number 12006168525	■ Report year 2013	Reporting entity taxpayer name POLSKY ENERGY HOLDINGS LLC
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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. INVEENERGY COASTAL HOLDINGS LLC	■ 263756863	■ <input checked="" type="checkbox"/>
2. INVEENERGY LOGAN HOLDING CO LLC	■ 208762182	■ <input checked="" type="checkbox"/>
3. INVEENERGY LOGAN FINANCE CO LLC	■ 208763301	■ <input checked="" type="checkbox"/>
4. STANTON WIND HOLDINGS LLC	■	■ <input checked="" type="checkbox"/>
5. BEECH RIDGE ENERGY LLC	■ 263207197	■ <input checked="" type="checkbox"/>
6. BIG OTTER WIND LLC	■	■ <input checked="" type="checkbox"/>
7. BISHOP HILL ENERGY LLC	■ 264583832	■ <input checked="" type="checkbox"/>
8. BISHOP HILL ENERGY II LLC	■ 273400990	■ <input checked="" type="checkbox"/>
9. BRUSH CREEK WIND ENERGY LLC	■	■ <input checked="" type="checkbox"/>
10. BRUSH CREEK WIND ENERGY II LLC	■	■ <input checked="" type="checkbox"/>
11. CA RIDGE WIND ENERGY LLC	■ 272168311	■ <input checked="" type="checkbox"/>
12. CROW CREEK ENERGY LLC	■	■ <input checked="" type="checkbox"/>
13. FORWARD ENERGY II LLC	■ 260562274	■ <input checked="" type="checkbox"/>
14. GRAND RIDGE ENERGY IV LLC	■ 263294276	■ <input checked="" type="checkbox"/>
15. HARDIN WIND ENERGY LLC	■	■ <input checked="" type="checkbox"/>
16. HEARTLAND WIND ENERGY LLC	■	■ <input checked="" type="checkbox"/>
17. HIGHLAND WIND ENERGY LLC	■	■ <input checked="" type="checkbox"/>
18. HORN BUTTE WIND ENERGY LLC	■	■ <input checked="" type="checkbox"/>
19. HORSE LAKE WIND ENERGY LLC	■ 352324869	■ <input checked="" type="checkbox"/>
20. HURRICANE LAKE WIND ENERGY I LLC	■	■ <input checked="" type="checkbox"/>
21. IDAHO WIND GENERATION CO LLC	■	■ <input checked="" type="checkbox"/>

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Texas Franchise Tax Extension Affiliate List

■ Reporting entity taxpayer number

■ Report year

Reporting entity taxpayer name

12006168525

2013

POLSKY ENERGY HOLDINGS LLC

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. INVENERGY NEW YORK LLC	■ 061680634	■ <input checked="" type="checkbox"/>
2. INVENERGY PARTS LLC	■ 32039357473	■ <input type="checkbox"/>
3. INVENERGY RENEWABLE LLC	■ 263434351	■ <input type="checkbox"/>
4. INVENERGY TX TRADING I LLC	■	■ <input checked="" type="checkbox"/>
5. INVENERGY TX TRADING II LLC	■	■ <input checked="" type="checkbox"/>
6. INVENERGY WIND DEV IGWA LLC	■	■ <input checked="" type="checkbox"/>
7. INVENERGY WIND DEVELOPMENT ND	■	■ <input checked="" type="checkbox"/>
8. INVENERGY WIND DEV OK LLC	■ 204126112	■ <input checked="" type="checkbox"/>
9. INVENERGY WIND FIN CO III LLC	■ 204135995	■ <input checked="" type="checkbox"/>
10. IWF NORTH AMERICA LLC	■ 208906923	■ <input checked="" type="checkbox"/>
11. INVENERGY WIND MONTANA LLC	■	■ <input checked="" type="checkbox"/>
12. JUDITH GAP WIND ENERGY II LLC	■	■ <input checked="" type="checkbox"/>
13. LA SIERRITA WIND LLC	■	■ <input checked="" type="checkbox"/>
14. LASSEN WIND GENERATION LLC	■ 208805949	■ <input checked="" type="checkbox"/>
15. LEDGE WIND ENERGY LLC	■ 263477676	■ <input checked="" type="checkbox"/>
16. OCEANA WIND LLC	■ 204540080	■ <input checked="" type="checkbox"/>
17. PINE RIDGE ENERGY LLC	■	■ <input checked="" type="checkbox"/>
18. PRAIRIE BREEZE WIND ENERGY LLC	■	■ <input checked="" type="checkbox"/>
19. SEGDWICK WIND ENERGY LLC	■	■ <input checked="" type="checkbox"/>
20. STONY CREEK ENERGY LLC	■ 262082798	■ <input checked="" type="checkbox"/>
21. INVENERGY WIND MANAGEMENT LLC	■	■ <input checked="" type="checkbox"/>

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Texas Franchise Tax Extension Affiliate List

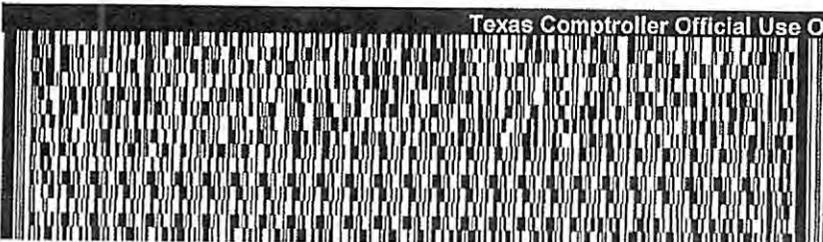
■ Reporting entity taxpayer number ■ Report year Reporting entity taxpayer name

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. SUMMIT RIDGE ENERGY LLC		<input checked="" type="checkbox"/>
2. TECATE DIVIDE WIND ENERGY LLC	300475081	<input checked="" type="checkbox"/>
3. TEHACHAPI CONNECT LLC		<input checked="" type="checkbox"/>
4. WHITE OAK ENERGY LLC	208468199	<input checked="" type="checkbox"/>
5. MORESVILLE ENERGY LLC	261363691	<input checked="" type="checkbox"/>
6. STEVMIC PROPERTIES LLC	300526664	<input checked="" type="checkbox"/>
7. INVENERGY THERMAL FIN LLC	208687404	<input checked="" type="checkbox"/>
8. MCDOWELL COUNTY ENERGY LLC	262661421	<input checked="" type="checkbox"/>
9. INVENERGY THERMAL HOLDINGS LLC	204577532	<input checked="" type="checkbox"/>
10. INVENERGY THERMAL HLDGS II LLC	205028278	<input checked="" type="checkbox"/>
11. INVENERGY TURBINE CO II LLC	203960201	<input checked="" type="checkbox"/>
12. INVENERGY THERMAL DEV LLC	261563294	<input checked="" type="checkbox"/>
13. INVENERGY TN LLC	14215633919	<input checked="" type="checkbox"/>
14. INVENERGY SERVICES GRAND RIDGE LLC		<input checked="" type="checkbox"/>
15. DARKE WIND ENERGY LLC	270667704	<input checked="" type="checkbox"/>
16. GRAND RIDGE V LLC	271369315	<input checked="" type="checkbox"/>
17. GRATIOT COUNTY WIND LLC		<input checked="" type="checkbox"/>
18. INVENERGY WIND CALIFORNIA LLC	611594266	<input checked="" type="checkbox"/>
19. MORROW WIND ENERGY LLC	270449139	<input checked="" type="checkbox"/>
20. UNION WIND ENERGY LLC	264527222	<input checked="" type="checkbox"/>
21. BISHOP HILL HOLDINGS	453219221	<input checked="" type="checkbox"/>

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Texas Franchise Tax Extension Affiliate List

■ Tcode 13298

■ Reporting entity taxpayer number

■ Report year

Reporting entity taxpayer name

12006168525

2013

FOLSKY ENERGY HOLDINGS LLC

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. INVENERGY SOLAR DEVELOPMENT LLC	270748913	<input checked="" type="checkbox"/>
2. COTTONACODS WIND ENERGY LLC		<input checked="" type="checkbox"/>
3. GRATIOT COUNTY WIND II LLC		<input checked="" type="checkbox"/>
4. HALES LAKE ENERGY LLC	800841363	<input checked="" type="checkbox"/>
5. INVENERGY ILLINOIS SOLAR I LLC	273411372	<input checked="" type="checkbox"/>
6. INVENERGY ILLINOIS SOLAR II LLC	273411444	<input checked="" type="checkbox"/>
7. INVENERGY ILLINOIS SOLAR III LLC	273426043	<input checked="" type="checkbox"/>
8. INVENERGY ILLINOIS SOLAR IV LLC	273438626	<input checked="" type="checkbox"/>
9. INVENERGY ILLINOIS WIND HOLDINGS LLC	273965256	<input checked="" type="checkbox"/>
10. INVENERGY SERVICES INSTALLATION LLC	273327310	<input checked="" type="checkbox"/>
11. INVENERGY WIND DEVELOPMENT MICHIGAN LLC	452605836	<input checked="" type="checkbox"/>
12. INVENERGY WIND DEVELOPMENT MONTANA LLC	273554310	<input checked="" type="checkbox"/>
13. INVENERGY WIND TURBINE TRANSPORT I LLC	272933240	<input checked="" type="checkbox"/>
14. INVENERGY WIND TURBINE TRANSPORT II LLC	272933334	<input checked="" type="checkbox"/>
15. BELIGH WIND ENERGY LLC		<input checked="" type="checkbox"/>
16. OLD STATE ENERGY LLC		<input checked="" type="checkbox"/>
17. PLEASANT RIDGE ENERGY LLC		<input checked="" type="checkbox"/>
18. TIDEWATER SOLAR ENERGY LLC		<input checked="" type="checkbox"/>
19. TONOPAH ENERGY LLC	273411491	<input checked="" type="checkbox"/>
20. TRICOUNTY WIND ENERGY LLC	273635437	<input checked="" type="checkbox"/>
21. TYRRELL ENERGY LLC		<input checked="" type="checkbox"/>

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Texas Franchise Tax Extension Affiliate List

■ Reporting entity taxpayer number

■ Report year

Reporting entity taxpayer name

12006168525

2013

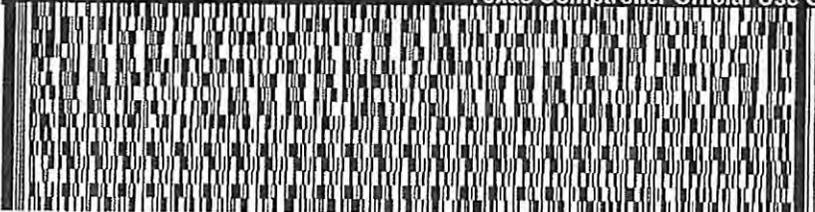
FOLSKY ENERGY HOLDINGS LLC

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. VANTAGE CLASS B HOLDINGS LLC	272982377	<input checked="" type="checkbox"/>
2. WILKINSON ENERGY LLC		<input checked="" type="checkbox"/>
3. INVENERGY CLEAN POWER LLC	453417763	<input checked="" type="checkbox"/>
4. INVENERGY WIND GLOBAL LLC		<input checked="" type="checkbox"/>
5. INVENERGY WIND DEVELOPMENT HOLDINGS LLC		<input checked="" type="checkbox"/>
6. INVENERGY WIND DEVELOPMENT NORTH AMERICA, LLC		<input checked="" type="checkbox"/>
7. INVENERGY WIND POWER HOLDINGS LLC		<input checked="" type="checkbox"/>
8. INVENERGY WIND POWER LLC		<input checked="" type="checkbox"/>
9. INVENERGY WIND NORTH AMERICA HOLDINGS LLC	453698038	<input checked="" type="checkbox"/>
10. RED OAK ENERGY LLC		<input checked="" type="checkbox"/>
11. BUCKEYE WIND ENERGY LLC	452777576	<input checked="" type="checkbox"/>
12. GRATIOT COUNTY HOLDINGS LLC		<input checked="" type="checkbox"/>
13. HARDIN SOLAR ENERGY LLC		<input checked="" type="checkbox"/>
14. BECKETT SOLAR ENERGY LLC		<input checked="" type="checkbox"/>
15. QUINTON SOLAR ENERGY 1 LLC		<input checked="" type="checkbox"/>
16. JUDITH GAP WIND ENERGY III LLC		<input checked="" type="checkbox"/>
17. BIG OTTER WIND ENERGY II LLC		<input checked="" type="checkbox"/>
18. BEECH RIDGE ENERGY II LLC		<input checked="" type="checkbox"/>
19. BUZZARD CREEK ENERGY LLC		<input checked="" type="checkbox"/>
20. GRATIOT COUNTY WIND PHASE II LLC		<input checked="" type="checkbox"/>
21. ACCOMACK WIND ENERGY LLC		<input checked="" type="checkbox"/>

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Texas Franchise Tax Extension Affiliate List

■ Tcode 13298

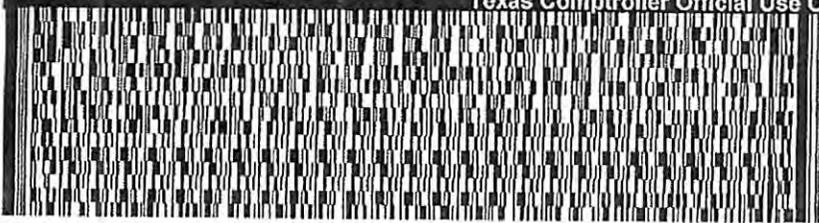
■ Reporting entity taxpayer number 12006168525	■ Report year 2013	Reporting entity taxpayer name POLSKY ENERGY HOLDINGS LLC
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LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. HEPPNER WIND ENERGY LLC		<input checked="" type="checkbox"/>
2. BEECH RIDGE HOLDINGS LLC		<input checked="" type="checkbox"/>
3. GRAND RIDGE GREEN HOLDINGS LLC	800873258	<input checked="" type="checkbox"/>
4. FORWARD ENERGY HOLDINGS LLC		<input checked="" type="checkbox"/>
5. IWFC HOLDINGS LLC		<input checked="" type="checkbox"/>
6. CALIFORNIA RIDGE CLASS B HOLDINGS LLC	460909292	<input checked="" type="checkbox"/>
7. CALIFORNIA RIDGE HOLDINGS LLC	800850058	<input checked="" type="checkbox"/>
8. CALIFORNIA RIDGE WIND ENERGY II LLC		<input checked="" type="checkbox"/>
9. HALES LAKE ENERGY II LLC	320386990	<input checked="" type="checkbox"/>
10. HALES LAKE ENERGY III LLC	364740400	<input checked="" type="checkbox"/>
11. MARSH HILL ENERGY LLC	800856885	<input checked="" type="checkbox"/>
12. WRAY WIND ENERGY LLC		<input checked="" type="checkbox"/>
13. STERLING FARMS WIND ENERGY LLC		<input checked="" type="checkbox"/>
14. CLARKTON SOLAR ENERGY LLC	900886991	<input checked="" type="checkbox"/>
15. PANTEGO WIND ENERGY LLC	900859617	<input checked="" type="checkbox"/>
16. INVENERGY ILLINOIS SOLAR I HOLDINGS LLC	460873725	<input checked="" type="checkbox"/>
17. BISHOP HILL ENERGY III LLC	320358450	<input checked="" type="checkbox"/>
18. BISHOP HILL ENERGY INTERCONNECTION LLC		<input checked="" type="checkbox"/>
19. PREBLE SOLAR ENERGY LLC	453249830	<input checked="" type="checkbox"/>
20. COLUMBUS SOLAR ENERGY LLC	611667460	<input checked="" type="checkbox"/>
21. INVENERGY US WIND HOLDINGS	800872533	<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.

Do not file this form when requesting a second extension.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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Texas Franchise Tax Extension Affiliate List

■ Tcode 13298

■ Reporting entity taxpayer number

■ Report year

Reporting entity taxpayer name

12006168525

2013

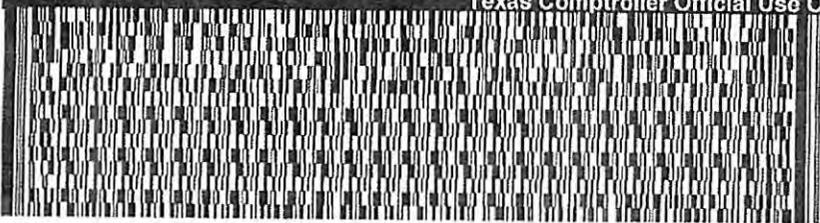
POLSKY ENERGY HOLDINGS LLC

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. INVENERGY US WIND I HOLDINGS		<input checked="" type="checkbox"/>
2. INVENERGY WIND OPERATING I LLC	800873258	<input checked="" type="checkbox"/>
3. INVENERGY WIND GLOBAL LLC	900771171	<input checked="" type="checkbox"/>
4. INVENERGY WIND POWER HOLDINGS LLC		<input checked="" type="checkbox"/>
5. INVENERGY WIND POWER LLC	371650259	<input checked="" type="checkbox"/>
6. INVENERGY WIND EUROPEAN HOLDINGS LLC	453697965	<input checked="" type="checkbox"/>
7. INVENERGY WIND DEVELOPMENT HOLDINGS LLC		<input checked="" type="checkbox"/>
8. INVENERGY WIND OPERATIONAL HOLDINGS LLC	611691741	<input checked="" type="checkbox"/>
9. INVENERGY WIND EUROPE DEVELOPMENT HOLDING LLC	453693612	<input checked="" 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 05-164 (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.

Do not file this form when requesting a second extension.

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CHECKLIST ITEM

List of Chapter 313 Agreements with Invenergy LLC Subsidiaries:

<u>School District</u>	<u>First Full Tax Year</u>	<u>Company</u>
Spur ISD No. 71	2008	McAdoo Wind Energy LLC
Grady ISD No. 73	2008	Stanton Wind Energy LLC
Stanton ISD No. 72	2008	Stanton Wind Energy LLC
Hermleigh ISD No. 60	2008	Scurry County Wind LP
Snyder ISD No. 61	2008	Scurry County Wind LP
Blackwell CISD No. 93	2008	Turkey Track Wind Energy LLC
Goldthwaite ISD	2013	Goldthwaite Wind Energy LLC

CHECKLIST ITEM #4

A. Detailed Description of Project

Miami Wind I LLC anticipates constructing a wind-powered electric generating facility with an operating capacity of approximately 230-280 megawatts. The exact number of wind turbines and the size of each turbine will vary depending upon the wind turbines selected and the megawatt generating capacity of the project completed. Presently our plans are to install GE 1.7 megawatt turbines on property within the reinvestment zones in Roberts, Gray, and Hemphill Counties, Texas. Miami Wind I LLC estimates that 80 turbines are planned to be installed in Miami CISD in 2014 as well as 42 turbines in Ft. Elliott ISD, and 14 turbines in Canadian ISD. Miami Wind I may later decide to install up to 15 additional turbines in Miami ISD, 8 in Ft. Elliott, and 7 in Canadian ISD.

The additional improvements for the Miami Project will include but are not limited to, wind turbines, towers, foundations, roadways, buildings and offices, anemometer towers, computer equipment, furniture, company vehicles, electrical transmission cables and towers and electrical substations.

B. Ability to Relocate to Another State or Region

Invenergy develops, owns and operates wind energy projects across the US, Canada and in Europe. We have numerous developments in the nearby states of Kansas and Oklahoma, where the wind resource is equivalent and their taxing incentives are similar to Texas. The Miami Wind Energy project is currently in competition with a 250 MW wind project in Oklahoma, a 200 MW wind energy project in Kansas, and a 300 MW project in Texas.

CHECKLIST ITEM #5

Other School District Information

Miami Wind estimates that up to 85 megawatts of the estimated 280 megawatts of the project will be located in Ft. Elliott ISD. Miami Wind has filed an application for a tax limitation agreement with Ft. Elliott ISD.

Miami Wind estimates that up to 36 megawatts of the estimated 280 megawatts of the project will be located in Canadian ISD. Miami Wind has filed an application for a tax limitation agreement with Canadian ISD.

Of the total project costs, Miami Wind estimates that 60% of the project will be located and taxed within Miami ISD. Of the 40% remaining, 28% will be within Ft. Elliott ISD, and the final 12% in Canadian ISD.

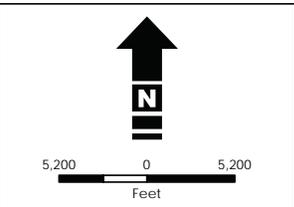
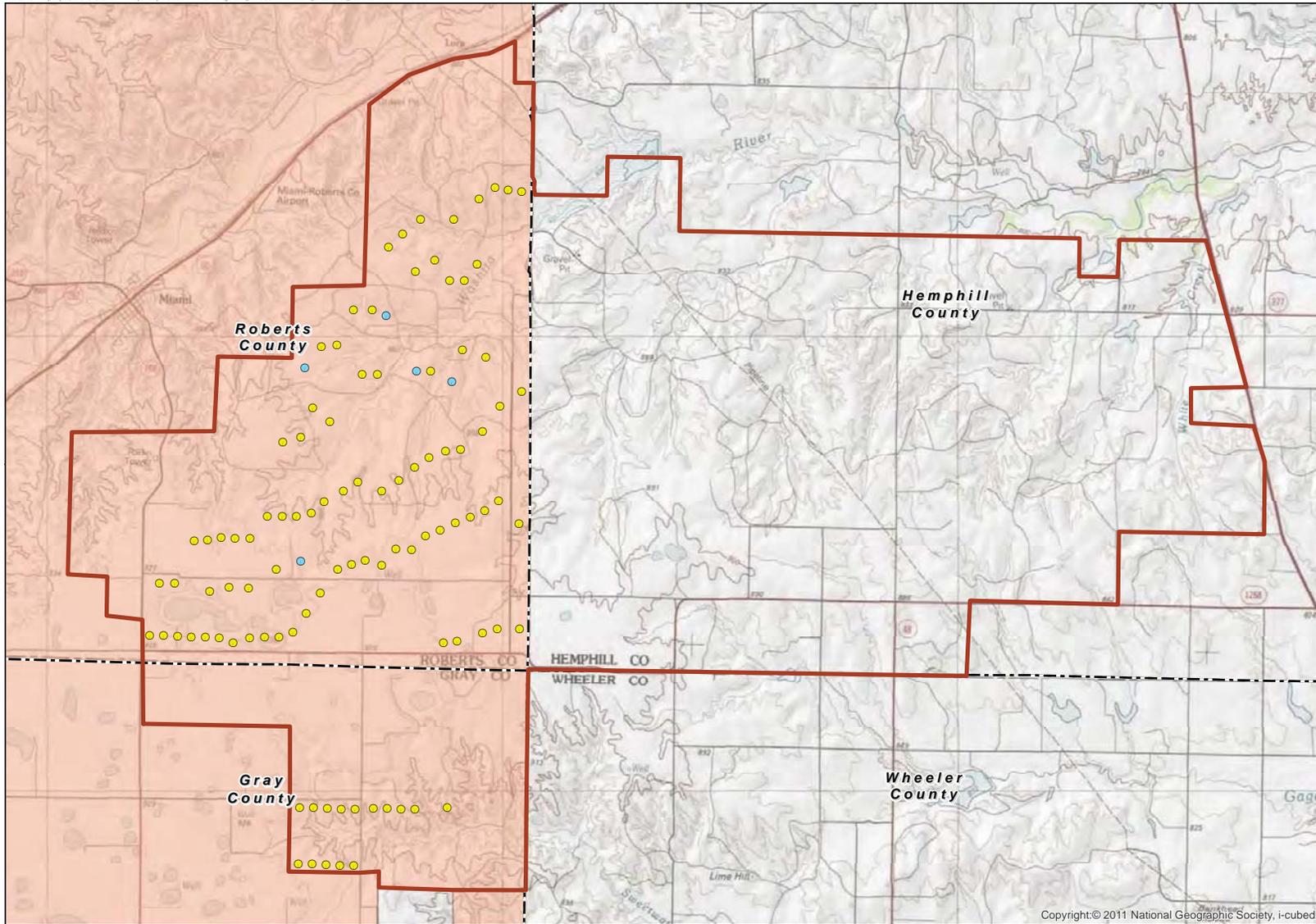
CHECKLIST ITEMS #6 AND #8

Description of Qualified Investment/ Qualified Property

Same in as #4 A and B

CHECKLIST ITEM #7 AND #9

Map of Qualified Investment / Qualified Property



- Legend**
- Proposed Turbine
 - Proposed Turbine (Alternative)
 - ▭ Project Boundary
 - ▭ County Boundary
 - ▭ Miami Independent School District

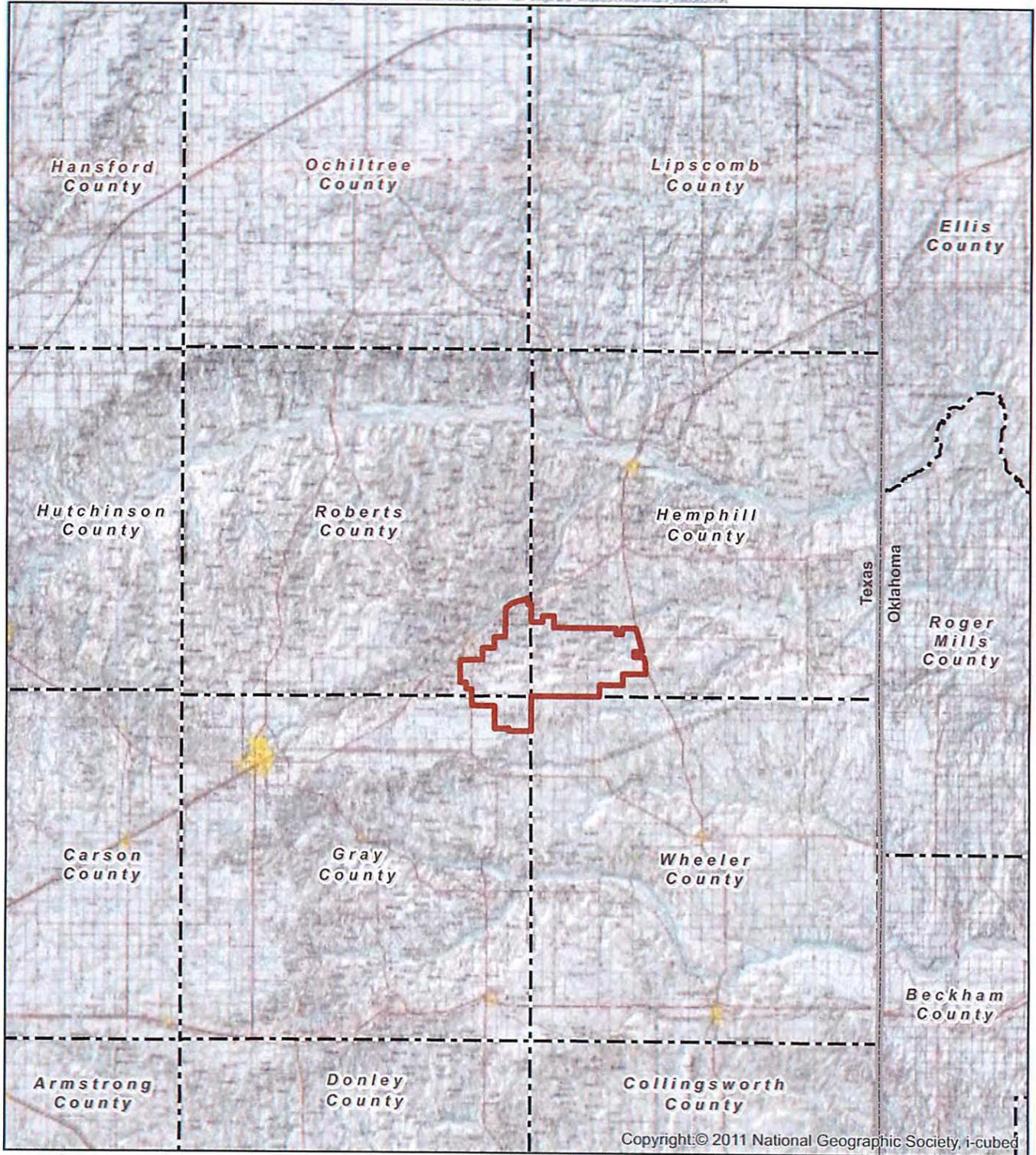
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Miami Independent School District and Proposed Turbine Layout Map

Miami Wind Energy Project, Roberts-Hemphill-Gray County, Texas

Rev. 02
July 26, 2013

Invenergy
One South Wacker Drive Suite 1900
Chicago, Illinois 60606
(312) 224-1400



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Legend

-  Project Boundary
-  County Boundary
-  State Boundary



Project Location Map

Miami Wind Energy Project, Roberts-Hemphill-Gray County, Texas

Rev. 00
July 26, 2013

Invenergy

One South Wacker Drive Suite 1900
Chicago, Illinois 60606
(312) 224-1400

Attachment No. 10
Amendment No. 001

Miami Wind I LLC Parcels						
ISD	County	SURVEY1	SURVEY2	BLOCK	SECTION	ABSTRACT
Fort Elliott CISD/Miami ISD	Hemphill	H&GN RR CO	MANNING, W E	A2	24	887
Fort Elliott CISD/Miami ISD	Hemphill	POITEVENT, J	GILL, H A	44	16	1096
Fort Elliott CISD/Miami ISD	Hemphill	GILL, H T		44	16	1004
Miami ISD	Gray	STUMP, J			4	1158
Miami ISD	Gray	H&GN RR CO		M2	81	307
Miami ISD	Gray	H&GN RR CO	STUMP, S	M2	82	1011
Miami ISD	Gray	H&GN RR CO	STUMP, S	M2	82	1096
Miami ISD	Gray	TURNER, D			26	1334
Miami ISD	Gray	H&GN RR CO		A6	74	819
Miami ISD	Gray	STUMP, J			1	1127
Miami ISD	Gray	CHISOM, H P				1143
Miami ISD	Gray	H&GN RR CO		M2	22	928
Miami ISD	Gray	H&GN RR CO		M2	25	159
Miami ISD	Gray	CHISOM, H P				1143
Miami ISD	Gray	H&GN RR CO		M2	51	301
Miami ISD	Gray	STUMP, J			4	1158
Miami ISD	Gray	STUMP, J			4	1158
Miami ISD	Gray	STUMP, J			4	1158
Miami ISD	Gray	STUMP, J			4	1158
Miami ISD	Gray	STUMP, J			4	1158
Miami ISD	Gray	STUMP, J			4	1158
Miami ISD	Gray	H&GN RR CO	JOHNSON, F & M J	M2	2	1103
Miami ISD	Gray	H&GN RR CO		M2	2	1268
Miami ISD	Gray	STUMP, J	HACKETT, A	S	1	1136
Miami ISD	Gray	STUMP, J	CARTER, S G & HARR	S	1	1304
Miami ISD	Gray	STUMP, J			1	1127
Miami ISD	Gray	H&GN RR CO	GRAY, N A	M2	56	951
Miami ISD	Gray	H&GN RR CO		M2	23	158
Miami ISD	Gray	SOWDER, J H			3	776
Miami ISD	Gray	WILLIAMS, B F				778
Miami ISD	Gray	H&GN RR CO	STUMP, J N	A6	68	1018
Miami ISD	Gray	JOHNS, P A			8	1148
Miami ISD	Gray	H&GN RR CO		A6	71	146
Miami ISD	Gray	H&GN RR CO	CHISUM, H P	M2	88	926
Miami ISD	Gray	H&GN RR CO		M2	53	302
Miami ISD	Gray	H&GN RR CO		M2	50	964
Miami ISD	Gray	H&GN RR CO		M2	50	915
Miami ISD	Gray	H&GN RR CO	STUMP, E R	M2	80	1012
Miami ISD	Gray	H&GN RR CO		M2	81	307
Miami ISD	Gray	H&GN RR CO		M2	81	307
Miami ISD	Gray	H&GN RR CO		M2	87	310

Miami ISD	Gray	H&GN RR CO	MC CLUNEY, M C W	M2	46	1159
Miami ISD	Gray	H&GN RR CO	MC CLUNEY, W C W	M2	46	846
Miami ISD	Gray	STEIN, S A				777
Miami ISD	Gray	STUMP, J			3	1159
Miami ISD	Gray	H&GN RR CO		A6	73	147
Miami ISD	Gray	H&GN RR CO		A6	67	144
Miami ISD	Gray	H&GN RR CO	CHRISTOPHER, M B	M2	2	1102
Miami ISD	Gray	H&GN RR CO	CHISUM, G L	M2	2	1101
Miami ISD	Gray	H&GN RR CO	CHISUM, G L	M2	2	927
Miami ISD	Gray	H&GN RR CO		M2	2	1237
Miami ISD	Gray	H&GN RR CO		M2	57	1137
Miami ISD	Gray	I&GN RR CO		2	84	304
Miami ISD	Roberts	H&GN RR CO		M2	19	112
Miami ISD	Roberts	GILL, H T		44	16	1004
Miami ISD	Roberts	H&GN RR CO		M2	11	108
Miami ISD	Roberts	H&GN RR CO	CARTER, S G	M2	10	767
Miami ISD	Roberts	H&GN RR CO		M2	13	109
Miami ISD	Roberts	H&GN RR CO	CARTER, W S	M2	14	957
Miami ISD	Roberts	H&GN RR CO		M2	8	107
Miami ISD	Roberts	H&GN RR CO	CARTER, W S	M2	8	958
Miami ISD	Roberts	H&GN RR CO		M2	15	110
Miami ISD	Roberts	KIVELCHEN, B B	TOLBERT, W S	44	17	1182
Miami ISD	Roberts	H&GN RR CO		M2	7	106
Miami ISD	Roberts	H&GN RR CO		M2	17	111
Miami ISD	Roberts	H&GN RR CO	COFFEE, C	M2	6	1021
Miami ISD	Roberts	H&GN RR CO		M2	31	114
Miami ISD	Roberts	H&GN RR CO	COFFEE, C	M2	42	961
Miami ISD	Roberts	H&GN RR CO		M2	5	105
Miami ISD	Roberts	H&GN RR CO		M2	43	120
Miami ISD	Roberts	H&GN RR CO	GILL, J M	M2	18	963
Miami ISD	Roberts	H&GN RR CO	CARTER, W S	M2	30	959
Miami ISD	Roberts	H&GN RR CO		M2	29	113
Miami ISD	Roberts	H&GN RR CO	CHISUM, H P	M2	44	743
Miami ISD	Roberts	H&GN RR CO	MC CUISTION, N W	M2	44	826
Miami ISD	Roberts	H&GN RR CO	GILL, G W	M2	60	1214
Miami ISD	Roberts	H&GN RR CO		M2	43	120
Miami ISD	Roberts	H&GN RR CO		M2	45	121
Miami ISD	Roberts	H&GN RR CO	CHISUM, H P	M2	58	776
Miami ISD	Roberts	H&GN RR CO	SEITZ, J W	M2	58	1160
Miami ISD	Roberts	H&GN RR CO	CHISUM, H P	M2	58	776
Miami ISD	Roberts	H&GN RR CO	CHISUM, H P	M2	58	776
Miami ISD	Roberts	H&GN RR CO	CHISUM, H P	M2	58	776
Miami ISD	Roberts	H&GN RR CO	CARTER, S G	M2	16	769

Miami ISD	Roberts	H&GN RR CO		M2	15	110
Miami ISD	Roberts	H&GN RR CO	MC CUISTION, N W	M2	20	823
Miami ISD	Roberts	H&GN RR CO	MC CUISTION, J R	M2	4	919
Miami ISD	Roberts	H&GN RR CO		M2	3	104
Miami ISD	Roberts	H&GN RR CO	MC CUISTION, N W	M2	28	824
Miami ISD	Roberts	H&GN RR CO		M2	59	95
Miami ISD	Roberts	H&GN RR CO	CHISUM, H P	M2	58	776
Miami ISD	Roberts	H&GN RR CO	CHISUM, H P	M2	58	776
Miami ISD	Roberts	H&GN RR CO	CHISUM, H P	M2	58	776
Miami ISD	Roberts	H&GN RR CO		M2	3	104
Miami ISD	Roberts	KIVLEHEN, D F		44	17	1031
Miami ISD	Roberts	H&GN RR CO	CARTER, W S	M2	32	960
Miami ISD	Roberts	H&GN RR CO		M2	59	95
Miami ISD	Roberts	H&GN RR CO		M2	3	104
Miami ISD	Roberts	H&GN RR CO	CARTER, W S	M2	32	960
Miami ISD	Roberts	H&GN RR CO		M2	3	104
Miami/Pampa ISD	Gray	H&GN RR CO		M2	83	308
Miami/Pampa ISD	Gray	HENRY, J R			6	1145
Miami/Pampa ISD	Gray	H&GN RR CO		A6	55	138

CHECKLIST ITEM #13

Request for Waiver of Job Creation Requirement

Invenergy

July 25, 2013

Re: Miami Wind Employment Estimate

To Whom it May Concern,

Invenergy has developed and placed into service 39 wind projects across the United States and in Canada and Europe, totaling over 3,400 MW. As one of the largest owner/operators of wind farms in the United States, Invenergy has significant experience staffing wind projects. Several factors determine the ultimate ratio of technicians to turbines; among these factors are site layout and turbine technology.

In Invenergy's experience, a ratio of 1 technician for every 10 – 15 turbines is typical for projects that are staffed by full-time employees. Invenergy's latest project under development, the Goldthwaite project will be one of the first Invenergy sites to deploy the GE 1.7 MW turbines. The GE 1.7 machine is the latest evolution of the GE 1.x fleet, of which Invenergy operates over 1,500 units.

We anticipate the technician to turbine ratio to be similar to that for the GE 1.5 MW turbines. As a result, we anticipate requiring approximately 1 technician per 12 GE 1.7 MW machines.

For independent estimates of full-time employment at wind farms in Texas, please see the National Renewable Energy Laboratory's report *Economic Development Impact of 1,000 MW of Wind Energy in Texas* (<http://www.nrel.gov/docs/fy11osti/50400.pdf>). Section 3.2.2 states that 60 full-time jobs are created for 1,000 MW of wind capacity. Assuming a 1.5 MW unit, that is approximately 1 job per 11 wind turbines.

If you have any questions, please do not hesitate to contact me at (312) 582-1421.

Sincerely,



Bryan Schueler
Senior Vice President
Invenergy LLC

cc: Evan Horn

CHECKLIST ITEM #14

Calculation of three possible wage requirements with TWC documentation

Miami Wind Wage Calculations

Roberts County All Industries Average Weekly Wages

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2013	1st Qtr	Roberts County	Total All	0	0	10	Total, All Industries	631
2012	2nd Qtr	Roberts County	Total All	0	0	10	Total, All Industries	\$ 587
2012	3rd Qtr	Roberts County	Total All	0	0	10	Total, All Industries	\$ 609
2012	4th Qtr	Roberts County	Total All	0	0	10	Total, All Industries	\$ 656
4 Period Weekly Avg								\$ 620.75
110% Of Average								<u>\$ 682.83</u>

Roberts County Average Construction Weekly Wages (Construction Wages Not Available on TRACER, 2013 1st Qtr Construction Wages Unavailable)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2012	1st Qtr	Roberts County	Total All	23	2	23	Construction	\$ 690
2012	2nd Qtr	Roberts County	Total All	23	2	23	Construction	\$ 728
2012	3rd Qtr	Roberts County	Total All	23	2	23	Construction	\$ 767
2012	4th Qtr	Roberts County	Total All	23	2	23	Construction	\$ 778
4 Period Weekly Avg								\$ 740.75
110% Of Average								<u>\$ 814.83</u>

Panhandle Regional Planning Commission

	Hourly	Annual
2012 Average Manufacturing Wages	\$ 20.12	\$ 41,850.00
Avg Weekly Wage		\$ 804.81
110% of Region Weekly Wage		\$ 885.29
110% of Annual Wages		\$ 46,035.00

CHECKLIST ITEM #15

Description of Benefits

Qualified employees of Miami Wind I LLC will be offered a full package of benefits including medical, dental and vision insurance with at least 80 percent of the premiums for the employee paid by Miami Wind I LLC. In addition each qualifying employee will receive paid vacation time, sick leave, life insurance, disability plans and 401(k) Retirement Savings Plans.

CHECKLIST ITEM #17 – 20

Schedules A-D

Schedule A (Rev. May 2010): Investment

Applicant Name Miami Wind I LLC
 ISD Name Miami ISD

Form 50-296

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying Investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)		2013-2014	2013					
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)				4,882,353				
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)				840,539	840,539			
	Complete tax years of qualifying time period	1	2014-2015	2014	261,213,414		261,213,414	-	840,539
		2	2015-2016	2015					261,213,414
		3	2016-2017	2016					
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	4	2017-2018	2017					
		5	2018-2019	2018					
		6	2019-2020	2019					
		7	2020-2021	2020					
		8	2021-2022	2021					
		9	2022-2023	2022					
		10	2023-2024	2023					
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2024-2025	2024					
		12	2025-2026	2025					
		13	2026-2027	2026					
	Post- Settle-Up Period	14	2027-2028	2027					
	Post- Settle-Up Period	15	2028-2029	2028					

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

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

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

Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).

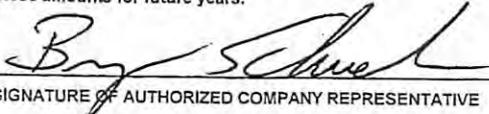
For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

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

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

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

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


 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

7/26/2013
 DATE

Schedule B (Rev. May 2010): Estimated Market And Taxable Value
Miami Wind I LLC

Applicant Name

ISD Name

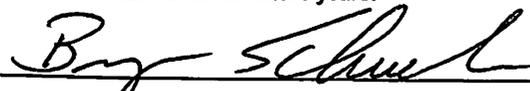
Miami ISD

Form 50-296

		Year	School Year (YYY-YYY)	Tax Year (Fill in actual tax year) YYY	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	-	-	-	-	-	-
	Complete tax years of qualifying time period	1	2014-2015	2014	-	-	5,772,892	-	5,772,892	5,772,892
		2	2015-2016	2015			266,936,306	-	266,936,306	266,936,306
	Tax Credit Period (with 50% cap on credit)	3	2016-2017	2016			250,920,128		250,920,128	10,000,000
		4	2017-2018	2017			235,864,920		235,864,920	10,000,000
		5	2018-2019	2018			221,713,025		221,713,025	10,000,000
		6	2019-2020	2019			208,410,243		208,410,243	10,000,000
		7	2020-2021	2020			195,905,629		195,905,629	10,000,000
		8	2021-2022	2021			184,151,291		184,151,291	10,000,000
		9	2022-2023	2022			173,102,214		173,102,214	10,000,000
		10	2023-2024	2023			162,716,081		162,716,081	10,000,000
	Credit Settle-Up Period	11	2024-2025	2024			152,953,116		152,953,116	152,953,116
		12	2025-2026	2025			143,775,929		143,775,929	143,775,929
		13	2026-2027	2026			135,149,373		135,149,373	135,149,373
	Post- Settle-Up Period	14	2027-2028	2027			127,040,411		127,040,411	127,040,411
	Post- Settle-Up Period	15	2028-2029	2028			119,417,986		119,417,986	119,417,986

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

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



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE



DATE

Attachment 19
Amendment No. 001

Schedule C- Application: Employment Information

Applicant Name Miami Wind I LLC
ISD Name Miami ISD

Form 50-296

		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs	
					Column A: Number of Construction FTE's or man-hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
		pre- year 1	2013-2014	2013	5,600 Man Hours		0	\$ 48,700	0	\$ 48,700
	Complete tax years of qualifying time period	1	2014-2015	2014	274,400 Man Hours		8	\$ 48,700	8	\$ 48,700
		2	2015-2016	2015			8	\$ 48,700	8	\$ 48,700
	Tax Credit Period (with 50% cap on credit)	3	2016-2017	2016			8	\$ 48,700	8	\$ 48,700
		4	2017-2018	2017			8	\$ 48,700	8	\$ 48,700
		5	2018-2019	2018			8	\$ 48,700	8	\$ 48,700
		6	2019-2020	2019			8	\$ 48,700	8	\$ 48,700
		7	2020-2021	2020			8	\$ 48,700	8	\$ 48,700
		8	2021-2022	2021			8	\$ 48,700	8	\$ 48,700
		9	2022-2023	2022			8	\$ 48,700	8	\$ 48,700
		10	2023-2024	2023			8	\$ 48,700	8	\$ 48,700
	Credit Settle-Up Period	11	2024-2025	2024			8	\$ 48,700	8	\$ 48,700
		12	2025-2026	2025			8	\$ 48,700	8	\$ 48,700
		13	2026-2027	2026			8	\$ 48,700	8	\$ 48,700
	Post- Settle-Up Period	14	2027-2028	2027			8	\$ 48,700	8	\$ 48,700
	Post- Settle-Up Period	15	2028-2029	2028			8	\$ 48,700	8	\$ 48,700

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

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


SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

8-27-2013
DATE

Schedule D: (Rev. May 2010): Other Tax Information

Applicant Name

Miami Wind I LLC

ISD Name

Miami ISD

Form 50-298

					Sales Tax Information		Franchise Tax	Miami ISD Other Property Tax Abatements Sought			
					Sales Taxable Expenditures		Franchise Tax	County	City	Hospital	Water
		Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)			2013-2014	2013	\$ -	\$ -	\$ -	0%	0%	0%	0%
Complete tax years of qualifying time period	1		2014-2015	2014	\$ 12,740	\$ 112,000	\$ -	0%	0%	0%	0%
	2		2015-2016	2015	\$ 168,000	\$ 1,120,000	\$ -	100%	0%	100%	0%
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	3	2016-2017	2016	\$ 168,000	\$ 1,120,000	\$ -	100%	0%	100%	0%
		4	2017-2018	2017	\$ 168,000	\$ 1,120,000	\$ -	100%	0%	100%	0%
		5	2018-2019	2018	\$ 168,000	\$ 1,120,000	\$ 7,837	100%	0%	100%	0%
		6	2019-2020	2019	\$ 168,000	\$ 1,120,000	\$ 6,161	100%	0%	100%	0%
		7	2020-2021	2020	\$ 168,000	\$ 1,120,000	\$ 163,180	100%	0%	100%	0%
		8	2021-2022	2021	\$ 168,000	\$ 1,120,000	\$ 159,039	100%	0%	100%	0%
		9	2022-2023	2022	\$ 168,000	\$ 1,120,000	\$ 155,073	100%	0%	100%	0%
		10	2023-2024	2023	\$ 168,000	\$ 1,120,000	\$ 146,092	100%	0%	100%	0%
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2024-2025	2024	\$ 168,000	\$ 1,120,000	\$ 135,622	100%	0%	100%	0%
		12	2025-2026	2025	\$ 168,000	\$ 1,120,000	\$ 134,957	0%	0%	0%	0%
		13	2026-2027	2026	\$ 168,000	\$ 1,120,000	\$ 138,036	0%	0%	0%	0%
Post- Settle-Up Period		14	2027-2028	2027	\$ 168,000	\$ 1,120,000	\$ 191,880	0%	0%	0%	0%
Post- Settle-Up Period		15	2028-2029	2028	\$ 168,000	\$ 1,120,000	\$ 265,262	0%	0%	0%	0%

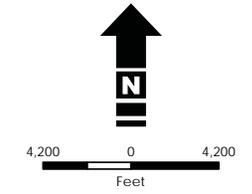
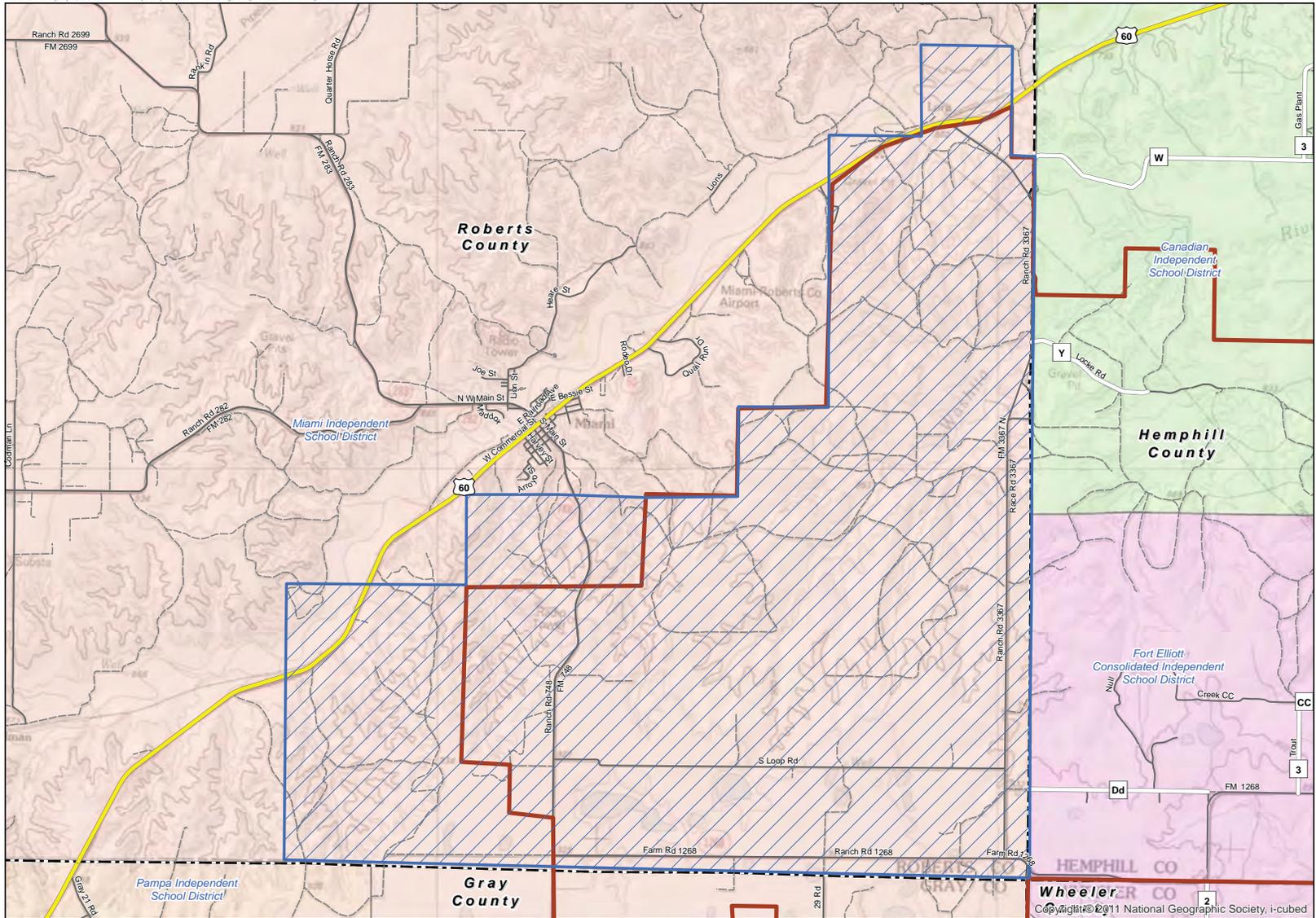
*For planning, construction and operation of the facility.


SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

7/26/2013
DATE

CHECKLIST ITEM #21

Map of Reinvestment Zone



- Legend**
- Reinvestment Zone
 - Project Boundary
 - County Boundary
- NAME10**
- Canadian Independent School District
 - Fort Elliott Consolidated Independent School District
 - Miami Independent School District
 - Pampa Independent School District
- Road Classification**
- US/State Route
 - Local Road
 - Dirt/Unpaved Road

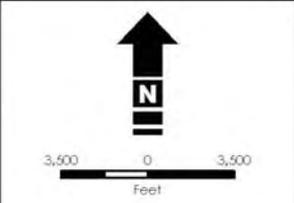
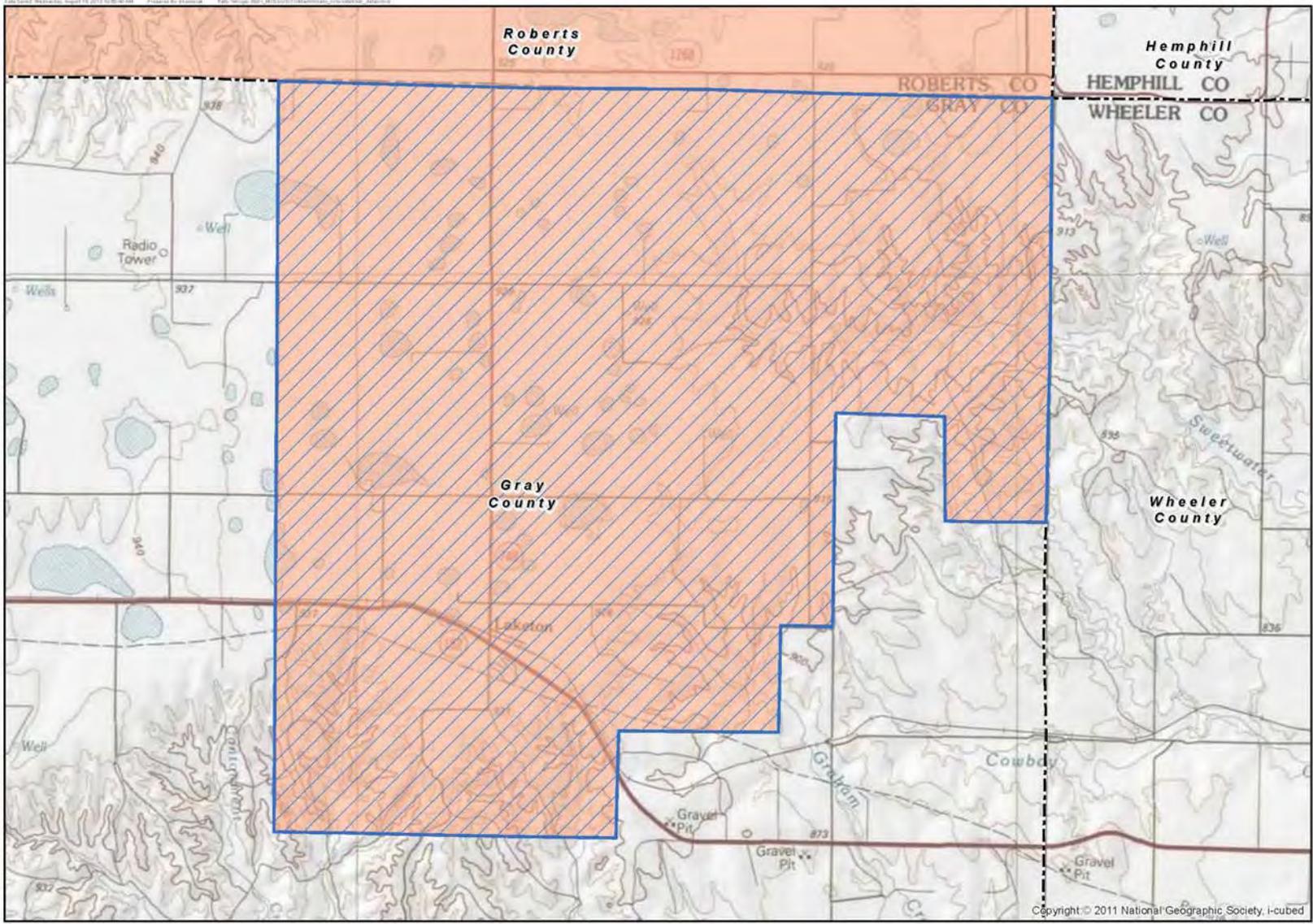
Roberts County Reinvestment Zone and Unified School District Map

Miami Wind Energy Project, Roberts-Hemphill-Gray County, Texas

Rev. 02
July 25, 2013

Invenergy
One South Wacker Drive Suite 1900
Chicago, Illinois 60606
(312) 224-1400

Amendment No. 002 - Attachment 21



- Legend**
-  Reinvestment Zone
 -  County Boundary
 -  Miami Independent School District

Miami Independent School District Reinvestment Zone in Gray County

Gray County, Texas

Rev. 02
August 14, 2013

Invenergy
One South Wacker Drive Suite 1900
Chicago, Illinois 60606
(312) 224-1400

CHECKLIST ITEM #22

Order Establishing the Reinvestment Zone

CHECKLIST ITEM #23

Legal Description of Reinvestment Zone

**RESOLUTION ELECTING TO BECOME ELIGIBLE TO PARTICIPATE IN TAX
ABATEMENT AND ORDER ADOPTING GUIDELINES AND CRITERIA
FOR GRANTING PROPERTY TAX ABATEMENTS
IN THE JURISDICTION OF ROBERTS COUNTY, TEXAS**

STATE OF TEXAS }
 }
COUNTY OF ROBERTS }

WHEREAS, the Property Redevelopment and Tax Abatement Act (the "Act"), Chapter 312 of the Texas Tax Code authorizes counties, cities and other taxing units to provide temporary property tax abatement for limited periods of time as an inducement for the development or redevelopment of a property; and,

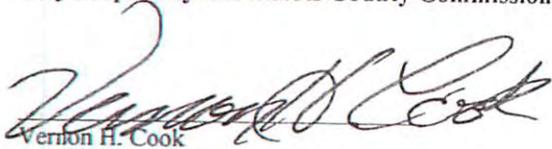
WHEREAS, the Act further requires that in order to become eligible to participate in tax abatement, a county or other taxing unit must adopt a resolution stating its election to do so and adopt guidelines and criteria for property tax abatement agreements; and,

WHEREAS Roberts County desires to affirm its eligibility to participate in tax abatement; and,

WHEREAS, the Commissioners Court of Roberts County desires to adopt Guidelines and Criteria for Property Tax Abatement.

NOW, THEREFORE, BE IT ORDERED, by the Commissioners Court of Roberts County, that the County is eligible to participate in tax abatement and further ORDERS adoption of the Guidelines and Criteria attached hereto as Exhibit A in accordance with the requirements of the Act.

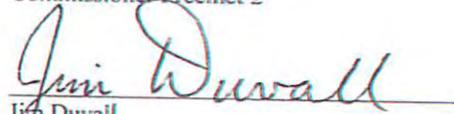
The foregoing Resolution was lawfully moved by Comm. Duvall, duly seconded by Comm. Gill, and duly adopted by the Roberts County Commissioner's Court, the 11th day of ~~February~~ MARCH 2013.


Vernon H. Cook
Roberts County Judge


Cleve Wheeler
Commissioner Precinct 1


Kelly Flowers
Commissioner Precinct 3


Ken Gill
Commissioner Precinct 2


Jim Duvall
Commissioner Precinct 4

ATTEST:


Tomi Rankin
Roberts County Clerk



ROBERTS COUNTY REINVESTMENT ZONE

MIAMI WIND I PROJECT

APPROXIMATELY 27,820 ACRES, MORE OR LESS

LEGAL DESCRIPTION: BEING ALL OF AND ANY PORTIONS OF THE FOLLOWING SECTIONS OF LAND LYING IN AND BEING SITUATED OUT OF ROBERTS COUNTY, TEXAS AND CONTAINING APPROXIMATELY 27,820 ACRES OF LAND, MORE OR LESS; SAID SECTIONS OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

- Section 11, Block M2, Abstract 108, H & GN RR Survey
- Section 13, Block M2, Abstract 109, H & GN RR Survey
- Section 10, Block M2, Abstract 767, H & GN RR Survey
- Section 14, Block M2, Abstract 957, H & GN RR Survey
- Section 9, Block M2, Abstract 107, H & GN RR Survey
- Section 8, Block M2, Abstract 985, H & GN RR Survey
- Section 15, Block M2, Abstract 110, H & GN RR Survey
- Section 32, Block M2, Abstract 960, H & GN RR Survey
- Section 16, Block M2, Abstract 769, H & GN RR Survey
- Section 7, Block M2, Abstract 106, H & GN RR Survey
- Section 6, Block M2, Abstract 1021, H & GN RR Survey
- Section 17, Block M2, Abstract 111, H & GN RR Survey
- Section 31, Block M2, Abstract 114, H & GN RR Survey
- Section 42, Block M2, Abstract 961, H & GN RR Survey
- Section 61, Block M2, Abstract 96, H & GN RR Survey
- Section 72, Block M2, Abstract 952, H & GN RR Survey
- Section 105, Block M2, Abstract 41, H & GN RR Survey
- Section 92, Block M2, Abstract 951, H & GN RR Survey
- Section 73, Block M2, Abstract 102, H & GN RR Survey
- Section 60, Block M2, Abstract 1206, Abstract 825 & Abstract 1214, H & GN RR Survey
- Section 43, Block M2, Abstract 120, H & GN RR Survey
- Section 30, Block M2, Abstract 959, H & GN RR Survey
- Section 18, Block M2, Abstract 963, H & GN RR Survey
- Section 5, Block M2, Abstract 105, H & GN RR Survey
- Section 4, Block M2, Abstract 919, H & GN RR Survey
- Section 19, Block M2, Abstract 112, H & GN RR Survey
- Section 29, Block M2, Abstract 113, H & GN RR Survey
- Section 44, Block M2, Abstract 826 & Abstract 743, H & GN RR Survey
- Section 59, Block M2, Abstract 95, H & GN RR Survey
- Section 74, Block M2, Abstract 1211 & Abstract 786, H & GN RR Survey
- Section 91, Block M2, Abstract 34, H & GN RR Survey
- Section 106, Block M2, Abstract 895, H & GN RR Survey
- Section 107, Block M2, Abstract 42, H & GN RR Survey
- Section 90, Block M2, Abstract 785, H & GN RR Survey

- Section 75, Block M2, Abstract 103, H & GN RR Survey
- Section 58, Block M2, Abstract 776 & Abstract 743, H & GN RR Survey
- Section 45, Block M2, Abstract 121, H & GN RR Survey
- Section 28, Block M2, Abstract 824, H & GN RR Survey
- Section 20, Block M2, Abstract 823, H & GN RR Survey
- Section 3, Block M2, Abstract 104, H & GN RR Survey
- Section 2, Block M2, Abstract 1101, Abstract 1102 & Abstract 1103, H & GN RR Survey
- Section 21, Block M2, Abstract 1139, H & GN RR Survey
- Section 27, Block M2, Abstract 1140, H & GN RR Survey
- Section 46, Block M2, Abstract 1159, H & GN RR Survey
- Section 57, Block M2, Abstract 304, H & GN RR Survey
- Section 76, Block M2, Abstract 1058 & Abstract 954, H & GN RR Survey
- Section 89, Block M2, Abstract 1138, H & GN RR Survey
- Section 108, Block M2, Abstract 893, H & GN RR Survey
- Section 1, Block S, Abstract 1136, John Stump Survey
- Section 16, Block 44, Abstract 1004, HT Gill Survey
- Section 17, Block 44, Abstract 1031 & Abstract 1182, D. Kivlehen Survey

**RESOLUTION OF THE BOARD OF TRUSTEES
OF MIAMI ISD
DESIGNATING MIAMI ISD REINVESTMENT ZONE NUMBER 2013-01**

A RESOLUTION DESIGNATING A CERTAIN AREA IN GRAY COUNTY, TEXAS AS A REINVESTMENT ZONE, ESTABLISHING THE BOUNDARIES THEREOF, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Miami ISD Board of Trustees 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.*) for the purpose of authorizing a *Limitation on Appraised Value Agreement of Qualified Property for School District Maintenance and Operations Taxes*, as authorized by the Texas Property Tax Code Chapter 313, and the Tax Abatement Guidelines and Criteria of Miami ISD (the "Guidelines"); and

WHEREAS, on September 16, 2013, a hearing before the Miami ISD Board of Trustees was held, such date being at least seven (7) days after the date of publication of the notice of such public hearing in the local newspaper of general circulation in Gray County and the delivery of written notice to the respective presiding officers of each taxing entity that includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

WHEREAS, the Miami ISD Board of Trustees 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 MIAMI ISD BOARD OF TRUSTEES:

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

SECTION 2. That the Miami ISD Board of Trustees, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on adoption of the reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and

- (b) That the boundaries of the proposed reinvestment zone should be the area described in the description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B", both Exhibits being incorporated herein by reference for all purposes; and,
- (c) That creation of the reinvestment zone will result in benefits to Miami ISD and to land included in the reinvestment zone and that the improvements sought are feasible and practical; and
- (d) The reinvestment zone meets the criteria set forth in Texas Property Tax Code Chapter 312 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property in the reinvestment zone and to Miami ISD, and that the entire tract of land is located entirely within an unincorporated area of Miami ISD.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, the Miami ISD Board of Trustees hereby creates Miami ISD Reinvestment Zone Number 2013-01; a reinvestment zone for commercial-industrial tax abatement encompassing only the area described in "Exhibit A" and depicted in Exhibit "B", and such reinvestment zone is hereby designated and shall hereafter be referred to as Miami ISD Reinvestment Zone Number 2013-01.

SECTION 4. That Miami ISD Reinvestment Zone Number 2013-01 shall take effect on September 16, 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.

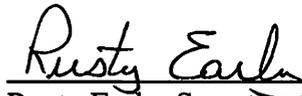
SECTION 5. That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 6. That it is hereby found, determined and declared that sufficient notice of the date, hour, place and subject, of the meeting of the Miami ISD Board of Trustees at which this Resolution was adopted was posted at a place convenient and readily accessible at all times as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of general circulation within the County, and furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this the 16th day of September, 2013.



Tom Grantham, President
Miami ISD Board of Trustees



Rusty Early, Secretary
Miami ISD Board of Trustees

EXHIBIT A
DESCRIPTION OF
MIAMI ISD
REINVESTMENT ZONE 2013-01

ALL OF AND ANY PORTIONS OF THE FOLLOWING SECTIONS OF LAND LYING IN AND BEING SITUATED OUT OF GRAY COUNTY, AND SPECIFICALLY EXCLUDING THE AREA OF ANY MUNICIPALITY; SAID SECTIONS OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

<u>SURVEY</u>	<u>SURVEY NAME</u>	<u>BLOCK</u>	<u>SECTION</u>	<u>ABSTRACT</u>
BS&F		M2	55	1166
H&GN RR CO		M2	76	1384
H&GN RR CO	CUNNINGHAM, L	M2	76	1388
STUMP, J	HOCKETT, A	S	1	1295
H&GN RR CO	CHISUM, G L	M2	2	927
H&GN RR CO		M2	2	1237
H&GN RR CO	MC CLUNEY, W C W	M2	46	846
H&GN RR CO		M2	2	1268
H&GN RR CO		M2	89	311
H&GN RR CO		M2	21	313
H&GN RR CO		M2	27	160
I&GN RR CO		2	84	304
H&GN RR CO		M2	76	1036
H&GN RR CO		M2	76	1406
H&GN RR CO		M2	22	1397
H&GN RR CO	GRAY, N A	M2	56	951
H&GN RR CO	CHISUM, H P	M2	88	926

H&GN RR CO		M2	1	312
H&GN RR CO		M2	77	305
H&GN RR CO		M2	22	928
H&GN RR CO	STUMP, J N	M2	26	1095
H&GN RR CO		M2	47	161
STUMP, J	CARTER, S G & HARRIS, J	S	1	1304
STUMP, J	CHRISTOPHER, W D	S	1	1324
STUMP, J			1	1127
H&GN RR CO		M2	78	916
H&GN RR CO		M2	78	1350
H&GN RR CO		M2	78	1343
H&GN RR CO		M2	55	303
H&GN RR CO		M2	78	1344
H&GN RR CO		M2	87	310
CHISOM, H P				1143
H&GN RR CO	HOOFER, F W	M2	48	956
H&GN RR CO		M2	25	159
H&GN RR CO		A6	73	147
H&GN RR CO		A6	74	819
H&GN RR CO	FREEMAN, S F	M2	86	1337
H&GN RR CO		M2	24	1015
H&GN RR CO		M2	49	300
H&GN RR CO	JOHNS, G D	M2	54	1055

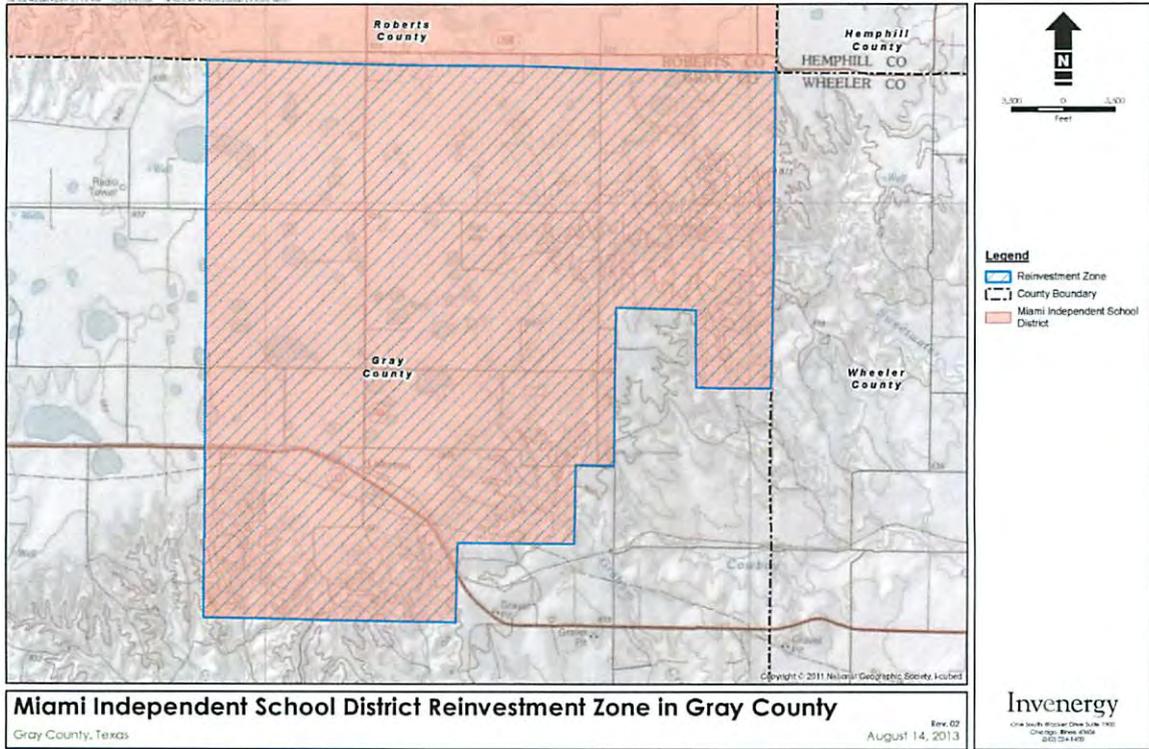
H&GN RR CO	JOHNS, P A	M2	54	1188
H&GN RR CO		M2	79	306
STEIN, S A				777
H&GN RR CO	GILLIS, W L	M2	86	950
H&GN RR CO		A6	71	146
H&GN RR CO		M2	80	1014
H&GN RR CO	STUMP, E R	M2	80	1012
H&GN RR CO		M2	85	309
H&GN RR CO		M2	53	302
H&GN RR CO		M2	50	964
H&GN RR CO		M2	50	915
H&GN RR CO		M2	23	158
STUMP, J			3	1159
SOWDER, J H			3	776
JOHNS, P A			8	1148
H&GN RR CO	STUMP, J N	M2	52	1013
H&GN RR CO		M2	81	307
H&GN RR CO	HENRY, J R	M2	84	821
WILLIAMS, B F				778
H&GN RR CO	STUMP, J N	A6	68	1018
H&GN RR CO		A6	67	144
H&GN RR CO	STUMP, S	M2	82	1011
H&GN RR CO		M2	51	301
H&GN RR CO	STUMP, S	M2	82	1096

H&GN RR CO	M2	83	308
TURNER, D		26	1334
HENRY, J R		6	1145
STUMP, J		4	1158

IN THE EVENT OF DISCREPANCY BETWEEN THIS EXHIBIT "A" AND THE ATTACHED MAP ON EXHIBIT "B", EXHIBIT "B" SHALL CONTROL

EXHIBIT B

MAP OF MIAMI ISD REINVESTMENT ZONE 2013-01



CHECKLIST ITEM #24

Guidelines and Criteria for Reinvestment Zone

Exhibit A

Guidelines and Criteria

FILED
TONI RANKIN
Deputy Clerk, Roberts County, Texas
11:00 Am
MAR 11 2013
Toni Rankin
Deputy

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

STATE OF TEXAS }
 }
COUNTY OF ROBERTS }

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

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

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

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

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

WHEREAS, Texas laws requires any eligible taxing jurisdiction to establish guidelines and criteria as to eligibility for tax abatement agreements prior to the granting of any future tax abatement, which guidelines and criteria are to remain unchanged for a two-year period unless amended by minimum votes, as provided by said state law; and,

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

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

WHEREAS, the Commissioners Court of Roberts County, Texas has approved and authorized these guidelines and criteria;

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

Sec. 1. Definitions

- A. "Abatement" means the full or partial exemption from ad valorem taxes of certain real property, and certain personal property, in a reinvestment zone designated by the County of Roberts for economic development purposes.
- B. "Affected jurisdiction" means the County of Roberts, and any other taxing jurisdiction with any substantial parts of its area located in Roberts County; and that levies ad valorem taxes and provides services to property located in said County; and that chooses to participate in tax abatement agreements by, or pursuant to, these guidelines.
- C. "Agreement" means a contractual agreement between a property owner or lessee, or both, and an affected jurisdiction for the purposes of tax abatement.

- D. "Base year value" means the assessed value of eligible property January 1 preceding the execution of the agreement, plus the agreed-upon value of eligible property improvements made after January 1 but before the execution of the agreement.
- E. "Deferred maintenance" means improvements necessary for continued operations that do not improve productivity or alter the process technology.
- F. "Distribution Center Facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, primarily to receive, store, service, or distribute goods or materials owned by the facility operator.
- G. "Expansion" means the addition of permanent building and structures, fixed machinery and equipment for purposes of increasing production capacity.
- H. "Facility" means property improvements completed or in the process of construction that together comprise and integral whole.
- I. "Manufacturing Facility" means permanent buildings and structures, including fixed machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- J. "Modernization" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of permanent buildings and structures, alteration, or installation of permanent buildings and structures, fixed machinery and equipment. Modernization shall include improvements for the purposes of increasing productivity or updating the technology of machinery or equipment or both.
- K. "New Facility" means a property previously undeveloped that is placed into service by means other than by, or in conjunction with, expansion or modernization.
- L. "Other basic industry" means permanent buildings and structures, including fixed machinery and equipment not elsewhere described, used or to be used, for the production of products or services that primarily serve a market that result in the creation of new permanent jobs, and that bring in new wealth.
- M. "Productive life" means the number of years a property improvement is expected to be in service in a facility.
- N. "Regional entertainment facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment through the admission of the general public.
- O. "Research facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used primarily for the research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- P. "Regional service facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, to service goods.
- Q. "Renewable Energy Resource" means a resource which produces energy derived from renewable energy technologies, as defined in PUC Substantive Rule 25.5.

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

- A. Authorized facility. A facility may be eligible for abatement if it is a manufacturing facility, research facility, distribution center or regional service facility, regional entertainment facility, renewable energy resource, or other basic industry.
- B. Creation of new value. Abatement may be granted only for the additional value of eligible property improvements made subsequent to, and specified in, an abatement agreement between Roberts County and the property owner or lessee, subject to such limitation as Roberts County may require.
- C. New and existing facilities. Abatement may be for new facilities and improvements to existing facilities purposes of modernization or expansion.
- D. Eligible property. Abatement may be extended to the value of permanent buildings and structures, fixed machinery and equipment, and certain other personal property, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility.
- E. Ineligible property. The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; housing; hotel accommodations; deferred maintenance investments; any improvements, including those to produce, store or distribute natural gas, fluids or gases, that are not integral to the operation of the facility; property owned or used by the State of Texas or its political subdivision or by any organization owned, operated, or directed by a political subdivision of the State of Texas.
- F. Intentionally Omitted.
- G. Value and term of abatement. A tax abatement agreement granted by Roberts County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100% of the ad valorem property taxes assessed.
- H. Economic qualification. In order to be eligible to receive tax abatement the planned improvement:
 - 1. Must be reasonably expected to have a minimum new capital investment of \$1,000,000 in Roberts County;
 - 2. must be expected to prevent the loss of employment, retain employment, or create employment on a permanent basis; and
 - 3. must not be expected to solely or primarily have the effect of transferring employment from one part of the County of Roberts to another.
- I. Existing business. Recognizing the importance of cosmetic improvements to the community of those existing businesses that modernize or expand over and above normal repair and upkeep, such existing businesses may be granted a two-year tax abatement of the amount of value the facility is increased. (If a business has a building appraised at \$50,000.00 and modernization or expansion changes the appraised value to \$100,000.00, \$50,000.00 of the new value could be abated for two years beginning January 1 after the year completed.)
- J. Taxability. From the execution of the abatement agreement to the end of the agreement period taxes shall be assessed as follows:
 - 1. the value of ineligible property as provided in Section 2E shall be fully taxable; and,
 - 2. the base year value of existing eligible property as determined each year shall be fully taxable; and,
 - 3. the additional value of new eligible property shall be taxable in the manner described in Section 2(G, H and I).

Sec. 3. Application and Hearing

- A. Any present or potential owner of taxable property in the jurisdiction of the Taxing Entities of the County of Roberts, Texas may request tax abatement by filing a written request with the Roberts County Commissioners Court.
- B. The application shall consist of a completed application form accompanied by:
1. a general description of the proposed use and the general nature and extent of the modernization, expansion, or new improvements to be undertaken;
 2. a descriptive list of the improvements that will be a part of the facility; a map and property description; and
 3. a time schedule for undertaking and completing the planned improvements.

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

- C. After receipt of an application, the Commissioners Court shall determine within forty-five (45) days how to proceed with the application. Within this time frame the Commissioners Court shall choose to deny the application, consider the application, or consider the application on an expedited basis.
- D. Consideration of Application. If the County determines that the application should be further considered, then the County Judge shall schedule a hearing to obtain public input on the application. At least seven (7) days prior to the hearing, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place and subject in the local newspaper. At the hearing the commissioners Court evaluates the application against the criteria in Section 2 and decides whether to designate the property for which an abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the application fails, although it may be amended and resubmitted. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then arrange to consider for approval the tax abatement agreement between the applicant and the County at its next regularly scheduled meeting. At least seven (7) days prior to entering into a tax abatement agreement, the County must give written notice of its intent to do so to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.
- E. Expedited Consideration of Application. If the County determines that the application should receive expedited consideration, then the County Judge shall schedule an opportunity to obtain public input on the application at the Commissioners Court's next meeting. At least seven (7) days prior to the meeting, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place and subject in the local newspaper. Also at this time, the County must give written notice of its intent to enter into a tax abatement agreement to the presiding officers of all taxing units with jurisdiction over the property for which the abatement is sought, along with a copy of the proposed tax abatement agreement. During the Commissioners Court meeting, the Commissioners Court shall evaluate the application against the criteria in Sections 2 and shall decide whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is

designated, the Commissioners Court shall pass an order to that effect and may then immediately consider for approval the tax abatement agreement between the applicant and the County. After consideration, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or the decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.

- F. Confidentiality. As required by Section 312.003 of the Texas Tax Code, information that is provided to the County in connection with an application or a request for a tax abatement under this chapter that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which the abatement is sought is confidential and not subject to public disclosure until the tax abatement is executed.
- G. When the abatement is disapproved, an applicant may be granted a review, or rehearing, in which a new application and hearing may be required.
- H. Tax abatement may not be approved if the County finds that the application was filed after the commencement of the construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.
- I. Request for variance from the provisions of Section 2 may be made in written form to the Commissioners Court of Roberts County. Such request shall include all the items listed in Section 3 (b) above, together with a complete description of the circumstances that prompt the applicant to request variance. The approval process for a variance shall be identical to that for a standard application and may be supplemented by such additional requirements as may be deemed necessary by the County.

Sec. 4. Standards for denying Approval of Abatement.

- A. If any affected jurisdiction is able to conclusively show cause in the public hearing why the granting of the abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity, or the providing of services, Roberts County shall deny the approval of abatement.
- B. An abatement agreement shall not be granted if it is determined that:
 - 1. there would be substantial adverse effect on the providing of government services or tax bases;
 - 2. the applicant has insufficient financial capacity;
 - 3. planned or potential use of the property would constitute a hazard to public safety, health, or morals; or,
 - 4. codes or laws would be violated.

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

Sec. 6. Tax Abatement Agreements

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

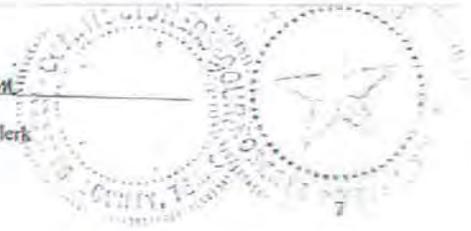
1. the estimated value to be abated and the base year value;
2. the percentage of value to be abated each year as provided in Sec. 2 (G, H and I);
3. the commencement date and the termination date of abatement;
4. the proposed use of the facility, nature of construction, time schedule, map, property description, and improvements list as provided in application, Section 3B;
5. contractual obligations in the event of default, violation of terms or conditions, delinquent taxes recapture, administration, and assignment as provided in Sections 2A,, 2F, 2 G, H and I, 7, 8, and 9.
6. size of investment and average number of jobs involved. Such agreement shall normally be executed within 30 days after the applicant has forwarded all necessary information and documentation to the County; and
7. the agreement shall stipulate that employees, or designated representatives, or both, of Roberts County will have access to the reinvestment zone during the terms of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of 24 hours prior notice and will be conducted in such a manner that they will not unreasonably interfere with the construction or operation or both of the facility. All inspections will be made in the presence of one or more representatives of the company or individual and in accordance with the safety standards of the company or individual.

Sec. 7 Recapture

- A. If the facility is completed and begins producing products or services, but subsequently discontinues producing products or services for any reason excepting fire, explosion, or other casualty or accident or natural disaster, for a period of one year during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the affected jurisdiction within 60 days from the date of termination.
- B. If the Roberts County Commissioners Court determines that the company or individual is in default according to the terms and conditions of its agreement, the Commissioners Court shall notify the company or individual in writing at the address stated in the agreement, and if such default is not cured within 60 days from the date of such notice ("cure period"), then the agreement may be terminated; provided, however if such failure cannot be cured within such sixty (60)-day period and the company or individual has commenced remedial action to cure such failure (and continued to diligently and timely pursue the completion of such remedial action), the company or individual shall be entitled to a total of one hundred eighty (180) days after receipt of notice within which to cure such default.
- C. If the company or individual (1) allows its ad valorem taxes owed to the County of Roberts, or any other taxing entity in Roberts County, to become delinquent after all applicable notice and cure periods and fails to timely and properly follow the legal procedures for their protest or contest or both; or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure-period, the agreement may then be terminated, and all taxes previously abated by virtue of the agreement will be recaptured and paid within 60 days of the termination.

ATTEST:


 Toni Rankin
 Roberts County Clerk



Sec. 8. Administration

- A. The Chief Appraiser of the Roberts County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, any company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the chief appraiser shall notify the affected jurisdictions that levy taxes of the amount of the assessment.

- B. Upon completion of construction, a designated representative of Roberts County shall annually evaluate each facility receiving abatement to insure compliance with the agreement and shall make a report to the Commissioners Court regarding the findings of each evaluation.

Sec. 9. Assignment

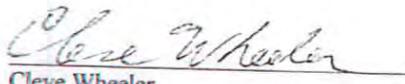
Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the affected jurisdiction, subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with the affected jurisdiction. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner, or the new lessee are liable to any taxing entity in Roberts County for outstanding delinquent taxes or other obligations. Approval shall not be unreasonably withheld, conditioned or delayed.

Sec. 10. Sunset Provision

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

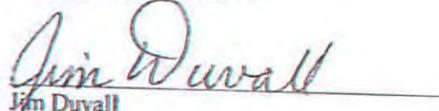
The foregoing was lawfully approved by County Commissioner's Court, effective as the 11th day of ~~February~~ ^{MARCH} 2013 (the "Effective Date").


Vernon H. Cook
Roberts County Judge

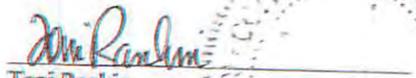

Cleve Wheeler
Commissioner Precinct 1

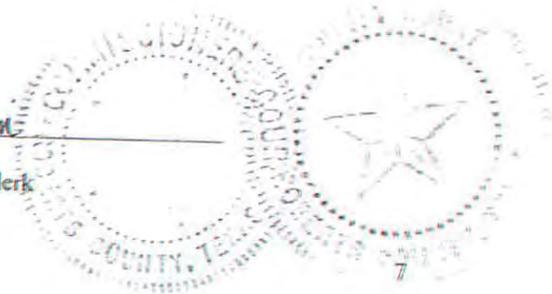

Ken Gill
Commissioner Precinct 2


Kelly Flowers
Commissioner Precinct 3


Jim Duvall
Commissioner Precinct 4

ATTEST:


Toni Rankin
Roberts County Clerk



EXAMPLE OF ROBERTS COUNTY TAX ABATEMENT APPLICATION
FOR
ECONOMIC DEVELOPMENT INCENTIVES

PROPERTY/PROJECT DESCRIPTION

1. Property Owner:
Mailing Address :
Telephone:
2. Project Sponsor (If different than property owner):
Mailing address:
Telephone:
3. Applicant's Representative:
Telephone:
4. Property Address:
Legal Description (provide attachment if by metes and bounds):
5. Located within: (School or other taxing district):
6. Description of Project:
7. Date (s) projected for occupation of project/initiation of operations:
8. Employment Impact
 - a. How many jobs will be brought to Roberts County?
 - b. What types of jobs will be created?
 - c. What will the total annual payroll be?
9. Fiscal Impact
 - a. How much real and personal property value will be added to the tax roles?
 - b. How much direct sales tax will be generated?
 - c. How will this project affect existing business and/or office facilities?
 - d. What infrastructure construction would be required?
 - e. What is the total annual operation budget of this facility projected to be?
10. Community Impact
 - a. What effect would the project have on the local housing market?
 - b. What environmental impact, if any, will be created by the project?
11. Type and value of incentive requested:

FILED
TONI RANKIN
Deputy Clerk, Roberts County, Texas
11:00 AM
MAR 11 2013
Toni Rankin
Deputy

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

STATE OF TEXAS }
 }
COUNTY OF GRAY }

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

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

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

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

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

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WHEREAS, Texas laws requires any eligible taxing jurisdiction to establish guidelines and criteria as to eligibility for tax abatement agreements prior to the granting of any future tax abatement, which guidelines and criteria are to remain unchanged for a two-year period unless amended by minimum votes, as provided by said state law; and,

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

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

WHEREAS, the Commissioners Court of Gray County, Texas has approved and authorized these guidelines and criteria;

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

Sec. 1. Definitions

- A. "Abatement" means the full or partial exemption from ad valorem taxes of certain real property, and certain personal property, in a reinvestment zone designated by the County of Gray for economic development purposes.
- B. "Affected jurisdiction" means the County of Gray and any other taxing jurisdiction with any substantial parts of its area located in Gray County; and that levies ad valorem taxes and provides services to property located in said County; and that chooses to participate in tax abatement agreements by, or pursuant to, these guidelines.
- C. "Agreement" means a contractual agreement between a property owner or lessee, or both, and an

affected jurisdiction for the purposes of tax abatement.

- D. "Base year value" means the assessed value of eligible property January 1 preceding the execution of the agreement, plus the agreed-upon value of eligible property improvements made after January 1 but before the execution of the Agreement.
- E. "Deferred maintenance" means improvements necessary for continued operations that do not improve productivity or alter the process technology.
- F. "Distribution Center Facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, primarily to receive, store, service, or distribute goods or materials owned by the facility operator.
- G. "Expansion" means the addition of permanent building and structures, fixed machinery and equipment for purposes of increasing production capacity.
- H. "Facility" means property improvements completed or in the process of construction that together comprise an integral whole.
- I. "Manufacturing Facility" means permanent buildings and structures, including fixed machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- J. "Modernization" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of permanent buildings and structures, alteration, or installation of permanent buildings and structures, fixed machinery and equipment. Modernization shall include improvements for the purposes of increasing productivity or updating the technology of machinery or equipment or both.
- K. "New Facility" means a property previously undeveloped that is placed into service by means other than by, or in conjunction with, expansion or modernization.
- L. "Other basic industry" means permanent buildings and structures, including fixed machinery and equipment not elsewhere described, used or to be used, for the production of products or services that primarily serve a market that result in the creation of new permanent jobs, and that bring in new wealth.
- M. "Productive life" means the number of years a property improvement is expected to be in service in a facility.
- N. "Regional entertainment facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment through the admission of the general public.
- O. "Research facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used primarily for the research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- P. "Regional service facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, to service goods.
- Q. "Renewable Energy Resource" means a resource which produces energy derived from renewable energy technologies, as defined in PUC Substantive Rule 25.5 or any successor to such rule.

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

- A. Authorized facility. A facility may be eligible for abatement if it is a manufacturing facility, research facility, distribution center or regional service facility, regional entertainment facility, renewable energy resource, or other basic industry.
- B. Creation of new value. Abatement may be granted only for the additional value of eligible property improvements made subsequent to, and specified in, an abatement agreement by and among Gray County and the property owner or lessee, subject to such limitation as Gray County may require. V
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- C. New and existing facilities. Abatement may be for new facilities and improvements to existing facilities purposes of modernization or expansion.
- D. Eligible property. Abatement may be extended to the value of permanent buildings and structures, fixed machinery and equipment, and certain other personal property, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility. 0
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- F. Value and term of abatement. A tax abatement agreement granted by Gray County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100% of the ad valorem property taxes assessed. P
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- G. Economic qualification. In order to be eligible to receive tax abatement the planned improvement:
 - 1. Must be reasonably expected to have an increase in positive net benefit to Gray County of at least \$100,000 in the case of new businesses and \$50,000 in the case of existing businesses over the life of the tax abatement agreement (such amounts computed to include, but not limited to, new payroll and new capital investment); 0
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 - 2. Must be expected to prevent the loss of employment, retain employment, or create employment on a permanent basis; and
 - 3. Must not be expected to solely or primarily have the effect of transferring employment from one part of the County of Gray to another.
- H. Existing business. Recognizing the importance of cosmetic improvements to the community of those existing businesses that modernize or expand over and above normal repair and upkeep, such existing businesses may be granted a two-year tax abatement of the amount of value the facility is increased. (If a business has a building appraised at \$50,000.00 and modernization or expansion changes the appraised value to \$100,000.00, \$50,000.00 of the new value could be abated for two years beginning January 1 after the year completed.)
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 - 1. The value of ineligible property shall be fully taxable; and,
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Sec. 3. Application and Hearing.

- A. Any present or potential owner of taxable property in the jurisdiction of the taxing entities of the County of Gray, Texas may request tax abatement by filing a written request with the Gray County Commissioners Court.
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 - 1. a general description of the proposed use and the general nature and extent of the modernization, expansion, or new improvements to be undertaken;
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In the case of modernization, a statement of the assessed value of the facility separately stated for real and personal property shall be given for the tax year immediately preceding the application. The application form may require any financial and other information that may be appropriate for evaluating the financial capacity of the applicant and any other factors.

- C. After receipt of an application, the Commissioners Court shall determine within forty-five (45) days how to proceed with the application. Within this time frame the Commissioners Court shall choose to deny the application, consider the application, or consider the application on an expedited basis.
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- B. An abatement agreement shall not be granted if it is determined that:
 - 1. There would be substantial adverse effect on the providing of government services or tax bases;
 - 2. The applicant has insufficient financial capacity;
 - 3. Planned or potential use of the property would constitute a hazard to public safety, health, or morals; or,
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- B. The percentage of value to be abated each year;

- C. The commencement date and the termination date of abatement;
- D. The proposed use of the facility, nature of construction, time schedule, map, property description, and improvements list;
- E. Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes recapture, administration, and assignment;
- F. Size of investment and average number of jobs involved. Such agreement shall normally be executed within 30 days after the applicant has forwarded all necessary information and documentation to the County; and
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Sec. 7 Recapture

- A. If the facility is completed and begins producing products or services, but subsequently discontinues producing products or services for any reason excepting fire, explosion, or other casualty or accident or natural disaster, for a period of one year during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the affected jurisdiction within 60 days from the date of termination.
- B. If the Gray County Commissioners Court determines that the company or individual is in default according to the terms and conditions of its agreement, the Commissioners Court shall notify the company or individual in writing at the address stated in the agreement, and if such default is not cured within 60 days from the date of such notice ("cure period"), then the agreement may be terminated; provided, however if such failure cannot be cured within such sixty (60)-day period and the company or individual has commenced remedial action to cure such failure (and continued to diligently and timely pursue the completion of such remedial action), the company or individual shall be entitled to a total of one hundred eighty (180) days after receipt of notice within which to cure such default.
- C. If the company or individual (1) allows its ad valorem taxes owed to the County of Gray, or any other taxing entity in Gray County, to become delinquent after all applicable notice and cure periods and fails to timely and properly follow the legal procedures for their protest or contest or both; or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure-period, the agreement may then be terminated, and all taxes previously abated by virtue of the agreement will be recaptured and paid within 60 days of the termination.

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Sec. 8. Administration

- A. The Chief Appraiser of the Gray County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, any company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the chief appraiser shall notify the affected jurisdictions that levy taxes of the amount of the assessment.

- B. Upon completion of construction, a designated representative of Gray County shall annually evaluate each facility receiving abatement to insure compliance with the agreement and shall make a report to the Commissioners Court regarding the findings of each evaluation.

Sec. 9. Assignment

Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the affected jurisdiction, subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with the affected jurisdiction. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner, or the new lessee are liable to any taxing entity in Gray County for outstanding delinquent taxes or other obligations. Approval shall not be unreasonably withheld, conditioned or delayed.

Sec. 10. Sunset Provision

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

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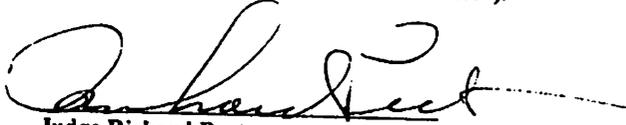
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The foregoing was lawfully approved by County Commissioner's Court, effective as the 15 day of Feb 2013 (the "Effective Date").



Judge Richard Peet
Gray County Judge

Joe Wheeley
Commissioner Precinct 1

Gary Willoughby
Commissioner Precinct 2

Commissioner Precinct 3
Neil Fulton

Commissioner Precinct 4
Jeff Haley

ATTEST:

Susan Winborne
Gray County Clerk

Clerk's Seal stamped above

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BE IT REMEMBERED, that the Commissioners Court met in **REGULAR SESSION**

at the Courthouse at 205 N. Russell in Pampa, Texas on this the 15th day of February, 2013,

at 9:00 a.m. with the following officers and members present:

Richard D. Peet, County Judge, Presiding
Joe Wheeley, Commissioner, Precinct No. 1
Gary Willoughby, Commissioner, Precinct No. 2
Neil Fulton, Commissioner, Precinct No. 3
Jeff Haley, Commissioner, Precinct No. 4
Susan Winborne, County Clerk

Court was duly opened and the following proceedings were had:

Commissioner Fulton gave the invocation and led the Pledge of Allegiance.

AGENDA ITEM NO. II. CITIZENS TO BE HEARD. There were no citizens in Court that wished to be heard.

Judson Eddins, owner of Texas Furniture, discussed furniture for the new terminal building at Perry Lefors Airport. He proposed the following: 3 sofas, 4 club chairs, 2 tables with 4 chairs each for the Lobby; 1 sofa, 1 club chair and 1 recliner for the pilot's lounge; 1 L-shaped desk and 4 office chairs for the office; and 6 occasional tables and 4 sofa tables. All the furniture is commercial grade.

13-034

Motion: Commissioner Willoughby
Second: Commissioner Fulton

Approve setting a budget of \$10,000 to purchase furniture locally for the Perry Lefors Airport terminal.

"Aye": All the Commissioners and the Judge
"Opposed": None

13-035

Motion: Commissioner Haley
Second: Commissioner Willoughby

Accept bid of \$6,153.61 from B&G Electric for electrical work on the upstairs addition of the heliport. A total of \$7,000 will be transferred from the Courthouse Capital Project Fund to pay for electrical work and the expense to finish the east wall.

"Aye": All the Commissioners and the Judge
"Opposed": None

Colin Fleming, representative of Pioneer Green Energy, discussed designation of Reinvestment Zone in Gray County.

13-036

Motion: Commissioner Willoughby
Second: Commissioner Wheeley

Approve criteria of Reinvestment Zone and consider any potential request for tax abatement.

"Aye": Commissioners Wheeley, Willoughby, Fulton and the Judge
"Opposed": Commissioner Haley

PUBLIC HEARING

There will be a public hearing to consider designation of a reinvestment zone in Gray County at 9 a.m. March 15, 2013, during the Special Session of the Gray County Commissioners Court meeting, 205 N. Russell, County Courtroom, 2nd Floor, Pampa, Texas 79065.

School Districts located in Gray County

Fort Elliott ISD
P. O. Box 138
Briscoe, TX 79011
806.375.2454

Grandview Hopkins ISD
Bryan Hanna, Superintendent
11676 FM 293
Groom, TX 79039
806.669.3831
806.669.3044 – fax

Groom ISD
Jay Lamb, Superintendent
P. O. Box 598
Groom, TX 79039
806.248.7474
806.248.7949 – fax

Lefors ISD
Bill Morgan, Superintendent
P. O. Box 390
Lefors, TX 79054
806.835.2533

McLean ISD
Pam Mitchell, Superintendent
P. O. Box 90
McLean, TX 79057
806.779.2301
206.779.2248 – fax

Miami ISD
Donna Gill, Superintendent
100 Warrior Lane
Miami, TX 79059
806.868.3971

Pampa ISD
Dr. David Young, Superintendent
321 W. Albert
Pampa, TX 79065
806.669.4700
806.665.0506 – fax

Wheeler ISD
Frank Belcher, Superintendent
P. O. Box 1010
Wheeler, TX 79096
806.826.5241
806.826.3118 - fax

White Deer ISD
Karl Vaughn, Superintendent
P. O. Box 517
White Deer, TX 79097
806.883.2311

PUBLIC HEARING

There will be a public hearing to consider designation of a reinvestment zone in Gray County at 9 a.m. March 1, 2013, during the Special Session of the Gray County Commissioners Court meeting, 205 N. Russell, County Courtroom, 2nd Floor, Pampa, Texas 79065.

Clarendon College – Pampa College
Raymond Jaramillo, Vice President of Pampa Center
1601 W. Kentucky
Pampa, TX 79065
806.665.8801

Canadian River Municipal Water Authority
P. O. Box 9
Sanford, TX 79078
806.865.3325
806.865.3314 - fax



Franchise Tax Account Status

As of: 11/22/2013 07:39:59 AM

This Page is Not Sufficient for Filings with the Secretary of State

MIAMI WIND I, LLC	
Texas Taxpayer Number	32045958413
Mailing Address	3610-2 N JOSEY LN SUITE 223 CARROLLTON, TX 75007-0000
Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	12/09/2011
Texas SOS File Number	0801518545
Registered Agent Name	ATTORNEY SERVICE ASSOCIATES, INC.
Registered Office Street Address	3610-2 N JOSEY LN, SUITE 223 CARROLLTON, TX 75007

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

P.O. Box 13528 • AUSTIN, TX 78711-3528



November 12, 2013

Donna Gill
Superintendent
Miami Independent School District
100 Warrior Lane
Miami, Texas 79059

Dear Superintendent Gill:

On Aug. 30, 2013, the Comptroller received the completed application (Application # 331) for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted in July 2013 to the Miami Independent School District (the school district) by Miami Wind I, LLC (the applicant). This letter presents the results of the Comptroller's review of the application:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to make a recommendation to the governing body of the school district as to whether the application should be approved or disapproved using the criteria set out by Section 313.026.

The school district is currently classified as a rural school district in Category 3 according to the provisions of Chapter 313. Therefore, the applicant properly applied under the provisions of Subchapter C, applicable to rural school districts. The amount of proposed qualified investment (\$262 million) is consistent with the proposed appraised value limitation sought (\$10 million). The property value limitation amount noted in this recommendation is based on property values available at the time of application and may change prior to the execution of any final agreement.

The applicant is an active franchise taxpayer in good standing, as required by Section 313.024(a), and is proposing the construction of a wind power electric generation facility in Roberts and Gray Counties, an eligible property use under Section 313.024(b). The Comptroller has determined that the property, as described by the application, meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

After reviewing the application using the criteria listed in Section 313.026, and the information provided by the applicant, the Comptroller's recommendation is that this application under Tax Code Chapter 313 be approved.

Our review of the application assumes the truth and accuracy of the statements in the application and that, if the application is approved, the applicant would perform according to the provisions of the agreement reached with the school district. Our recommendation does not address whether the applicant has complied with all Chapter 313 requirements; the school district is responsible for verifying that all requirements of the statute have been fulfilled. Additionally, Section 313.025 requires the school district to only approve an application if the school district finds that the information in the application is true and

¹ All statutory references are to the Texas Tax Code, unless otherwise noted.

correct, finds that the applicant is eligible for a limitation and determines that granting the application is in the best interest of the school district and this state. When approving a job waiver requested under Section 313.025(f-1), the school district must also find that the statutory jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility. As stated above, the Comptroller's recommendation is prepared by generally reviewing the application and supporting documentation in light of the Section 313.026 criteria and a cursory review of the industry standard evidence necessary to support the waiver of the required number of jobs.

Note that any new building or other improvement existing as of the application review start date of Aug. 30, 2013, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2).

The Comptroller's recommendation is based on the application submitted by the school district and reviewed by the Comptroller. The recommendation may not be used by the school district to support its approval of the property value limitation agreement if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this recommendation is contingent on future compliance with the Chapter 313 and the Texas Administrative Code, with particular reference to the following requirements related to the execution of the agreement:

- 1) The applicant must provide the Comptroller a copy of the proposed limitation on appraised value agreement no later than ten (10) days prior to the meeting scheduled by the school district to consider approving the agreement, so that the Comptroller may review it for compliance with the statutes and the Comptroller's rules as well as consistency with the application;
- 2) The Comptroller must confirm that it received and reviewed the draft agreement and affirm the recommendation made in this letter;
- 3) The school district must approve and execute a limitation agreement that has been reviewed by the Comptroller within a year from the date of this letter; and
- 4) The school district must provide a copy of the signed limitation agreement to the Comptroller within seven (7) days after execution, as required by Section 313.025..

Should you have any questions, please contact Robert Wood, director of Economic Development & Analysis Division, by email at robert.wood@cpa.state.tx.us or by phone at 1-800-531-5441, ext. 3-3973, or direct in Austin at 512-463-3973.

Sincerely,



Martin A. Hubert
Deputy Comptroller

Enclosure

cc: Robert Wood

Economic Impact for Chapter 313 Project

Summary Information for Miami ISD, Miami Wind I, LLC

Applicant	Miami Wind I, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation - Wind
School District	Miami ISD
2011-12 Enrollment in School District	217
County	Roberts & Gray
Total Investment in District	\$266,936,306
Qualified Investment	\$262,053,953
Limitation Amount	\$10,000,000
Number of total jobs committed to by applicant	8*
Number of qualifying jobs committed to by applicant	8
Average Weekly Wage of Qualifying Jobs committed to by applicant	\$937
Minimum Weekly Wage Required Tax Code, 313.051(b)	\$885
Minimum Annual Wage committed to by applicant for qualified jobs	\$48,700
Investment per Qualifying Job	\$33,367,038
Estimated 15 year M&O levy without any limit or credit:	\$26,871,827
Estimated gross 15 year M&O tax benefit	\$18,821,086
Estimated 15 year M&O tax benefit (<i>after</i> deductions for estimated school district revenue protection--but not including any deduction for supplemental payments or extraordinary educational expenses):	\$18,146,560
Tax Credits (estimated - part of total tax benefit in the two lines above - appropriated through Foundation School Program)	\$2,672,138
Net M&O Tax (15 years) After Limitation, Credits and Revenue Protection:	\$8,725,268
Tax benefit as a percentage of what applicant would have paid without value limitation agreement (percentage exempted)	67.5%
Percentage of tax benefit due to the limitation	85.8%
Percentage of tax benefit due to the credit.	14.2%
* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).	

This presents the Comptroller's economic impact evaluation of Miami Wind I, LLC (the project) applying to Miami Independent School District (the district), as required by Tax Code, 313.026. This evaluation is based on information provided by the applicant and examines the following criteria:

- (1) the recommendations of the comptroller;
- (2) the name of the school district;
- (3) the name of the applicant;
- (4) the general nature of the applicant's investment;
- (5) the relationship between the applicant's industry and the types of qualifying jobs to be created by the applicant to the long-term economic growth plans of this state as described in the strategic plan for economic development submitted by the Texas Strategic Economic Development Planning Commission under Section 481.033, Government Code, as that section existed before February 1, 1999;
- (6) the relative level of the applicant's investment per qualifying job to be created by the applicant;
- (7) the number of qualifying jobs to be created by the applicant;
- (8) the wages, salaries, and benefits to be offered by the applicant to qualifying job holders;
- (9) the ability of the applicant to locate or relocate in another state or another region of this state;
- (10) the impact the project will have on this state and individual local units of government, including:
 - (A) tax and other revenue gains, direct or indirect, that would be realized during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller; and
 - (B) economic effects of the project, including the impact on jobs and income, during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller;
- (11) the economic condition of the region of the state at the time the person's application is being considered;
- (12) the number of new facilities built or expanded in the region during the two years preceding the date of the application that were eligible to apply for a limitation on appraised value under this subchapter;
- (13) the effect of the applicant's proposal, if approved, on the number or size of the school district's instructional facilities, as defined by Section 46.001, Education Code;
- (14) the projected market value of the qualified property of the applicant as determined by the comptroller;
- (15) the proposed limitation on appraised value for the qualified property of the applicant;
- (16) the projected dollar amount of the taxes that would be imposed on the qualified property, for each year of the agreement, if the property does not receive a limitation on appraised value with assumptions of the projected appreciation or depreciation of the investment and projected tax rates clearly stated;
- (17) the projected dollar amount of the taxes that would be imposed on the qualified property, for each tax year of the agreement, if the property receives a limitation on appraised value with assumptions of the projected appreciation or depreciation of the investment clearly stated;
- (18) the projected effect on the Foundation School Program of payments to the district for each year of the agreement;
- (19) the projected future tax credits if the applicant also applies for school tax credits under Section 313.103; and
- (20) the total amount of taxes projected to be lost or gained by the district over the life of the agreement computed by subtracting the projected taxes stated in Subdivision (17) from the projected taxes stated in Subdivision (16).

Wages, salaries and benefits [313.026(6-8)]

After construction, the project will create eight new jobs when fully operational. All eight jobs will meet the criteria for qualifying jobs as specified in Tax Code Section 313.021(3). According to the Texas Workforce Commission (TWC), the regional manufacturing wage for the Panhandle Regional Planning Commission, where Roberts County is located was \$41,850 in 2012. The annual average manufacturing wage for 2012 for Roberts County is not published or available. In 2012-2013, the county annual average wage for all industries was \$32,279. In addition to an annual average salary of \$48,700 each qualifying position will receive benefits such as 80 percent of the premiums for medical, dental, vision and life insurance, disability plans, 401(k) retirement savings plan, paid vacation and sick leave. The project's total investment is \$266.9 million, resulting in a relative level of investment per qualifying job of \$33.4 million.

Ability of applicant to locate to another state and [313.026(9)]

According to the Miami Wind I, LLC application, "Invenergy develops, owns and operates wind energy projects across the US, Canada and in Europe. We have numerous developments in the nearby states of Kansas and Oklahoma, where the wind resource is equivalent and their taxing incentives are similar to Texas. The Miami Wind Energy project is currently in competition with a 250 MW wind project in Oklahoma, a 200 MW wind energy project in Kansas, and a 300 MW project in Texas."

Number of new facilities in region [313.026(12)]

During the past two years, 24 projects in the Panhandle Regional Planning Commission applied for value limitation agreements under Tax Code, Chapter 313.

Relationship of applicant's industry and jobs and Texas's economic growth plans [313.026(5)]

The Texas Economic Development Plan focuses on attracting and developing industries using technology. It also identifies opportunities for existing Texas industries. The plan centers on promoting economic prosperity throughout Texas and the skilled workers that the Miami Wind I, LLC project requires appear to be in line with the focus and themes of the plan. Texas identified energy as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the energy industry.

Economic Impact [313.026(10)(A), (10)(B), (11), (13-20)]

Table 1 depicts Miami Wind I, LLC's estimated economic impact to Texas. It depicts the direct, indirect and induced effects to employment and personal income within the state. The Comptroller's office calculated the economic impact based on 16 years of annual investment and employment levels using software from Regional Economic Models, Inc. (REMI). The impact includes the construction period and the operating period of the project.

Table 1: Estimated Statewide Economic Impact of Investment and Employment in Miami Wind I, LLC

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2013	3	3	6	\$131,115	-\$131,115	\$0
2014	140	139	279	\$6,814,254	\$9,185,746	\$16,000,000
2015	8	12	20	\$389,600	\$1,610,400	\$2,000,000
2016	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2017	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2018	8	13	21	\$389,600	\$1,610,400	\$2,000,000
2019	8	17	25	\$389,600	\$1,610,400	\$2,000,000
2020	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2021	8	19	27	\$389,600	\$1,610,400	\$2,000,000
2022	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2023	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2024	8	17	25	\$389,600	\$2,610,400	\$3,000,000
2025	8	19	27	\$389,600	\$1,610,400	\$2,000,000
2026	8	8	16	\$389,600	\$1,610,400	\$2,000,000
2027	8	15	23	\$389,600	\$1,610,400	\$2,000,000
2028	8	12	20	\$389,600	\$1,610,400	\$2,000,000

Source: CPA, REMI, Miami Wind I, LLC

The statewide average ad valorem tax base for school districts in Texas was \$1.7 billion in 2011. Miami ISD's ad valorem tax base in 2012-2013 was \$697 million. The statewide average wealth per WADA was estimated at \$343,155 for fiscal 2012-2013. During that same year, Miami ISD's estimated wealth per WADA was \$2,015,830. The impact on the facilities and finances of the district are presented in Attachment 2.

Table 2 examines the estimated direct impact on ad valorem taxes to the school district, Roberts and Gray Counties, special purpose districts and Clarendon Community College district with all property tax incentives sought being granted using estimated market value from Miami Wind I, LLC's application. Miami Wind I, LLC has applied for both a value limitation under Chapter 313, Tax Code and tax abatements with the counties and Roberts ESD #1. Table 3 illustrates the estimated tax impact of the Miami Wind I, LLC project on the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Miami ISD I&S Levy	Miami ISD M&O Levy	Miami ISD M&O and I&S Tax Levies (Before Credit Credited)	Miami ISD M&O and I&S Tax Levies (After Credit Credited)	Roberts County Tax Levy (89%)	Gray County Tax Levy (11%)	Roberts ESD #1 Tax Levy (89%)	Clarendon Community College District Tax Levy (11%)	Panhandle Water District #3 Tax Levy (89%)	Panhandle Ground WCD #3 (Gray Co.) Tax Levy (11%)	Estimated Total Property Taxes
				0.0240	1.0400			0.6094	0.4973	0.0265	0.0500	0.0089	0.0089	
2014	\$5,772,892	\$5,772,892		\$1,385	\$60,038	\$61,424	\$61,424	\$0	\$0	\$0	\$2,886	\$512	\$512	\$65,334
2015	\$266,936,306	\$266,936,306		\$64,065	\$2,776,138	\$2,840,202	\$2,840,202	\$0	\$0	\$0	\$133,468	\$23,677	\$23,677	\$3,021,025
2016	\$250,920,128	\$10,000,000		\$60,221	\$104,000	\$164,221	\$164,221	\$0	\$0	\$0	\$125,460	\$22,257	\$22,257	\$334,194
2017	\$235,864,920	\$10,000,000		\$56,608	\$104,000	\$160,608	\$160,608	\$0	\$0	\$0	\$117,932	\$20,921	\$20,921	\$268,382
2018	\$221,713,025	\$10,000,000		\$53,211	\$104,000	\$157,211	\$157,211	\$0	\$0	\$0	\$110,857	\$19,666	\$19,666	\$255,400
2019	\$208,410,243	\$10,000,000		\$50,018	\$104,000	\$154,018	\$154,018	\$0	\$0	\$0	\$104,205	\$18,486	\$18,486	\$243,196
2020	\$195,905,629	\$10,000,000		\$47,017	\$104,000	\$151,017	\$151,017	\$0	\$0	\$0	\$97,953	\$17,377	\$17,377	\$231,724
2021	\$184,151,291	\$10,000,000		\$44,196	\$104,000	\$148,196	\$148,196	\$0	\$0	\$0	\$92,076	\$16,334	\$16,334	\$220,940
2022	\$173,102,214	\$10,000,000		\$41,545	\$104,000	\$145,545	\$145,545	\$0	\$0	\$0	\$86,551	\$15,354	\$15,354	\$210,804
2023	\$162,716,081	\$10,000,000		\$39,052	\$104,000	\$143,052	\$143,052	\$0	\$0	\$0	\$81,358	\$14,433	\$14,433	\$201,276
2024	\$152,953,116	\$152,953,116		\$36,709	\$1,590,712	\$1,627,421	\$36,709	\$932,084	\$760,691	\$21,490	\$76,477	\$13,567	\$13,567	\$1,854,585
2025	\$143,775,929	\$143,775,929		\$34,506	\$1,495,270	\$1,529,776	\$812,351	\$876,159	\$715,049	\$20,201	\$71,888	\$12,753	\$12,753	\$2,521,154
2026	\$135,149,373	\$135,149,373		\$32,436	\$1,405,553	\$1,437,989	\$1,437,989	\$823,589	\$672,146	\$18,989	\$67,575	\$11,988	\$11,988	\$3,044,264
2027	\$127,040,411	\$127,040,411		\$30,490	\$1,321,220	\$1,351,710	\$1,351,710	\$774,174	\$631,818	\$17,850	\$63,520	\$11,268	\$11,268	\$2,861,609
2028	\$119,417,986	\$119,417,986		\$28,660	\$1,241,947	\$1,270,607	\$1,270,607	\$727,724	\$593,909	\$16,779	\$59,709	\$10,592	\$10,592	\$2,689,912
						Total	\$8,670,860	\$4,133,730	\$3,373,613	\$95,308	\$1,291,915	\$229,186	\$229,186	\$18,023,798

Assumes School Value Limitation and Tax Abatements with the County, College District, and Hospital District.

Source: CPA, Miami Wind I, LLC

¹Tax Rate per \$100 Valuation

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Miami ISD I&S Levy	Miami ISD M&O Levy	Miami ISD M&O and I&S Tax Levies	Roberts County Tax Levy (89%)	Gray County Tax Levy (11%)	Roberts ESD #1 Tax Levy (89%)	Clarendon Community College District Tax Levy (11%)	Panhandle Water District #3 Tax Levy (89%)	Panhandle Ground WCD #3 (Gray Co.) Tax Levy (11%)	Estimated Total Property Taxes	
				0.0240	1.0400		0.6094	0.4973	0.0265	0.0500	0.0089	0.0089		
2014	\$5,772,892	\$5,772,892		\$1,385	\$60,038	\$61,424	\$35,180	\$28,711	\$811	\$2,886	\$512	\$512	\$130,035	
2015	\$266,936,306	\$266,936,306		\$64,065	\$2,776,138	\$2,840,202	\$1,626,688	\$1,327,570	\$37,505	\$133,468	\$23,677	\$23,677	\$6,012,789	
2016	\$250,920,128	\$250,920,128		\$60,221	\$2,609,569	\$2,669,790	\$1,529,087	\$1,247,916	\$35,255	\$125,460	\$22,257	\$22,257	\$5,652,022	
2017	\$235,864,920	\$235,864,920		\$56,608	\$2,452,995	\$2,509,603	\$1,437,342	\$1,173,041	\$33,140	\$117,932	\$20,921	\$20,921	\$5,312,900	
2018	\$221,713,025	\$221,713,025		\$53,211	\$2,305,815	\$2,359,027	\$1,351,101	\$1,102,659	\$31,151	\$110,857	\$19,666	\$19,666	\$4,994,126	
2019	\$208,410,243	\$208,410,243		\$50,018	\$2,167,467	\$2,217,485	\$1,270,035	\$1,036,499	\$29,282	\$104,205	\$18,486	\$18,486	\$4,694,479	
2020	\$195,905,629	\$195,905,629		\$47,017	\$2,037,419	\$2,084,436	\$1,193,833	\$974,309	\$27,525	\$97,953	\$17,377	\$17,377	\$4,412,810	
2021	\$184,151,291	\$184,151,291		\$44,196	\$1,915,173	\$1,959,370	\$1,122,203	\$915,851	\$25,874	\$92,076	\$16,334	\$16,334	\$4,148,042	
2022	\$173,102,214	\$173,102,214		\$41,545	\$1,800,263	\$1,841,808	\$1,054,871	\$860,900	\$24,321	\$86,551	\$15,354	\$15,354	\$3,899,159	
2023	\$162,716,081	\$162,716,081		\$39,052	\$1,692,247	\$1,731,299	\$991,579	\$809,246	\$22,862	\$81,358	\$14,433	\$14,433	\$3,665,210	
2024	\$152,953,116	\$152,953,116		\$36,709	\$1,590,712	\$1,627,421	\$932,084	\$760,691	\$21,490	\$76,477	\$13,567	\$13,567	\$3,445,297	
2025	\$143,775,929	\$143,775,929		\$34,506	\$1,495,270	\$1,529,776	\$876,159	\$715,049	\$20,201	\$71,888	\$12,753	\$12,753	\$3,238,579	
2026	\$135,149,373	\$135,149,373		\$32,436	\$1,405,553	\$1,437,989	\$823,589	\$672,146	\$18,989	\$67,575	\$11,988	\$11,988	\$3,044,264	
2027	\$127,040,411	\$127,040,411		\$30,490	\$1,321,220	\$1,351,710	\$774,174	\$631,818	\$17,850	\$63,520	\$11,268	\$11,268	\$2,861,609	
2028	\$119,417,986	\$119,417,986		\$28,660	\$1,241,947	\$1,270,607	\$727,724	\$593,909	\$16,779	\$59,709	\$10,592	\$10,592	\$2,689,912	
						Total	\$27,491,946	\$15,745,651	\$12,850,315	\$363,036	\$1,291,915	\$229,186	\$229,186	\$58,201,233

Source: CPA, Miami Wind I, LLC

¹Tax Rate per \$100 Valuation

Attachment 1 includes schedules A, B, C, and D provided by the applicant in the application. Schedule A shows proposed investment. Schedule B is the projected market value of the qualified property. Schedule C contains employment information, and Schedule D contains tax expenditures and other tax abatement information.

Attachment 2, provided by the district and reviewed by the Texas Education Agency, contains information relating to the financial impact of the proposed project on the finances of the district as well as the tax benefit of the value limitation. "Table 11" in this attachment shows the estimated 13 year M&O tax levy without the value limitation agreement would be \$24,308,660. The estimated gross 13 year M&O tax benefit, or levy loss, is \$16,148,949.

Attachment 3 is an economic overview of Roberts County.

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachments

1. Schedules A, B, C, and D provided by applicant in application
2. School finance and tax benefit provided by district
3. County Economic Overview

Attachment 1

Applicant Name

Schedule B (Rev. May 2010): Estimated Market And Taxable Value
 Miami Wind 1 LLC

ISD Name
 Miami ISD

Form 50-296

Tax Credit Period (with 50% cap on credit)	Value Limitation Period	Year	School Year (YYYY-YYYY)	Tax Year (FRI in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or on the new improvement	Exempted Value	Final taxable value for ISD - after all reductions	Final taxable value for M&O - after all reductions
		pre-year 1	2013-2014	2013	-	-	-	-	-	-
		1	2014-2015	2014	-	-	5,772,892	-	5,772,892	5,772,892
		2	2015-2016	2015	-	-	266,936,306	-	266,936,306	266,936,306
		3	2016-2017	2016	-	-	250,920,128	-	250,920,128	10,000,000
		4	2017-2018	2017	-	-	235,864,920	-	235,864,920	10,000,000
		5	2018-2019	2018	-	-	221,713,025	-	221,713,025	10,000,000
		6	2019-2020	2019	-	-	208,410,243	-	208,410,243	10,000,000
		7	2020-2021	2020	-	-	195,905,629	-	195,905,629	10,000,000
		8	2021-2022	2021	-	-	184,151,291	-	184,151,291	10,000,000
		9	2022-2023	2022	-	-	173,102,214	-	173,102,214	10,000,000
		10	2023-2024	2023	-	-	162,716,081	-	162,716,081	10,000,000
		11	2024-2025	2024	-	-	152,953,116	-	152,953,116	152,953,116
		12	2025-2026	2025	-	-	143,775,929	-	143,775,929	143,775,929
		13	2026-2027	2026	-	-	135,149,373	-	135,149,373	135,149,373
		14	2027-2028	2027	-	-	127,040,411	-	127,040,411	127,040,411
		15	2028-2029	2028	-	-	119,417,986	-	119,417,986	119,417,986

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE 7/26/2013

Attachment 19
Amendment No. 001

Schedule C - Application: Employment Information

Applicant Name: Miami Wind I LLC
ISD Name: Miami ISD

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs	
				Column A: Number of Construction FTE's or man-hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
	pre-year 1	2013-2014	2013	5,600 Man Hours		0	\$ 48,700	0	\$ 48,700
	1	2014-2015	2014	274,400 Man Hours		0	\$ 48,700	0	\$ 48,700
	2	2015-2016	2015			0	\$ 48,700	0	\$ 48,700
	3	2016-2017	2016			0	\$ 48,700	0	\$ 48,700
	4	2017-2018	2017			0	\$ 48,700	0	\$ 48,700
	5	2018-2019	2018			0	\$ 48,700	0	\$ 48,700
	6	2019-2020	2019			0	\$ 48,700	0	\$ 48,700
	7	2020-2021	2020			0	\$ 48,700	0	\$ 48,700
	8	2021-2022	2021			0	\$ 48,700	0	\$ 48,700
	9	2022-2023	2022			0	\$ 48,700	0	\$ 48,700
	10	2023-2024	2023			0	\$ 48,700	0	\$ 48,700
	11	2024-2025	2024			0	\$ 48,700	0	\$ 48,700
	12	2025-2026	2025			0	\$ 48,700	0	\$ 48,700
	13	2026-2027	2026			0	\$ 48,700	0	\$ 48,700
	14	2027-2028	2027			0	\$ 48,700	0	\$ 48,700
	15	2028-2029	2028			0	\$ 48,700	0	\$ 48,700

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

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

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE: 8-27-2013

Applicant Name: Miami Wind 1 LLC

Schedule D: (Rev. May 2010): Other Tax Information

Form 50-298

The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Complete tax years of qualifying time period	Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Sales Tax Information		Franchise Tax		Other Property Tax Abatements Sought			
					Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	County	City	Hospital	Water	
	1	2014	2013-2014	2013	\$ -	\$ -	\$ -	0%	0%	0%	0%	
	2	2015	2014-2015	2014	\$ 12,740	\$ 112,000	\$ -	0%	0%	0%	0%	
	3	2016	2015-2016	2015	\$ 168,000	\$ 1,120,000	\$ -	100%	0%	100%	0%	
	4	2017	2016-2017	2016	\$ 168,000	\$ 1,120,000	\$ -	100%	0%	100%	0%	
	5	2018	2017-2018	2017	\$ 168,000	\$ 1,120,000	\$ -	100%	0%	100%	0%	
	6	2019	2018-2019	2018	\$ 168,000	\$ 1,120,000	\$ 7,937	100%	0%	100%	0%	
	7	2020	2019-2020	2019	\$ 168,000	\$ 1,120,000	\$ 6,181	100%	0%	100%	0%	
	8	2021	2020-2021	2020	\$ 168,000	\$ 1,120,000	\$ 163,180	100%	0%	100%	0%	
	9	2022	2021-2022	2021	\$ 168,000	\$ 1,120,000	\$ 159,039	100%	0%	100%	0%	
	10	2023	2022-2023	2022	\$ 168,000	\$ 1,120,000	\$ 155,073	100%	0%	100%	0%	
	11	2024	2023-2024	2023	\$ 168,000	\$ 1,120,000	\$ 146,092	100%	0%	100%	0%	
	12	2025	2024-2025	2024	\$ 168,000	\$ 1,120,000	\$ 135,622	100%	0%	100%	0%	
	13	2026	2025-2026	2025	\$ 168,000	\$ 1,120,000	\$ 134,987	0%	0%	0%	0%	
	14	2027	2026-2027	2026	\$ 168,000	\$ 1,120,000	\$ 136,038	0%	0%	0%	0%	
	15	2028	2027-2028	2027	\$ 168,000	\$ 1,120,000	\$ 191,880	0%	0%	0%	0%	
		2029	2028-2029	2028	\$ 168,000	\$ 1,120,000	\$ 285,262	0%	0%	0%	0%	

*For planning, construction and operation of the facility.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE 7/26/2013

Attachment 2

**Summary of the District's Financial Impact
of Chapter 313 Agreement
with Miami Wind I, LLC**

**Prepared by
Randy McDowell, RTSBA
&
Neal Brown
School Finance Consultants**

Miami ISD Financial Impact of Chapter 313 Agreement

Summary of Miami ISD Financial Impact of the Limited Appraised Value Application from Miami Wind I, LLC

Introduction

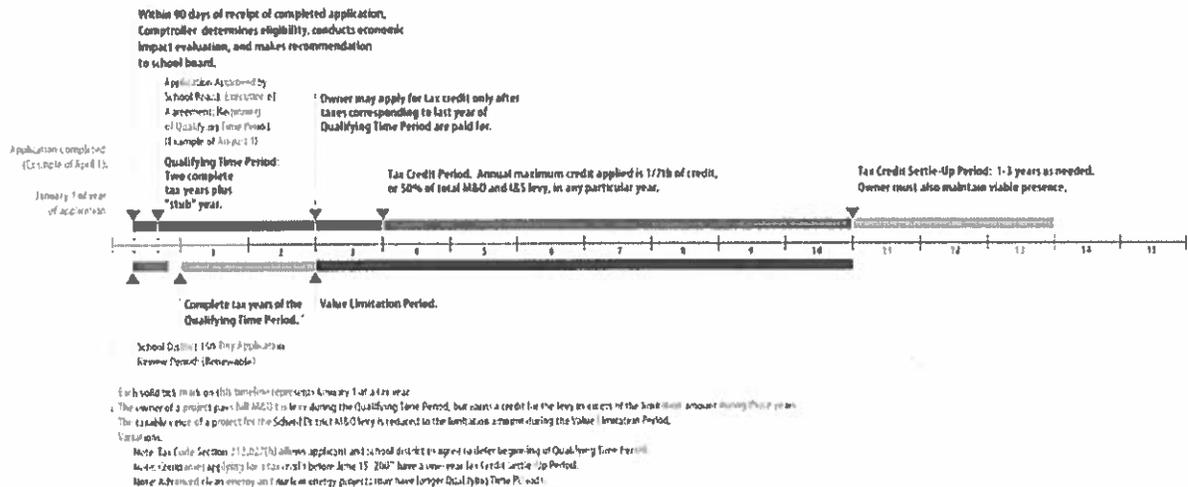
Miami Wind I, LLC applied for a property value limitation from Miami Independent School District under Chapter 313 of the Tax Code. The application was submitted on July 30, 2013 and subsequently approved for consideration by the Miami ISD Board of Trustees. Miami Wind I, LLC ("Miami Wind"), is requesting the property value limitation as a "renewable energy electric generation" project as listed in Sec. 313.024.(b) of the Tax Code.

"The Economic Development Act", Tax Code Chapter 313, was created by House Bill 1200 of the 77th Texas Legislature in 2001. Further amendments were made to Chapter 313 as a result of House Bill 1470 from the 80th Texas Legislative Session in 2007.

The Economic Development Act was created to attract qualifying businesses to Texas by allowing school districts the option of approving a property value limitation to these qualifying entities. The purpose of the property value limitation is to reduce the maintenance and operations taxes paid by the company, to a school district during the applicable years as displayed below.

Miami ISD Financial Impact of Chapter 313 Agreement

Appraised Value Limitation and Credit under Tax Code Chapter 313 for School District Maintenance & Operations (M&O) Tax



The company must file an application with the school district to qualify for consideration of a Limited Appraised Value Agreement (“LAVA” or “Agreement”) to begin the following tax year or a later year if agreed upon by the District and the Company. The first two years of the agreement are considered the qualifying time period and the company’s school district taxes will be levied at one-hundred percent of the appraised value. The applicant may then file a separate application with the school district to request tax credits (for taxes paid during the qualifying time period) to be applied during years four through ten of the LAVA, but not to exceed 50% of their tax levy for those years. Any tax credit balance remaining after this period can then be applied during years eleven through thirteen of the agreement, but cannot exceed the actual amount of taxes paid to the school district during the Settle-Up Period. After year thirteen, any leftover credits will not be applied and will expire.

During years three through ten of the LAVA, the qualifying entity’s taxable value will be reduced to the minimum qualified investment for the applicable school district as determined by the State Comptroller’s Office. Miami ISD is considered a Rural category 3 District as categorized with total taxable value of industrial property of at least \$1 million but less than \$90 million, thus Miami ISD

Miami ISD Financial Impact of Chapter 313 Agreement

has a minimum qualified investment amount of \$10 million. A qualifying entity's taxable value would be reduced to \$10 million during years three through ten of the agreement for the purposes of computing the tax levy for the maintenance and operations (M&O) tax of Miami ISD. The entire appraised value will be used for computing the interest and sinking (I&S) tax levy.

Taxable Value Impact from LAVA

The "Additional Value from Miami Wind" represents the values that the company estimated as their taxable values in the application that was filed with the district. During years three through ten, the company's taxable value will be limited to the \$10,000,000 minimum qualified investment of Miami ISD.

TABLE I- Calculation of Taxable Value:

Tax Year	Additional Value From Miami Wind	Minimum Qualified Investment	Abated Value	Taxable Value
Jan. 1, 2014	5,772,892	n/a	0	5,772,892
Jan. 1, 2015	266,936,306	n/a	0	266,936,306
Jan. 1, 2016	250,920,128	(10,000,000)	240,920,128	10,000,000
Jan. 1, 2017	235,864,920	(10,000,000)	225,864,920	10,000,000
Jan. 1, 2018	221,713,025	(10,000,000)	211,713,025	10,000,000
Jan. 1, 2019	208,410,243	(10,000,000)	198,410,243	10,000,000
Jan. 1, 2020	195,905,629	(10,000,000)	185,905,629	10,000,000
Jan. 1, 2021	184,151,291	(10,000,000)	174,151,291	10,000,000
Jan. 1, 2022	173,102,214	(10,000,000)	163,102,214	10,000,000
Jan. 1, 2023	162,716,081	(10,000,000)	152,716,081	10,000,000
Jan. 1, 2024	152,953,116	n/a	0	152,953,116
Jan. 1, 2025	143,775,929	n/a	0	143,775,929
Jan. 1, 2026	135,149,373	n/a	0	135,149,373

Miami ISD Financial Impact of Chapter 313 Agreement

Miami Wind's Tax Benefit from Agreement

The projected amount of the net tax savings for Miami Wind is \$18.146 million over the life of the Agreement. This net savings is after all tax credits have been applied and after estimated payments have been made to the district to offset their revenue losses that were a direct result of entering into this Agreement. Tax credits during years four through ten are limited to the lesser of 1/7 of the total tax credit or 50% of the total taxes paid for that tax year. Any tax credits not refunded to the company during those years will be refunded up to 100% of the taxes paid in years eleven through thirteen.

Miami ISD's projected tax rates for maintenance & operations (M&O) and interest & sinking (I&S) are based on the following assumptions:

- The District has not held a tax ratification election and the study projects that it will maintain an M&O tax rate of \$1.04 for the life of this agreement.
- The district currently has outstanding bonded indebtedness that are scheduled to payoff in 2014 and currently has a \$.021 I&S rate. Since the bonds are scheduled to payoff prior to 2014-2015, they are not reflected in this study. The district could pursue a bond election and issue additional bonded debt during the life of this agreement.

TABLE II- Computation of Net Tax Savings:

Fiscal Year	Projected M&O Tax Rate	Projected I&S Tax Rate	Taxes w/o Agreement	Tax Savings with Agreement	Tax Credits	Payment of District's Revenue Losses	Net Tax Savings
2014-2015	1.040	0.000	60,038	0	n/a	0	0
2015-2016	1.040	0.000	2,776,138	0	n/a	0	0
2016-2017	1.040	0.000	2,609,569	2,505,569	n/a	(94,441)	2,411,129
2017-2018	1.040	0.000	2,452,995	2,348,995	52,000	(100,212)	2,300,783
2018-2019	1.040	0.000	2,305,815	2,201,815	52,000	(93,770)	2,160,046
2019-2020	1.040	0.000	2,167,467	2,063,467	52,000	(87,812)	2,027,655
2020-2021	1.040	0.000	2,037,419	1,933,419	52,000	(82,036)	1,903,383
2021-2022	1.040	0.000	1,915,173	1,811,173	52,000	(76,901)	1,786,272
2022-2023	1.040	0.000	1,800,263	1,696,263	52,000	(71,963)	1,676,300
2023-2024	1.040	0.000	1,692,247	1,588,247	52,000	(67,392)	1,572,856
2024-2025	1.040	0.000	1,590,712	0	1,590,712	0	1,590,712
2025-2026	1.040	0.000	1,495,270	0	717,425	0	717,425
2026-2027	1.040	0.000	1,405,553	0	0	0	0
Totals			24,308,660	16,148,949	2,672,137	(674,526)	18,146,560

Miami ISD Financial Impact of Chapter 313 Agreement

Financial Impact Study

This Financial Impact Study was performed to determine the financial impact of the Limited Appraised Value Agreement on Miami ISD. First, a thirteen year financial forecast was prepared to establish a baseline without the added values of the renewable energy electric generation company. Second, a thirteen year financial forecast was prepared that incorporated the additional taxable value of the company without a LAVA in effect. Third, a thirteen year financial forecast was prepared that incorporates the additional taxable value of the company with an approved LAVA. These three forecasts are detailed in the "Calculation of LAVA Impact on District's Finances" section. The following assumptions were used to compare the financial impact of the LAVA:

- The current state funding formulas (in effect for 2013-2014 fiscal year) were used for state aid and recapture calculation purposes
 - Level 2 of Tier II yield - \$61.86 per weighted student in average daily attendance (WADA) per penny of tax effort
- The district's tax rate for maintenance & operations (M&O) will remain at the same rate as for tax year 2012.
- A tax collection rate of 100% on current year tax levy with no projected delinquent taxes
- An annual taxable value increase of 2.0% was used to project the district's taxable value, except as it related to the requested LAVA. The district's 2012 taxable value was used as a baseline for all projections
- The district's enrollment is projected to increase slightly; therefore, the projected ADA and WADA for school year 2012-2013 was increased by .5% per year for the life of the agreement.

Although these assumptions were used to develop a baseline scenario for comparison purposes, many of these factors will not remain constant for the thirteen years of this proposed agreement. Also, Legislative changes to the school finance formulas are likely during the near future and almost certain during the life of this agreement.

Miami ISD Financial Impact of Chapter 313 Agreement

Calculation of LAVA Impact on District's Finances

The tables displayed below (Table III, IV, V) show the different impacts on the school district's finances. These scenarios were computed to compare the District's revenue without the additional taxable value of Miami Wind (Table III), the addition of Miami Wind's taxable values without a Chapter 313 Agreement (Table IV), and the addition of Miami Wind's taxable values with a Chapter 313 Agreement (Table V).

TABLE III – District Revenues *without* Miami Wind:

Fiscal Year	Total Taxable Value	M&O Taxes			Tier I	Revenue	Total
		Compressed Rate	State Revenue	Recapture Amount	Total Revenue	Above Comp Rate	District Revenue
2014-2015	895,124,509	8,951,245	908,494	7,184,301	2,675,439	351,658	3,027,097
2015-2016	913,026,999	9,130,270	913,037	7,354,491	2,688,816	358,676	3,047,492
2016-2017	931,287,539	9,312,875	917,602	7,528,217	2,702,260	365,834	3,068,094
2017-2018	949,913,290	9,499,133	242,416	7,705,552	2,035,997	373,135	2,409,132
2018-2019	968,911,556	9,689,116	246,857	7,886,566	2,049,406	380,583	2,429,989
2019-2020	988,289,787	9,882,898	246,385	8,071,336	2,057,947	388,179	2,446,126
2020-2021	1,008,055,583	10,080,556	245,112	8,259,936	2,065,732	395,927	2,461,659
2021-2022	1,028,216,694	10,282,167	255,333	8,452,444	2,085,055	403,830	2,488,886
2022-2023	1,048,781,028	10,487,810	259,828	8,648,939	2,098,700	411,891	2,510,591
2023-2024	1,069,756,649	10,697,566	259,413	8,849,501	2,107,479	420,114	2,527,592
2024-2025	1,091,151,782	10,911,518	263,943	9,054,212	2,121,249	428,501	2,549,750
2025-2026	1,112,974,817	11,129,748	268,492	9,263,156	2,135,084	437,055	2,572,140
2026-2027	1,135,234,314	11,352,343	273,029	9,476,418	2,148,955	445,781	2,594,736

Miami ISD Financial Impact of Chapter 313 Agreement

TABLE IV- District Revenues with Miami Wind without Chapter 313 Agreement:

Fiscal Year	Revenue						
	Total Taxable Value	M&O Taxes		Recapture Amount	Tier I	Above	Total
		Compressed Rate	State Revenue		Total Revenue	Comp Rate	District Revenue
2014-2015	900,897,401	9,008,974	897,099	7,230,634	2,675,439	353,921	3,029,360
2015-2016	1,179,963,305	11,799,633	408,569	9,519,386	2,688,816	463,315	3,152,131
2016-2017	1,182,207,667	11,822,077	949,267	10,069,084	2,702,260	464,195	3,166,455
2017-2018	1,185,778,210	11,857,782	285,290	10,094,058	2,049,014	465,594	2,514,609
2018-2019	1,190,624,581	11,906,246	287,101	10,131,818	2,061,529	467,494	2,529,023
2019-2020	1,196,700,030	11,967,000	284,225	10,181,897	2,069,329	469,876	2,539,204
2020-2021	1,203,961,212	12,039,612	280,480	10,243,860	2,076,232	472,722	2,548,954
2021-2022	1,212,367,985	12,123,680	288,667	10,317,308	2,095,038	476,017	2,571,056
2022-2023	1,221,883,242	12,218,832	291,113	10,401,868	2,108,078	479,747	2,587,825
2023-2024	1,232,472,730	12,324,727	288,826	10,497,196	2,116,358	483,899	2,600,256
2024-2025	1,244,104,898	12,441,049	291,547	10,602,975	2,129,621	488,458	2,618,079
2025-2026	1,256,750,746	12,567,507	294,398	10,718,913	2,142,992	493,416	2,636,408
2026-2027	1,270,383,687	12,703,837	297,339	10,844,743	2,156,433	498,760	2,655,192

TABLE V – District Revenues with Miami Wind with Chapter 313 Agreement:

Fiscal Year	Revenue							Payment for District Losses	Total District Revenue
	Total Taxable Value	M&O Taxes		Recapture Amount	Tier I	Above	for		
		Comp Rate	State Revenue		Total Revenue	Comp Rate	District		
2014-2015	900,897,401	9,008,974	897,099	7,230,634	2,675,439	353,921	0	3,029,360	
2015-2016	1,179,963,305	11,799,633	408,569	9,519,386	2,688,816	463,315	0	3,152,131	
2016-2017	941,287,539	9,412,875	1,306,507	8,017,122	2,702,260	369,754	94,441	3,166,455	
2017-2018	959,913,290	9,599,133	244,134	7,805,925	2,037,341	377,055	100,212	2,514,609	
2018-2019	978,911,556	9,789,116	248,570	7,986,935	2,050,751	384,503	93,770	2,529,023	
2019-2020	998,289,787	9,982,898	248,095	8,171,699	2,059,294	392,099	87,812	2,539,204	
2020-2021	1,018,055,583	10,180,556	246,809	8,360,294	2,067,071	399,847	82,036	2,548,954	
2021-2022	1,038,216,694	10,382,167	257,034	8,552,797	2,086,404	407,750	76,901	2,571,056	
2022-2023	1,058,781,028	10,587,810	261,527	8,749,286	2,100,051	415,811	71,963	2,587,825	
2023-2024	1,079,756,649	10,797,566	261,107	8,949,843	2,108,831	424,034	67,392	2,600,256	
2024-2025	1,244,104,898	12,441,049	260,625	10,343,006	2,358,668	488,458	0	2,847,126	
2025-2026	1,256,750,746	12,567,507	294,398	10,718,913	2,142,992	493,416	0	2,636,408	
2026-2027	1,270,383,687	12,703,837	297,339	10,844,743	2,156,433	498,760	0	2,655,192	

Miami ISD Financial Impact of Chapter 313 Agreement

Current School Finance Law

A major overhaul of the school finance formulas was implemented as a result of House Bill 1 of the 79th Legislative Session and became effective for the 2006-2007 school year. These formula changes have had an effect on the district's financial impact from granting a property value limitation. Due to the district's "Hold Harmless" provision that was enacted in the new funding formulas, it is presumed that the majority of the district's revenue losses in year three of the LAVA will be offset with additional state funding or a reduction of recapture payments made to the State. Prior to these recent formula changes, school districts felt a significant loss in revenues in year three because the state funding formulas considered the district more property wealthy based on their prior year taxable value. However, districts were only able to tax on the lower value that was a result of the LAVA. Districts are currently "held harmless" for the majority amount of loss in year three; however, it is possible that a future legislative session could eliminate this provision. If the "hold harmless" provision is eliminated, then the company would be required to offset the district's losses as computed in Article III of the Agreement.

Miami ISD Financial Impact of Chapter 313 Agreement

Payments in Lieu of Taxes

Assuming that the District and Miami Wind I, LLC mutually agree in the LAVA that \$100 per student in average daily attendance (ADA) will be paid to Miami ISD by Miami Wind, the projected amount of these payments over the life of the agreement is \$255,820 of the \$18.146 million net tax savings amount. This amount will be computed annually according to Section IV of the Agreement.

TABLE VI - Calculation of the Payment in Lieu of Taxes:

Fiscal Year	Net Tax Savings	Miami ISD Share \$100/ADA	Miami Wind's Share
2014-2015	0	19,095	(19,095)
2015-2016	0	19,190	(19,190)
2016-2017	2,411,129	19,286	2,391,842
2017-2018	2,300,783	19,383	2,281,400
2018-2019	2,160,046	19,480	2,140,566
2019-2020	2,027,655	19,577	2,008,078
2020-2021	1,903,383	19,675	1,883,707
2021-2022	1,786,272	19,773	1,766,499
2022-2023	1,676,300	19,872	1,656,428
2023-2024	1,572,856	19,972	1,552,884
2024-2025	1,590,712	20,072	1,570,641
2025-2026	717,425	20,172	697,253
2026-2027	0	20,273	(20,273)
Totals	18,146,560	255,820	17,890,740

Miami ISD Financial Impact of Chapter 313 Agreement

Impact of Projected Student Growth On District Facilities

TABLE VII – Campus Capacity and Available Growth

Campus Name	Grade Level	# of Regular Classrooms	Building Capacity	Current Enrollment	Enrollment Growth Available
Miami School	EE-12	22	396	207	189
Total		22	396	207	189

The building capacities are based on 18 students per classroom for all grade levels. Miami ISD is a early education through 12th grade district.

Miami Wind I, LLC provided supplemental information with their application that projected the number of full-time employees that are expected for permanent employment after construction of the project is completed. They projected that eight full-time employees are expected. It is not known whether these would be new employees to the Miami ISD, or if current residents would occupy these positions; however, it is assumed that these employees would be new residents to the district.

Based on average statewide figures provided by a demographer, it is projected that each new household would produce .5 students. Thus, the new eight positions equates to 4 new students.

This minimal projected student growth can easily be accommodated with the current facilities of Miami ISD as displayed in Table VII above.

Miami ISD Financial Impact of Chapter 313 Agreement

Conclusion

This Financial Impact Study displays that entering into a Limited Appraised Value Agreement with Miami Wind I, LLC, would be beneficial to both Miami Wind and Miami ISD under the current school finance system.

Miami Wind I, LLC would benefit from reduced property taxes during years three through ten of the LAVA. Although some of the tax savings would be used to offset district's revenue losses and payments in lieu of taxes to the District, Miami Wind is projected to benefit from a 82% tax savings over the first twelve year period of this agreement. Miami Wind also has the option of terminating the Agreement if the amount paid to the District during a tax year is greater than the amount of taxes that would have been paid without the agreement; therefore, there is no inherent risk for the company from entering into the Agreement.

Miami ISD would also have no inherent risk under the current school finance system and with the provisions in the LAVA that require Miami Wind to offset any district losses caused by the LAVA. An annual calculation will be performed each year to determine if a loss to the District has been incurred. The revenue impact to the District will be computed by comparing the District's revenues with and without the LAVA in effect.

November 5, 2013

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

The Texas Education Agency (TEA) has analyzed the revenue gains that would be realized by the proposed Miami Wind Project, LLC project for the Miami Independent School District (MISD). Projections prepared by the TEA State Funding Division confirm the analysis that was prepared by Randy McDowell and Neal Brown and provided to us by your division. We believe their assumptions regarding the potential revenue gain are valid, and their estimates of the impact of the Miami Wind Project, LLC project on MISD are correct.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information about this issue.

Sincerely,



Al McKenzie, Manager
Foundation School Program Support

AM/rk

November 5, 2013

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Miami Wind Project, LLC project on the number and size of school facilities in Miami Independent School District (MISD). Based on the analysis prepared by Randy McDowell and Neal Brown for the school district and a conversation with the MISD superintendent, Donna Gill, the TEA has found that the Miami Wind Project, LLC project would not have a significant impact on the number or size of school facilities in MISD.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information about this issue.

Sincerely,



Al McKenzie, Manager
Foundation School Program Support

AM/rk

Attachment 3

Roberts County

Population

- Total county population in 2010 for Roberts County: 871 , down 0.6 percent from 2009. State population increased 1.8 percent in the same time period.
- Roberts County was the state's 248th largest county in population in 2010 and the 220 th fastest growing county from 2009 to 2010.
- Roberts County's population in 2009 was 90.4 percent Anglo (above the state average of 46.7 percent), 0.3 percent African-American (below the state average of 11.3 percent) and 8.4 percent Hispanic (below the state average of 36.9 percent).
- 2009 population of the largest cities and places in Roberts County:

Miami: 582

Economy and Income

Employment

- September 2011 total employment in Roberts County: 554 , up 3.1 percent from September 2010. State total employment increased 0.9 percent during the same period.
(October 2011 employment data will be available November 18, 2011).
- September 2011 Roberts County unemployment rate: 3.9 percent, unchanged from 3.9 percent in September 2010. The statewide unemployment rate for September 2011 was 8.5 percent, up from 8.2 percent in September 2010.
- September 2011 unemployment rate in the city of:

(Note: County and state unemployment rates are adjusted for seasonal fluctuations, but the Texas Workforce Commission city unemployment rates are not. Seasonally-adjusted unemployment rates are not comparable with unadjusted rates).

Income

- Roberts County's ranking in per capita personal income in 2009: 119th with an average per capita income of \$33,218, down 16.5 percent from 2008. Statewide average per capita personal income was \$38,609 in 2009, down 3.1 percent from 2008.

Industry

- Agricultural cash values in Roberts County averaged \$16.55 million annually from 2007 to 2010. County total agricultural values in 2010 were up 17.5 percent from 2009. Major agriculture related commodities in Roberts County during 2010 included:
 - Hunting • Sorghum • Wheat • Corn • Other Beef
- 2011 oil and gas production in Roberts County: 308,826.0 barrels of oil and 31.3 million Mcf of gas. In September 2011, there were 224 producing oil wells and 944 producing gas wells.

Taxes

Sales Tax - Taxable Sales

(County and city taxable sales data for 1st quarter 2011 is currently targeted for release in mid-September 2011).

Quarterly (September 2010 through December 2010)

- Taxable sales in Roberts County during the fourth quarter 2010: \$388,814.00, down 6.5 percent from the same quarter in 2009.
- Taxable sales during the fourth quarter 2010 in the city of:

Miami: \$302,834.00, down 23.9 percent from the same quarter in 2009.

Taxable Sales through the end of 4th quarter 2010 (January 2010 through December 30, 2010)

- Taxable sales in Roberts County through the fourth quarter of 2010: \$1.43 million, down 37.2 percent from the same period in 2009.
- Taxable sales through the fourth quarter of 2010 in the city of:

Miami: \$1.29 million, down 42.3 percent from the same period in 2009.

Annual (2010)

- Taxable sales in Roberts County during 2010: \$1.43 million, down 37.2 percent from 2009.
- Roberts County sent an estimated \$89,167.31 (or 0.00 percent of Texas' taxable sales) in state sales taxes to the state treasury in 2010.
- Taxable sales during 2010 in the city of:

Miami: \$1.29 million, down 42.3 percent from 2009.

Sales Tax – Local Sales Tax Allocations

(The release date for sales tax allocations to cities for the sales activity month of September 2011 is currently scheduled for November 9, 2011.)

Monthly

- Statewide payments based on the sales activity month of August 2011: \$505.22 million, up 13.9 percent from August 2010.
- Payments to all cities in Roberts County based on the sales activity month of August 2011: \$12,023.65, up 76.5 percent from August 2010.
- Payment based on the sales activity month of August 2011 to the city of:

Miami:	\$12,023.65, up 76.5 percent from August 2010.
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Fiscal Year

- Statewide payments based on sales activity months from September 2010 through August 2011: \$6.08 billion, up 8.0 percent from the same period in 2010.
- Payments to all cities in Roberts County based on sales activity months from September 2010 through August 2011: \$101,024.57, up 28.1 percent from fiscal 2010.
- Payments based on sales activity months from September 2010 through August 2011 to the city of:

Miami:	\$101,024.57, up 28.1 percent from fiscal 2010.
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January 2011 through August 2011 (Sales Activity Year-To-Date)

- Statewide payments based on sales activity months through August 2011: \$3.99 billion, up 8.3 percent from the same period in 2010.
- Payments to all cities in Roberts County based on sales activity months through August 2011: \$64,508.00, up 31.5 percent from the same period in 2010.
- Payments based on sales activity months through August 2011 to the city of:

Miami:	\$64,508.00, up 31.5 percent from the same period in 2010.
---------------	--

12 months ending in August 2011

- Statewide payments based on sales activity in the 12 months ending in August 2011: \$6.08 billion, up 8.0 percent from the previous 12-month period.
- Payments to all cities in Roberts County based on sales activity in the 12 months ending in August 2011: \$101,024.57, up 28.1 percent from the previous 12-month period.
- Payments based on sales activity in the 12 months ending in August 2011 to the city of:

Miami:	\$101,024.57, up 28.1 percent from the previous 12-month period.
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■ **City Calendar Year-To-Date (RJ 2011)**

- Payment to the cities from January 2011 through October 2011:

Miami:	\$84,286.55, up 33.3 percent from the same period in 2010.
---------------	--

Annual (2010)

- Statewide payments based on sales activity months in 2010: \$5.77 billion, up 3.3 percent from 2009.
- Payments to all cities in Roberts County based on sales activity months in 2010: \$85,564.51, down 23.3 percent from 2009.
- Payment based on sales activity months in 2010 to the city of:

Miami:	\$85,564.51, down 23.3 percent from 2009.
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Property Tax

- As of January 2009, property values in Roberts County: \$911.22 million, down 4.0 percent from January 2008 values. The property tax base per person in Roberts County is \$1,037,831, above the statewide average of \$85,809. About 75.0 percent of the property tax base is derived from oil, gas and minerals.

State Expenditures

- Roberts County's ranking in state expenditures by county in fiscal year 2010: 250th. State expenditures in the county for FY2010: \$2.70 million, up 0.1 percent from FY2009.
- In Roberts County, 1 state agencies provide a total of 2 jobs and \$6,888.00 in annualized wages (as of 1st quarter 2011).
- Major state agencies in the county (as of first quarter 2011):
 - AgriLife Extension Service

Higher Education

- Community colleges in Roberts County fall 2010 enrollment:
 - None.

- Roberts County is in the service area of the following:
 - Frank Phillips College with a fall 2010 enrollment of 1,208 . Counties in the service area include:
 - Dallam County
 - Hansford County
 - Hartley County
 - Hemphill County
 - Hutchinson County
 - Lipscomb County
 - Ochiltree County
 - Roberts County
 - Sherman County

- Institutions of higher education in Roberts County fall 2010 enrollment:
 - None.

School Districts

- Roberts County had 1 school districts with 1 schools and 176 students in the 2009-10 school year.
(Statewide, the average teacher salary in school year 2009-10 was \$48,263. The percentage of students, statewide, meeting the 2010 TAKS passing standard for all 2009-10 TAKS tests was 77 percent.)
 - Miami ISD had 176 students in the 2009-10 school year. The average teacher salary was \$44,600. The percentage of students meeting the 2010 TAKS passing standard for all tests was 91 percent.

Gray County

Population

- Total county population in 2010 for Gray County: 21,744 , down 1.4 percent from 2009. State population increased 1.8 percent in the same time period.
- Gray County was the state's 109th largest county in population in 2010 and the 244th fastest growing county from 2009 to 2010.
- Gray County's population in 2009 was 68.6 percent Anglo (above the state average of 46.7 percent), 6.2 percent African-American (below the state average of 11.3 percent) and 22.0 percent Hispanic (below the state average of 36.9 percent).
- 2009 population of the largest cities and places in Gray County:

Pampa:	17,213	McLean:	814
Lefors:	559		

Economy and Income

Employment

- September 2011 total employment in Gray County: 10,309 , up 3.0 percent from September 2010. State total employment increased 0.9 percent during the same period.
(October 2011 employment data will be available November 18, 2011).
- September 2011 Gray County unemployment rate: 6.6 percent, down from 6.8 percent in September 2010. The statewide unemployment rate for September 2011 was 8.5 percent, up from 8.2 percent in September 2010.
- September 2011 unemployment rate in the city of:

(Note: County and state unemployment rates are adjusted for seasonal fluctuations, but the Texas Workforce Commission city unemployment rates are not. Seasonally-adjusted unemployment rates are not comparable with unadjusted rates).

Income

- Gray County's ranking in per capita personal income in 2009: 37th with an average per capita income of \$39,357, down 4.0 percent from 2008. Statewide average per capita personal income was \$38,609 in 2009, down 3.1 percent from 2008.

Industry

- Agricultural cash values in Gray County averaged \$92.71 million annually from 2007 to 2010. County total agricultural values in 2010 were up 49.7 percent from 2009. Major agriculture related commodities in Gray County during 2010 included:
 - Wheat
 - Corn
 - Other Beef
 - Sorghum
 - Fed Beef
- 2011 oil and gas production in Gray County: 691,697.0 barrels of oil and 6.8 million Mcf of gas. In September 2011, there were 2825 producing oil wells and 1038 producing gas wells.

Taxes

Sales Tax - Taxable Sales

(County and city taxable sales data for 1st quarter 2011 is currently targeted for release in mid-September 2011).

Quarterly (September 2010 through December 2010)

- Taxable sales in Gray County during the fourth quarter 2010: \$138.49 million, up 33.8 percent from the same quarter in 2009.
- Taxable sales during the fourth quarter 2010 in the city of:

Pampa:	\$59.26 million, up 34.6 percent from the same quarter in 2009.
McLean:	\$508,196.00, up 11.7 percent from the same quarter in 2009.
Lefors:	\$145,879.00, down 17.6 percent from the same quarter in 2009.

Taxable Sales through the end of 4th quarter 2010 (January 2010 through December 30, 2010)

- Taxable sales in Gray County through the fourth quarter of 2010: \$485.00 million, up 17.2 percent from the same period in 2009.
- Taxable sales through the fourth quarter of 2010 in the city of:

Pampa:	\$204.88 million, up 17.6 percent from the same period in 2009.
McLean:	\$1.97 million, down 0.9 percent from the same period in 2009.
Lefors:	\$656,560.00, down 8.5 percent from the same period in 2009.

Annual (2010)

- Taxable sales in Gray County during 2010: \$485.00 million, up 17.2 percent from 2009.
- Gray County sent an estimated \$30.31 million (or 0.18 percent of Texas' taxable sales) in state sales taxes to the state treasury in 2010.
- Taxable sales during 2010 in the city of:

Pampa:	\$204.88 million, up 17.6 percent from 2009.
McLean:	\$1.97 million, down 0.9 percent from 2009.

Lefors: \$656,560.00, down 8.5 percent from 2009.

Sales Tax – Local Sales Tax Allocations

(The release date for sales tax allocations to cities for the sales activity month of September 2011 is currently scheduled for November 9, 2011.)

Monthly

- Statewide payments based on the sales activity month of August 2011: \$505.22 million, up 13.9 percent from August 2010.
- Payments to all cities in Gray County based on the sales activity month of August 2011: \$406,432.96, up 17.8 percent from August 2010.
- Payment based on the sales activity month of August 2011 to the city of:

Pampa:	\$401,336.30, up 17.9 percent from August 2010.
McLean:	\$4,406.47, up 14.7 percent from August 2010.
Lefors:	\$690.19, up 1.4 percent from August 2010.

Fiscal Year

- Statewide payments based on sales activity months from September 2010 through August 2011: \$6.08 billion, up 8.0 percent from the same period in 2010.
- Payments to all cities in Gray County based on sales activity months from September 2010 through August 2011: \$4.92 million, up 12.4 percent from fiscal 2010.
- Payments based on sales activity months from September 2010 through August 2011 to the city of:

Pampa:	\$4.86 million, up 12.4 percent from fiscal 2010.
McLean:	\$50,250.41, up 11.2 percent from fiscal 2010.
Lefors:	\$11,543.72, up 2.0 percent from fiscal 2010.

January 2011 through August 2011 (Sales Activity Year-To-Date)

- Statewide payments based on sales activity months through August 2011: \$3.99 billion, up 8.3 percent from the same period in 2010.
- Payments to all cities in Gray County based on sales activity months through August 2011: \$3.23 million, up 10.9 percent from the same period in 2010.
- Payments based on sales activity months through August 2011 to the city of:

Pampa:	\$3.19 million, up 10.8 percent from the same period in 2010.
McLean:	\$32,988.68, up 16.0 percent from the same period in 2010.
Lefors:	\$7,430.98, up 4.6 percent from the same period in 2010.

12 months ending in August 2011

- Statewide payments based on sales activity in the 12 months ending in August 2011: \$6.08 billion, up 8.0 percent from the previous 12-month period.
- Payments to all cities in Gray County based on sales activity in the 12 months ending in August 2011: \$4.92 million, up 12.4 percent from the previous 12-month period.
- Payments based on sales activity in the 12 months ending in August 2011 to the city of:

Pampa:	\$4.86 million, up 12.4 percent from the previous 12-month period.
McLean:	\$50,250.41, up 11.2 percent from the previous 12-month period.
Lefors:	\$11,543.72, up 2.0 percent from the previous 12-month period.

■ ***City Calendar Year-To-Date (RJ 2011)***

- Payment to the cities from January 2011 through October 2011:

Pampa:	\$4.06 million, up 11.8 percent from the same period in 2010.
McLean:	\$41,564.70, up 11.6 percent from the same period in 2010.
Lefors:	\$9,537.17, up 1.4 percent from the same period in 2010.

Annual (2010)

- Statewide payments based on sales activity months in 2010: \$5.77 billion, up 3.3 percent from 2009.
- Payments to all cities in Gray County based on sales activity months in 2010: \$4.61 million, up 6.4 percent from 2009.
- Payment based on sales activity months in 2010 to the city of:

Pampa:	\$4.55 million, up 6.6 percent from 2009.
McLean:	\$45,711.22, down 9.8 percent from 2009.
Lefors:	\$11,219.43, down 7.6 percent from 2009.

Property Tax

- As of January 2009, property values in Gray County: \$1.82 billion, up 2.3 percent from January 2008 values. The property tax base per person in Gray County is \$82,387, below the statewide average of \$85,809. About 33.0 percent of the property tax base is derived from oil, gas and minerals.

State Expenditures

- Gray County's ranking in state expenditures by county in fiscal year 2010: 127th. State expenditures in the county for FY2010: \$68.70 million, up 0.2 percent from FY2009.
- In Gray County, 13 state agencies provide a total of 430 jobs and \$4.27 million in annualized wages (as of 1st quarter 2011).
- Major state agencies in the county (as of first quarter 2011):
 - Department of Criminal Justice
 - Department of Transportation
 - Department of Family and Protective Services
 - Texas Tech University
 - Railroad Commission of Texas

Higher Education

- Community colleges in Gray County fall 2010 enrollment:
 - None.
- Gray County is in the service area of the following:
 - Clarendon College with a fall 2010 enrollment of 1,583 . Counties in the service area include:
 - Armstrong County
 - Briscoe County
 - Childress County
 - Collingsworth County
 - Donley County
 - Gray County
 - Hall County
 - Wheeler County
- Institutions of higher education in Gray County fall 2010 enrollment:
 - None.

School Districts

- Gray County had 4 school districts with 10 schools and 3,871 students in the 2009-10 school year.
(Statewide, the average teacher salary in school year 2009-10 was \$48,263. The percentage of students, statewide, meeting the 2010 TAKS passing standard for all 2009-10 TAKS tests was 77 percent.)
 - Grandview-Hopkins ISD had 29 students in the 2009-10 school year. The average teacher salary was \$35,357. The percentage of students meeting the 2010 TAKS passing standard for all tests was 92 percent.
 - Lefors ISD had 157 students in the 2009-10 school year. The average teacher salary was \$40,336. The percentage of students meeting the 2010 TAKS passing standard for all tests was 61 percent.
 - McLean ISD had 220 students in the 2009-10 school year. The average teacher salary was \$40,552. The percentage of students meeting the 2010 TAKS passing standard for all tests was 89 percent.
 - Pampa ISD had 3,465 students in the 2009-10 school year. The average teacher salary was \$43,173. The percentage of students meeting the 2010 TAKS passing standard for all tests was 71 percent.

**Summary of the District's Financial Impact
of Chapter 313 Agreement
with Miami Wind I, LLC**

Prepared by

Randy McDowell, RTSBA

&

Neal Brown

School Finance Consultants

**Summary of Miami ISD Financial Impact
of the
Limited Appraised Value Application
from
Miami Wind I, LLC**

Introduction

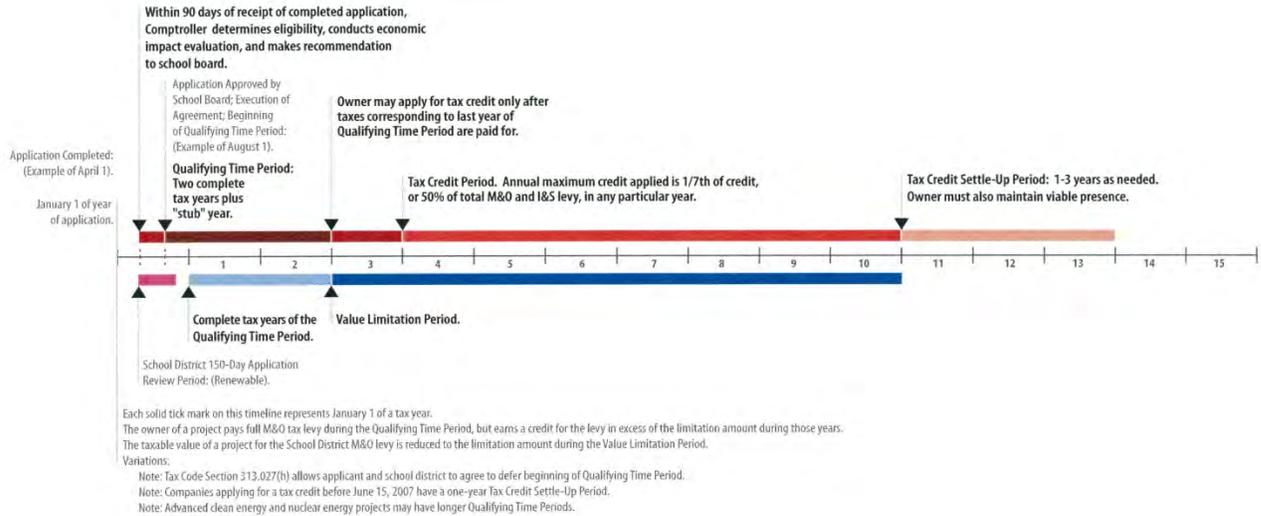
Miami Wind I, LLC applied for a property value limitation from Miami Independent School District under Chapter 313 of the Tax Code. The application was submitted on July 30, 2013 and subsequently approved for consideration by the Miami ISD Board of Trustees. Miami Wind I, LLC (“Miami Wind”), is requesting the property value limitation as a “renewable energy electric generation” project as listed in Sec. 313.024.(b) of the Tax Code.

“The Economic Development Act “, Tax Code Chapter 313, was created by House Bill 1200 of the 77th Texas Legislature in 2001. Further amendments were made to Chapter 313 as a result of House Bill 1470 from the 80th Texas Legislative Session in 2007.

The Economic Development Act was created to attract qualifying businesses to Texas by allowing school districts the option of approving a property value limitation to these qualifying entities. The purpose of the property value limitation is to reduce the maintenance and operations taxes paid by the company, to a school district during the applicable years as displayed below.

Miami ISD Financial Impact of Chapter 313 Agreement

Appraised Value Limitation and Credit under Tax Code Chapter 313 for School District Maintenance & Operations (M&O) Tax



The company must file an application with the school district to qualify for consideration of a Limited Appraised Value Agreement (“LAVA” or “Agreement”) to begin the following tax year or a later year if agreed upon by the District and the Company. The first two years of the agreement are considered the qualifying time period and the company’s school district taxes will be levied at one-hundred percent of the appraised value. The applicant may then file a separate application with the school district to request tax credits (for taxes paid during the qualifying time period) to be applied during years four through ten of the LAVA, but not to exceed 50% of their tax levy for those years. Any tax credit balance remaining after this period can then be applied during years eleven through thirteen of the agreement, but cannot exceed the actual amount of taxes paid to the school district during the Settle-Up Period. After year thirteen, any leftover credits will not be applied and will expire.

During years three through ten of the LAVA, the qualifying entity’s taxable value will be reduced to the minimum qualified investment for the applicable school district as determined by the State Comptroller’s Office. Miami ISD is considered a Rural category 3 District as categorized with total taxable value of industrial property of at least \$1 million but less than \$90 million, thus Miami ISD

Miami ISD Financial Impact of Chapter 313 Agreement

has a minimum qualified investment amount of \$10 million. A qualifying entity’s taxable value would be reduced to \$10 million during years three through ten of the agreement for the purposes of computing the tax levy for the maintenance and operations (M&O) tax of Miami ISD. The entire appraised value will be used for computing the interest and sinking (I&S) tax levy.

Taxable Value Impact from LAVA

The “Additional Value from Miami Wind” represents the values that the company estimated as their taxable values in the application that was filed with the district. During years three through ten, the company’s taxable value will be limited to the \$10,000,000 minimum qualified investment of Miami ISD.

TABLE I- Calculation of Taxable Value:

Tax Year	Additional Value From Miami Wind	Minimum Qualified Investment	Abated Value	Taxable Value
Jan. 1, 2014	5,772,892	n/a	0	5,772,892
Jan. 1, 2015	266,936,306	n/a	0	266,936,306
Jan. 1, 2016	250,920,128	(10,000,000)	240,920,128	10,000,000
Jan. 1, 2017	235,864,920	(10,000,000)	225,864,920	10,000,000
Jan. 1, 2018	221,713,025	(10,000,000)	211,713,025	10,000,000
Jan. 1, 2019	208,410,243	(10,000,000)	198,410,243	10,000,000
Jan. 1, 2020	195,905,629	(10,000,000)	185,905,629	10,000,000
Jan. 1, 2021	184,151,291	(10,000,000)	174,151,291	10,000,000
Jan. 1, 2022	173,102,214	(10,000,000)	163,102,214	10,000,000
Jan. 1, 2023	162,716,081	(10,000,000)	152,716,081	10,000,000
Jan. 1, 2024	152,953,116	n/a	0	152,953,116
Jan. 1, 2025	143,775,929	n/a	0	143,775,929
Jan. 1, 2026	135,149,373	n/a	0	135,149,373

Miami ISD Financial Impact of Chapter 313 Agreement

Miami Wind's Tax Benefit from Agreement

The projected amount of the net tax savings for Miami Wind is \$18.146 million over the life of the Agreement. This net savings is after all tax credits have been applied and after estimated payments have been made to the district to offset their revenue losses that were a direct result of entering into this Agreement. Tax credits during years four through ten are limited to the lesser of 1/7 of the total tax credit or 50% of the total taxes paid for that tax year. Any tax credits not refunded to the company during those years will be refunded up to 100% of the taxes paid in years eleven through thirteen.

Miami ISD's projected tax rates for maintenance & operations (M&O) and interest & sinking (I&S) are based on the following assumptions:

- The District has not held a tax ratification election and the study projects that it will maintain an M&O tax rate of \$1.04 for the life of this agreement.
- The district currently has outstanding bonded indebtedness that are scheduled to payoff in 2014 and currently has a \$.021 I&S rate. Since the bonds are scheduled to payoff prior to 2014-2015, they are not reflected in this study. The district could pursue a bond election and issue additional bonded debt during the life of this agreement.

TABLE II- Computation of Net Tax Savings:

Fiscal Year	Projected M&O Tax Rate	Projected I&S Tax Rate	Taxes w/o Agreement	Tax Savings with Agreement	Tax Credits	Payment of District's Revenue Losses	Net Tax Savings
2014-2015	1.040	0.000	60,038	0	n/a	0	0
2015-2016	1.040	0.000	2,776,138	0	n/a	0	0
2016-2017	1.040	0.000	2,609,569	2,505,569	n/a	(94,441)	2,411,129
2017-2018	1.040	0.000	2,452,995	2,348,995	52,000	(100,212)	2,300,783
2018-2019	1.040	0.000	2,305,815	2,201,815	52,000	(93,770)	2,160,046
2019-2020	1.040	0.000	2,167,467	2,063,467	52,000	(87,812)	2,027,655
2020-2021	1.040	0.000	2,037,419	1,933,419	52,000	(82,036)	1,903,383
2021-2022	1.040	0.000	1,915,173	1,811,173	52,000	(76,901)	1,786,272
2022-2023	1.040	0.000	1,800,263	1,696,263	52,000	(71,963)	1,676,300
2023-2024	1.040	0.000	1,692,247	1,588,247	52,000	(67,392)	1,572,856
2024-2025	1.040	0.000	1,590,712	0	1,590,712	0	1,590,712
2025-2026	1.040	0.000	1,495,270	0	717,425	0	717,425
2026-2027	1.040	0.000	1,405,553	0	0	0	0
Totals			24,308,660	16,148,949	2,672,137	(674,526)	18,146,560

Miami ISD Financial Impact of Chapter 313 Agreement

Financial Impact Study

This Financial Impact Study was performed to determine the financial impact of the Limited Appraised Value Agreement on Miami ISD. First, a thirteen year financial forecast was prepared to establish a baseline without the added values of the renewable energy electric generation company. Second, a thirteen year financial forecast was prepared that incorporated the additional taxable value of the company without a LAVA in effect. Third, a thirteen year financial forecast was prepared that incorporates the additional taxable value of the company with an approved LAVA. These three forecasts are detailed in the “Calculation of LAVA Impact on District’s Finances” section. The following assumptions were used to compare the financial impact of the LAVA:

- The current state funding formulas (in effect for 2013-2014 fiscal year) were used for state aid and recapture calculation purposes
 - Level 2 of Tier II yield - \$61.86 per weighted student in average daily attendance (WADA) per penny of tax effort
- The district’s tax rate for maintenance & operations (M&O) will remain at the same rate as for tax year 2012.
- A tax collection rate of 100% on current year tax levy with no projected delinquent taxes
- An annual taxable value increase of 2.0% was used to project the district’s taxable value, except as it related to the requested LAVA. The district’s 2012 taxable value was used as a baseline for all projections
- The district’s enrollment is projected to increase slightly; therefore, the projected ADA and WADA for school year 2012-2013 was increased by .5% per year for the life of the agreement.

Although these assumptions were used to develop a baseline scenario for comparison purposes, many of these factors will not remain constant for the thirteen years of this proposed agreement. Also, Legislative changes to the school finance formulas are likely during the near future and almost certain during the life of this agreement.

Miami ISD Financial Impact of Chapter 313 Agreement

Calculation of LAVA Impact on District's Finances

The tables displayed below (Table III, IV, V) show the different impacts on the school district's finances. These scenarios were computed to compare the District's revenue without the additional taxable value of Miami Wind (Table III), the addition of Miami Wind's taxable values without a Chapter 313 Agreement (Table IV), and the addition of Miami Wind's taxable values with a Chapter 313 Agreement (Table V).

TABLE III – District Revenues *without* Miami Wind:

Fiscal Year	Total Taxable Value	M&O Taxes			Tier I	Revenue	Total
		Compressed Rate	State Revenue	Recapture Amount	Total Revenue	Above Comp Rate	District Revenue
2014-2015	895,124,509	8,951,245	908,494	7,184,301	2,675,439	351,658	3,027,097
2015-2016	913,026,999	9,130,270	913,037	7,354,491	2,688,816	358,676	3,047,492
2016-2017	931,287,539	9,312,875	917,602	7,528,217	2,702,260	365,834	3,068,094
2017-2018	949,913,290	9,499,133	242,416	7,705,552	2,035,997	373,135	2,409,132
2018-2019	968,911,556	9,689,116	246,857	7,886,566	2,049,406	380,583	2,429,989
2019-2020	988,289,787	9,882,898	246,385	8,071,336	2,057,947	388,179	2,446,126
2020-2021	1,008,055,583	10,080,556	245,112	8,259,936	2,065,732	395,927	2,461,659
2021-2022	1,028,216,694	10,282,167	255,333	8,452,444	2,085,055	403,830	2,488,886
2022-2023	1,048,781,028	10,487,810	259,828	8,648,939	2,098,700	411,891	2,510,591
2023-2024	1,069,756,649	10,697,566	259,413	8,849,501	2,107,479	420,114	2,527,592
2024-2025	1,091,151,782	10,911,518	263,943	9,054,212	2,121,249	428,501	2,549,750
2025-2026	1,112,974,817	11,129,748	268,492	9,263,156	2,135,084	437,055	2,572,140
2026-2027	1,135,234,314	11,352,343	273,029	9,476,418	2,148,955	445,781	2,594,736

Miami ISD Financial Impact of Chapter 313 Agreement

TABLE IV- District Revenues with Miami Wind without Chapter 313 Agreement:

Fiscal Year	Total Taxable Value	M&O Taxes		Recapture Amount	Tier I Total Revenue	Revenue		Total District Revenue
		Compressed Rate	State Revenue			Above Comp Rate	Total Revenue	
2014-2015	900,897,401	9,008,974	897,099	7,230,634	2,675,439	353,921	3,029,360	
2015-2016	1,179,963,305	11,799,633	408,569	9,519,386	2,688,816	463,315	3,152,131	
2016-2017	1,182,207,667	11,822,077	949,267	10,069,084	2,702,260	464,195	3,166,455	
2017-2018	1,185,778,210	11,857,782	285,290	10,094,058	2,049,014	465,594	2,514,609	
2018-2019	1,190,624,581	11,906,246	287,101	10,131,818	2,061,529	467,494	2,529,023	
2019-2020	1,196,700,030	11,967,000	284,225	10,181,897	2,069,329	469,876	2,539,204	
2020-2021	1,203,961,212	12,039,612	280,480	10,243,860	2,076,232	472,722	2,548,954	
2021-2022	1,212,367,985	12,123,680	288,667	10,317,308	2,095,038	476,017	2,571,056	
2022-2023	1,221,883,242	12,218,832	291,113	10,401,868	2,108,078	479,747	2,587,825	
2023-2024	1,232,472,730	12,324,727	288,826	10,497,196	2,116,358	483,899	2,600,256	
2024-2025	1,244,104,898	12,441,049	291,547	10,602,975	2,129,621	488,458	2,618,079	
2025-2026	1,256,750,746	12,567,507	294,398	10,718,913	2,142,992	493,416	2,636,408	
2026-2027	1,270,383,687	12,703,837	297,339	10,844,743	2,156,433	498,760	2,655,192	

TABLE V – District Revenues with Miami Wind with Chapter 313 Agreement:

Fiscal Year	Total Taxable Value	M&O Taxes		Recapture Amount	Tier I Total Revenue	Revenue		Payment	
		Comp Rate	State Revenue			Above Comp Rate	Total Revenue	for District Losses	Total District Revenue
2014-2015	900,897,401	9,008,974	897,099	7,230,634	2,675,439	353,921	0	3,029,360	
2015-2016	1,179,963,305	11,799,633	408,569	9,519,386	2,688,816	463,315	0	3,152,131	
2016-2017	941,287,539	9,412,875	1,306,507	8,017,122	2,702,260	369,754	94,441	3,166,455	
2017-2018	959,913,290	9,599,133	244,134	7,805,925	2,037,341	377,055	100,212	2,514,609	
2018-2019	978,911,556	9,789,116	248,570	7,986,935	2,050,751	384,503	93,770	2,529,023	
2019-2020	998,289,787	9,982,898	248,095	8,171,699	2,059,294	392,099	87,812	2,539,204	
2020-2021	1,018,055,583	10,180,556	246,809	8,360,294	2,067,071	399,847	82,036	2,548,954	
2021-2022	1,038,216,694	10,382,167	257,034	8,552,797	2,086,404	407,750	76,901	2,571,056	
2022-2023	1,058,781,028	10,587,810	261,527	8,749,286	2,100,051	415,811	71,963	2,587,825	
2023-2024	1,079,756,649	10,797,566	261,107	8,949,843	2,108,831	424,034	67,392	2,600,256	
2024-2025	1,244,104,898	12,441,049	260,625	10,343,006	2,358,668	488,458	0	2,847,126	
2025-2026	1,256,750,746	12,567,507	294,398	10,718,913	2,142,992	493,416	0	2,636,408	
2026-2027	1,270,383,687	12,703,837	297,339	10,844,743	2,156,433	498,760	0	2,655,192	

Miami ISD Financial Impact of Chapter 313 Agreement

Current School Finance Law

A major overhaul of the school finance formulas was implemented as a result of House Bill 1 of the 79th Legislative Session and became effective for the 2006-2007 school year. These formula changes have had an effect on the district's financial impact from granting a property value limitation. Due to the district's "Hold Harmless" provision that was enacted in the new funding formulas, it is presumed that the majority of the district's revenue losses in year three of the LAVA will be offset with additional state funding or a reduction of recapture payments made to the State. Prior to these recent formula changes, school districts felt a significant loss in revenues in year three because the state funding formulas considered the district more property wealthy based on their prior year taxable value. However, districts were only able to tax on the lower value that was a result of the LAVA. Districts are currently "held harmless" for the majority amount of loss in year three; however, it is possible that a future legislative session could eliminate this provision. If the "hold harmless" provision is eliminated, then the company would be required to offset the district's losses as computed in Article III of the Agreement.

Miami ISD Financial Impact of Chapter 313 Agreement

Payments in Lieu of Taxes

Assuming that the District and Miami Wind I, LLC mutually agree in the LAVA that \$100 per student in average daily attendance (ADA) will be paid to Miami ISD by Miami Wind, the projected amount of these payments over the life of the agreement is \$255,820 of the \$18.146 million net tax savings amount. This amount will be computed annually according to Section IV of the Agreement.

TABLE VI - Calculation of the Payment in Lieu of Taxes:

Fiscal Year	Net Tax Savings	Miami ISD Share \$100/ADA	Miami Wind's Share
2014-2015	0	19,095	(19,095)
2015-2016	0	19,190	(19,190)
2016-2017	2,411,129	19,286	2,391,842
2017-2018	2,300,783	19,383	2,281,400
2018-2019	2,160,046	19,480	2,140,566
2019-2020	2,027,655	19,577	2,008,078
2020-2021	1,903,383	19,675	1,883,707
2021-2022	1,786,272	19,773	1,766,499
2022-2023	1,676,300	19,872	1,656,428
2023-2024	1,572,856	19,972	1,552,884
2024-2025	1,590,712	20,072	1,570,641
2025-2026	717,425	20,172	697,253
2026-2027	0	20,273	(20,273)
Totals	18,146,560	255,820	17,890,740

Miami ISD Financial Impact of Chapter 313 Agreement

Impact of Projected Student Growth On District Facilities

TABLE VII – Campus Capacity and Available Growth

Campus Name	Grade Level	# of Regular Classrooms	Building Capacity	Current Enrollment	Enrollment Growth Available
Miami School	EE-12	22	396	207	189
Total		22	396	207	189

The building capacities are based on 18 students per classroom for all grade levels. Miami ISD is a early education through 12th grade district.

Miami Wind I, LLC provided supplemental information with their application that projected the number of full-time employees that are expected for permanent employment after construction of the project is completed. They projected that eight full-time employees are expected. It is not known whether these would be new employees to the Miami ISD, or if current residents would occupy these positions; however, it is assumed that these employees would be new residents to the district.

Based on average statewide figures provided by a demographer, it is projected that each new household would produce .5 students. Thus, the new eight positions equates to 4 new students.

This minimal projected student growth can easily be accommodated with the current facilities of Miami ISD as displayed in Table VII above.

Miami ISD Financial Impact of Chapter 313 Agreement

Conclusion

This Financial Impact Study displays that entering into a Limited Appraised Value Agreement with Miami Wind I, LLC, would be beneficial to both Miami Wind and Miami ISD under the current school finance system.

Miami Wind I, LLC would benefit from reduced property taxes during years three through ten of the LAVA. Although some of the tax savings would be used to offset district's revenue losses and payments in lieu of taxes to the District, Miami Wind is projected to benefit from a 82% tax savings over the first twelve year period of this agreement. Miami Wind also has the option of terminating the Agreement if the amount paid to the District during a tax year is greater than the amount of taxes that would have been paid without the agreement; therefore, there is no inherent risk for the company from entering into the Agreement.

Miami ISD would also have no inherent risk under the current school finance system and with the provisions in the LAVA that require Miami Wind to offset any district losses caused by the LAVA. An annual calculation will be performed each year to determine if a loss to the District has been incurred. The revenue impact to the District will be computed by comparing the District's revenues with and without the LAVA in effect.



Window on State Government

Susan Combs Texas Comptroller of Public Accounts

2012 ISD Summary Worksheet

090/Gray

197-902/Miami ISD

Category	Local Tax Roll Value	2012 WTD Mean Ratio	2012 PTAD Value Estimate	2012 Value Assigned
A. Single-Family Residences	96,920	N/A	96,920	96,920
B. Multi-Family Residences	0	N/A	0	0
C. Vacant Lots	7,840	N/A	7,840	7,840
D. Rural Real(Taxable)	3,285,660	N/A	3,285,660	3,285,660
F1. Commercial Real	4,100	N/A	4,100	4,100
F2. Industrial Real	14,000	N/A	14,000	14,000
G. Oil, Gas, Minerals	153,390	N/A	153,390	153,390
J. Utilities	3,233,390	N/A	3,233,390	3,233,390
L1. Commercial Personal	0	N/A	0	0
L2. Industrial Personal	0	N/A	0	0
M. Other Personal	0	N/A	0	0
N. Intangible Pers/Uncert	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0
S. Special Inventory	0	N/A	0	0
Subtotal	6,795,300		6,795,300	6,795,300

Category	Local Tax Roll Value	2012 WTD Mean Ratio	2012 PTAD Value Estimate	2012 Value Assigned
Less Total Deductions	281,010		281,010	281,010
Total Taxable Value	6,514,290		6,514,290	6,514,290 T2

Category D Detail	Local Tax Roll	Ratio	PTAD Value
Market Value Non-Qualified Acres And Farm/Ranch Imp	1,195,700	N/A	1,195,700
Prod Value Qualified Acres	2,089,960	N/A	2,089,960
Taxable Value	3,285,660		3,285,660

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302 (J) AND (K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation (M&O) tax purposes and for interest and sinking fund (I&S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T6 will be the same as T7 through T12.

Value Taxable For M&O Purposes

T1	T2	T3	T4	T5	T6
6,621,250	6,514,290	6,621,250	6,514,290	6,514,290	6,514,290

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
106,960	0

T1 = School district taxable value for M&O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M&O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

T5 = T2 before the loss to the tax ceiling reduction

T6 = T5 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I&S Purposes

T7	T8	T9	T10	T11	T12
6,621,250	6,514,290	6,621,250	6,514,290	6,514,290	6,514,290

T7 = School district taxable value for I&S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I&S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50% of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50% of the loss to the local optional percentage homestead exemption

T11 = T8 before the loss to the tax ceiling reduction

T12 = T11 minus 50% of the loss to the local optional percentage homestead exemption

The PVS found your local value to be valid, and local value was certified

197/Roberts

197-902/Miami ISD

Category	Local Tax Roll Value	2012 WTD Mean Ratio	2012 PTAD Value Estimate	2012 Value Assigned
A. Single-Family Residences	13,705,439	.9142	14,991,729	13,705,439
B. Multi-Family Residences	124,030	N/A	124,030	124,030
C. Vacant Lots	103,340	N/A	103,340	103,340
D. Rural Real(Taxable)	34,951,175	.9365	37,320,608	34,951,175

Category	Local Tax Roll Value	2012 WTD Mean Ratio	2012 PTAD Value Estimate	2012 Value Assigned
F1. Commercial Real	1,282,735	N/A	1,282,735	1,282,735
F2. Industrial Real	38,780	N/A	38,780	38,780
G. Oil, Gas, Minerals	607,076,270	.9941	610,679,278	607,076,270
J. Utilities	104,525,449	.9838	106,246,645	104,525,449
L1. Commercial Personal	3,000,048	N/A	3,000,048	3,000,048
L2. Industrial Personal	38,073,670	N/A	38,073,670	38,073,670
M. Other Personal	20,890	N/A	20,890	20,890
N. Intangible Pers/Uncert	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0
S. Special Inventory	6,367	N/A	6,367	6,367
Subtotal	802,908,193		811,888,120	802,908,193
Less Total Deductions	9,734,531		10,280,627	9,734,531
Total Taxable Value	793,173,662		801,607,493	793,173,662 T2

Category D Detail	Local Tax Roll	Ratio	PTAD Value
Market Value Non-Qualified Acres And Farm/Ranch Imp	11,834,055	N/A	11,834,055
Prod Value Qualified Acres	23,117,120	.9070	25,486,553
Taxable Value	34,951,175		37,320,608

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302 (J) AND (K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation (M&O) tax purposes and for interest and sinking fund (I&S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T6 will be the same as T7 through T12.

Value Taxable For M&O Purposes

T1	T2	T3	T4	T5	T6
795,249,139	793,173,662	793,804,681	791,729,204	793,380,805	791,936,347

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
2,075,477	1,444,458

T1 = School district taxable value for M&O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M&O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

T5 = T2 before the loss to the tax ceiling reduction

T6 = T5 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I&S Purposes

T7	T8	T9	T10	T11	T12
795,249,139	793,173,662	793,804,681	791,729,204	793,380,805	791,936,347

T7 = School district taxable value for I&S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I&S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50% of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50% of the loss to the local optional percentage homestead exemption

T11 = T8 before the loss to the tax ceiling reduction

T12 = T11 minus 50% of the loss to the local optional percentage homestead exemption

The PVS found your local value to be valid, and local value was certified

197-902/Miami ISD

Category	Local Tax Roll Value	2012 WTD Mean Ratio	2012 PTAD Value Estimate	2012 Value Assigned
A. Single-Family Residences	13,802,359	.9148	15,088,649	13,802,359
B. Multi-Family Residences	124,030	N/A	124,030	124,030
C. Vacant Lots	111,180	N/A	111,180	111,180
D. Rural Real(Taxable)	38,236,835	.9416	40,606,268	38,236,835
F1. Commercial Real	1,286,835	N/A	1,286,835	1,286,835
F2. Industrial Real	52,780	N/A	52,780	52,780
G. Oil, Gas, Minerals	607,229,660	.9941	610,832,668	607,229,660
J. Utilities	107,758,839	.9843	109,480,035	107,758,839
L1. Commercial Personal	3,000,048	N/A	3,000,048	3,000,048
L2. Industrial Personal	38,073,670	N/A	38,073,670	38,073,670
M. Other Personal	20,890	N/A	20,890	20,890
N. Intangible Pers/Uncert	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0
S. Special Inventory	6,367	N/A	6,367	6,367
Subtotal	809,703,493		818,683,420	809,703,493
Less Total Deductions	10,015,541		10,561,637	10,015,541
Total Taxable Value	799,687,952		808,121,783	799,687,952 T2

Category D Detail	Local Tax Roll	Ratio	PTAD Value
Market Value Non-Qualified Acres And Farm/Ranch Imp	13,029,755	1.0000	13,029,755
Prod Value Qualified Acres	25,207,080	.9141	27,576,513
Taxable Value	38,236,835		40,606,268

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

**LIMITATION ON APPRAISED
VALUE AGREEMENT**

MIAMI INDEPENDENT SCHOOL DISTRICT

and

MIAMI WIND I, LLC

Comptroller Application Number 331

November 27, 2013

THIS LIMITATION ON APPRAISED VALUE AGREEMENT, (“Agreement”) is executed and delivered by and between Miami Independent School District (the ”District”), with its central administrative office located in Roberts County, Texas (“County”), a lawfully created independent school district of the State of Texas operating under and subject to the Texas Education Code (“TEC”), and Miami Wind I, LLC, a Texas limited liability company, (“Applicant”) and relates to a limitation of the Appraised Value of property for the District’s maintenance and operation taxes pursuant to Chapter 313 of the Texas Tax Code (the “Code”). The District and Applicant are collectively referred to herein as the “Parties” and each individually as a “Party.”

RECITALS

WHEREAS, the Superintendent of Schools of the District, acting as agent for the District’s Board of Trustees (“Board of Trustees”), timely received from Applicant a completed Application for an Appraised Value Limitation on Qualified Property pursuant to 34 Texas Administrative Code §9.1053 (“Application”) on or about July 30, 2013 (the “Completed Application Date”); and,

WHEREAS, the District received the application fee as required by §313.025(a)(1) of the Code and the District Policy CCG (LOCAL), if any, on or about the Completed Application Date thus establishing the effective filing date of such Application as of July 30, 2013; and,

WHEREAS, the District timely delivered the requisite number of copies of the Application to the Texas Comptroller of Public Accounts (“Comptroller”) on or about August 6, 2013, for its review pursuant to §313.025(a-1) and (b) of the Code. Thereafter, on behalf of the Applicant, District submitted Amendment No. 001 to update wage data information on or about August 28, 2013. The Comptroller deemed the Application complete and thereafter began its analysis of the Application on August 30, 2013 (the “Application Review Start Date”). On or about September 17, 2013, the District submitted Amendment No. 002 on behalf of the Applicant to provide the Resolution Authorizing the Reinvestment Zone, Map and Legal Description to the Comptroller; and,

WHEREAS, the Comptroller conducted an economic impact evaluation of the Application pursuant to §313.025(b) of the Code; and,

WHEREAS, pursuant to §313.025(b-1) of the Code, the Comptroller delivered to the Texas Education Agency (“TEA”) a copy of the Application and the TEA then timely submitted a written report addressing the effects of the Application on the number or size of the District’s instructional facilities to the Comptroller; and,

WHEREAS, pursuant to §313.025(d) of the Code, the Board of Trustees timely received the November 12, 2013 recommendation of the Comptroller and a report indicating that the Application was in compliance with the provisions of the Texas Economic Development Act, Code §§313.001, *et seq.*, and that the Application be approved (the “Recommendation”); and,

WHEREAS, the Board of Trustees conducted a public hearing on the Application, at which time it solicited input from all interested parties, carefully considered the school finance

information, together with the Recommendation and information provided by the Comptroller, including the economic impact evaluation; and,

WHEREAS, pursuant to §313.025(f-1) of the Code, the Board of Trustees at its Board meeting held on November 27, 2013 waived the Qualifying Job creation requirements set forth in Section 313.051(b) of the Code based on a factual finding that if the number of jobs required by law was applied in this project, given its size and scope as described in the Application and Schedule 2.3, the number of jobs will exceed the industry standard of the number of employees reasonably necessary for the operation of the project; and,

WHEREAS, pursuant to §313.025(e) of the Code, the Board of Trustees at its Board meeting held on November 27, 2013 made written factual findings as required by §313.025(f) and based on the criteria set out in §313.026 of the Code has delivered a copy of such findings to the Applicant; and,

WHEREAS, pursuant to §313.025(f) of the Code, the Board of Trustees at its Board meeting held on November 27, 2013 further found that: (a) the information in the Application is true and correct; (b) the Board agrees with the Comptroller's Recommendation; (c) this Agreement is in the best interest of the State of Texas and the District; (d) the Applicant is eligible for the limitation on Appraised Value of the Qualified Property; and (e) the relevant job creation requirement set forth in Chapter 313 of the Code should be waived; and,

WHEREAS, on November 19, 2013, the District received written notice of the Comptroller's review and approval of the form of this Agreement, pursuant to 34 TAC § 9.1055 (e)(2)(A); and,

WHEREAS, the Board of Trustees, at its Board meeting on November 27, 2013, approved the form of this Agreement for a Limitation on Appraised Value of Property and authorized the execution and delivery of such Agreement to the Applicant by the District's authorized representative whose signature appears below.

NOW, THEREFORE, for and in consideration of the promises, including the foregoing recitals, and the mutual covenants and agreements contained herein, the Parties hereby agree as follows:

ARTICLE 1 - AUTHORITY, TERM AND DEFINITIONS

Section 1.1 DISTRICT AUTHORITY

This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District under §313.051 of the Code.

Section 1.2 TERM

1.2.1 This Agreement shall commence and first become effective on November 27, 2013, the date this Agreement was approved by the District's Board of Trustees and executed by the District's authorized representative, for the ad valorem property valuations assessed against

the Qualified Property and investments made pursuant to this Agreement (the “Commencement Date”). The limitation on the local ad valorem property values shall terminate on December 31 of the tenth (10th) full calendar year of this Agreement, as set out on Schedule 1.2 attached hereto¹, unless sooner terminated as herein provided. The early termination of this Agreement shall not release any obligation, right, or remedy arising from any failure to comply with any term of this Agreement prior to such termination. Each Party shall have the right to enforce the payment of any amount owed before the termination of this Agreement.

1.2.2 The Parties acknowledge that the limitation on the local ad valorem property values shall not commence until January 1 following the end of the second full year that begins after the Commencement Date or such later date as reflected herein. The period that begins on the Commencement Date and ends on December 31 of the second full year that begins after the Commencement Date shall be referred to herein as the “Qualifying Time Period” as that term is defined in §313.021(4) of the Code.

1.2.3 For three (3) years after December 31 of the tenth (10th) year of this Agreement, Applicant shall (a) Maintain a Viable Presence in the District, as that term is defined herein; and (b) make any payments in lieu of taxation as provided in Article 4. Unless sooner terminated, this Agreement shall end on December 31 of the thirteenth (13th) year of this Agreement. Nothing contained in this Agreement shall extend the tax limitation beyond the tenth (10th) full calendar year from the Commencement Date.

1.2.4 The years for which this Agreement is effective, unless sooner terminated, are set forth in Schedule 1.2 of this Agreement, which is incorporated herein by reference.

Section 1.3 DEFINITIONS

Capitalized terms used herein and not specifically defined shall have the definitions as set forth in Schedule 1.3 of this Agreement, which is incorporated herein by reference.

ARTICLE 2- PROPERTY AND USE DESCRIPTIONS

Section 2.1 REINVESTMENT ZONE OR ENTERPRISE ZONE

The property upon which the Qualified Investment will be located is entirely within those certain Reinvestment Zones, as set out in Schedule 2.1, and so designated by the Roberts County Commissioner’s Court and Miami Independent School District under Chapter 312 of the Code. The descriptions of the Reinvestment Zones and maps showing the location thereof are attached to this Agreement as Schedule 2.1, which is incorporated herein by reference.

Section 2.2 QUALIFIED PROPERTY

Applicant’s Qualified Property is described in Schedule 2.3, which is incorporated herein by reference. The Parties expressly agree that the location of the Qualified Property shall be

¹ All references to Agreement years shall be as shown on Schedule 1.2.

within the Reinvestment Zones as set out in Schedule 2.1, and such location may not be materially changed from its current configuration without the express written authorization of the Parties; provided that the Parties acknowledge Applicant may determine it is necessary to re-configure and change certain aspects as construction progresses, and District agrees not to unreasonably withhold consent to such changes that do not change in a substantial way the overall concept of the Qualified Investment taken as a whole, as contemplated hereby.

Section 2.3 QUALIFIED INVESTMENT

2.3.1 Applicant's Qualified Investment is described in Schedule 2.3, which is incorporated herein by reference. Property not specifically referenced in Schedule 2.3 and not otherwise meeting the requirements of Chapter 313 and this Agreement shall not be considered to be a Qualified Investment for purposes of this Agreement and will not be subject to this Agreement.

2.3.2 Schedule 2.3 may be amended by adding or removing Qualified Property as allowed by law, which at the time of execution of this Agreement includes: (a) the provisions of Comptroller's Rule 9.1055; and (b) approval by the District's Board of Trustees pursuant to §313.027(e) of the Code, which approval shall not be unreasonably withheld by the District.

2.3.3 Property owned by Applicant which is not described in Schedule 2.3 may not be considered to be Qualified Property unless the Applicant (a) submits to the District and the Comptroller a written request to add property to the limitation agreement, which request shall include a specific description of the additional property to which the Applicant requests that the limitation apply; (b) notifies the District and the Comptroller of any other changes to the information that was provided in the Application approved by the District; and (c) provides any additional information reasonably requested by the District or the Comptroller for the purpose of re-evaluating the new or changed conditions.

2.3.4 In the event that Applicant fails to make a Qualified Investment of at least Ten Million Dollars (\$10,000,000.00) during the Qualifying Time Period, this Agreement shall become null and void on January 1, 2016.

Section 2.4 EXISTING IMPROVEMENTS AND PERSONAL PROPERTY

Certain improvements and personal property may have existed in the Reinvestment Zone or Enterprise Zone prior to the Completed Application Date. The Parties understand and agree that the Taxable Value of real estate improvements and/or business personal property which existed prior to the Completed Application Date may not be considered Qualified Property under Chapter 313 of the Code or this Agreement. Further, the Parties understand and agree that the Taxable Value of real estate improvements and/or business personal property which existed prior to the approval of this Agreement by the Parties may not be considered part of the required Qualified Investment under Chapter 313 of the Code or this Agreement.

Section 2.5 INVENTORY OF QUALIFIED PROPERTY

2.5.1 Upon any material change to the Qualified Property, or upon the reasonable request of the District, the Comptroller, or the Appraisal District, Applicant shall provide to the District, the Comptroller, and the Appraisal District all information and data necessary to assess the value and identity of all Qualified Property including, but not limited to, a specific and detailed description of the tangible personal property, buildings, or permanent, nonremovable building components on the Qualified Property to which the value limitation applies. Such description shall include maps or surveys detailed enough to locate all such property within the boundaries of the real property subject to this Agreement.

2.5.2 At the end of the Qualifying Time Period, Applicant shall provide to the District, the Comptroller, and the Appraisal District all information and data necessary to assess the value and identity of all Qualified Property including, but not limited to, a specific and detailed description of the tangible personal property, buildings, or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Qualified Property to which the value limitation applies, including maps or surveys of sufficient detail and description to locate all such described property within the boundaries of the real property subject to this Agreement.

Section 2.6 QUALIFYING USE

Applicant's property which is the subject of a limitation on the local ad valorem property values under this Agreement is eligible for a tax limitation as a renewable energy electric generation facility under §313.024(b)(5) of the Code.

Section 2.7 APPRAISAL LIMITATION

Upon Applicant's Qualified Investment in the amount of \$10,000,000.00 or more during the Qualifying Time Period, and unless this Agreement is terminated as herein provided, the Appraised Value of the Applicant's Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of the Market Value of the Qualified Property or \$10,000,000.00 for the third (3rd) through the tenth (10th) full calendar years of the tax limitation under this Agreement, as provided in Chapter 313 of the Code.

ARTICLE 3– PROTECTION OF DISTRICT REVENUES

Section 3.1 INTENT OF THE PARTIES

The Parties understand and agree that, to the extent required by law pursuant to Section 313.027(f) of the Code, the Applicant shall compensate the District for any loss in District Funding Revenue incurred because of District's participation in this Agreement. Such reimbursement shall be in addition to the receipt of payments in lieu of taxation or payment of Extraordinary Education-Related Expenses reasonably incurred by the District, subject to any limitation as may be set forth in Article 4 or Article 5 of this Agreement. EXCEPT AS SPECIFICALLY LIMITED IN THIS AGREEMENT, APPLICANT UNDERSTANDS AND AGREES THAT IT SHALL BEAR ANY NEGATIVE FINANCIAL CONSEQUENCE

SUFFERED BY THE DISTRICT AS A DIRECT RESULT OF THE DISTRICT ENTERING INTO THIS AGREEMENT. THE PURPOSE OF THIS ARTICLE 3 IS TO ENSURE THAT, EXCEPT AS SPECIFICALLY LIMITED IN THIS AGREEMENT, THE RISK OF ANY SUCH NEGATIVE FINANCIAL CONSEQUENCE TO THE DISTRICT ARISING UNDER THIS AGREEMENT IS BORNE BY THE APPLICANT AND NOT BY THE DISTRICT.

Section 3.2 CALCULATING LOSS OF DISTRICT REVENUES

Any compensation paid by the Applicant to the District for loss of District Funding Revenues shall be determined in accordance with then-current School Finance Law. Any calculation to make the District whole after a loss under this Article 3 shall be made in accordance with Schedule 3.2 of this Agreement, which is incorporated herein by reference, and subject to the provisions of Article 5 herein.

Section 3.3 COMPENSATION FOR LOSS OF OTHER REVENUES

To the extent not included in the amounts calculated pursuant to Schedule 3.2, Applicant, on an annual basis, shall also pay to the District all non-reimbursed costs incurred in paying or otherwise crediting amounts for the benefit of Applicant, including, but not limited to (a) any Maintenance and Operations Revenue or Tax Credit to which the Applicant may be entitled pursuant to Chapter 313 of the Code for which the District does not receive reimbursement from the State, whether pursuant to TEC §42.2515 or otherwise; (b) all non-reimbursed costs incurred by the District for Extraordinary Education-Related Expenses related to the project, which do not exceed any limitations set forth in Article 4 of this Agreement, and not otherwise directly funded in state aid formulas, including expenses for the purchase or lease of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project; (c) any loss incurred by the District resulting from successful judicial challenge to this Agreement; (d) any reasonable attorneys' fees or other costs incurred by the District due to any legal defense or enforcement of this Agreement, irrespective of whether or not this Agreement is ultimately determined to be valid; and (e) any non-reimbursed costs (supported by commercially reasonable documentation) incurred by the District for appraisal of Applicant's Qualified Property arising under this Agreement.

Section 3.4 THIRD PARTY CALCULATIONS

All calculations made pursuant to this Agreement shall be verified annually by one or more independent third parties ("Consultant") selected by the District and with Applicant's consent, which consent shall not be unreasonably withheld, delayed or conditioned. Applicant will be solely responsible for the payment of Consultant's fees up to Six Thousand Five Hundred Dollars, (\$6,500.00) for the first year of this Agreement. This amount may be increased each year of this Agreement by not more than five percent (5%) from the prior year. All calculations shall initially be based upon good-faith estimates using all available information and shall be adjusted to reflect "near final" or "actual" data for the applicable year as the data becomes available.

Section 3.5 DATA FOR CALCULATIONS

The initial calculations for any payments owing under this Agreement shall be based upon the valuations placed upon the Qualified Property by the Appraisal District in its annual certified tax roll submitted to the District pursuant to §26.01 of the Code in or about July of each year of this Agreement. The certified tax roll data shall form the basis from which any and all amounts due under this Agreement are calculated, and the data utilized by the Consultant will be adjusted as necessary to reflect any subsequent adjustments by the Appraisal District to the District's tax roll. Any estimates used by the Consultant to make calculations as required by this Agreement shall be based on the best and most current information available. The Consultant shall from time to time adjust the data utilized to reflect actual amounts, subsequent adjustments by the Roberts and Gray Counties Appraisal Districts to the District's certified tax roll, or any other relevant changes to material items such as student counts or tax collections.

Section 3.6 DELIVERY OF CALCULATIONS

3.6.1 All calculations required under Article 3 or Article 4 shall be made by the Consultant on or before December 1 of each year for which this Agreement is effective. The Consultant shall forward such calculations to the Parties in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Consultant shall maintain supporting data consistent with generally accepted accounting practices. The Consultant shall preserve all documents and data related to all calculations required under this Agreement for a period of three (3) years. Employees and agents of the Parties shall have reasonable access to the Consultant's offices, personnel, books, and records pertaining to all calculations and fees.

3.6.2 In the event the District receives the Consultant's invoice for services rendered, the District shall forward to Applicant such invoice, which Applicant shall pay within thirty (30) days of receipt.

Section 3.7 PAYMENT BY APPLICANT

On or before the January 31 next following the tax levy for each year for which this Agreement is effective, and subject to the limitations contained in Section 5.1, the Applicant shall pay all amounts determined to be due and owing to the District (subject to final settle up), all amounts billed by the Consultant pursuant to Section 3.4, and any reasonable and necessary expenses paid by the District to its attorneys, auditors, or financial consultants for work resulting from the District's participation in this Agreement Provided that the District, upon request of Applicant, provides supporting documentation to substantiate such reasonable and necessary expenses to the extent such supporting documentation is not excepted from disclosure as attorney-client privilege or otherwise under the Texas Public Information Act (Government Code Section 552.001 *et seq.*).

Section 3.8 CHALLENGING CALCULATION RESULTS

The Applicant may appeal the Consultant's results, in writing, within fifteen (15) days of receipt of such results. The Consultant will issue a final determination of the calculations within

15 days of receiving Applicant's appeal. The Applicant may appeal the final determination of the Consultant to the District within 15 days of its receipt, pursuant to District Policy GK (LOCAL).

Section 3.9 EFFECT OF PROPERTY VALUE APPEAL OR ADJUSTMENT

In the event that the Taxable Value of the Qualified Property is changed after an appeal of its valuation, or the Taxable Value is otherwise altered for any reason, the calculations required under Article 3 of this Agreement shall be recalculated by the Consultant at Applicant's sole expense using the revised property values. The Consultant shall transmit the revised calculations to the Parties and any Party owing funds to the other Party shall pay such funds within thirty (30) days after receipt of the new calculations.

Section 3.10 EFFECT OF STATUTORY OR OTHER LEGAL CHANGES

If the District will receive less District Funding Revenue, or, if applicable, will be required to increase its payment of funds to the State due to the District's participation in this Agreement because of changes to School Finance Law or administrative or legal interpretations by the office of the Comptroller, the Commissioner of Education, the Texas Education Agency, the Courts of the State of Texas, or any other authority having proper jurisdiction over the District or Texas school finance, then the Applicant shall make payments to the District within thirty (30) days of receipt of written notice, up to the limit on the revenue protection amount set forth in Section 5.1 below. The Parties understand and agree that the foregoing payments to the District are necessary to (a) offset any negative impact on the District as a result of its participation in this Agreement; and (b) secure for the District an amount of District Funding Revenue not less than that what the District would have received from State and local funds had the District not entered into this Agreement.

ARTICLE 4- PAYMENTS IN LIEU OF TAXATION

Section 4.1 SEPARATE AND INDEPENDENT INDEMNITY AMOUNTS

In addition to payment of the amounts set forth under Article 3 of this Agreement, and as consideration for the execution of this Agreement by the District, Applicant shall be responsible to the District for payments in lieu of taxation ("PILOT") and payments for Extraordinary Education-Related Expenses ("PEERE"), as set forth in this Article 4. Any and all obligations for any PILOT and PEERE payments shall be separate and independent of Applicant's obligations under Article 3 of this Agreement.

Section 4.2 CALCULATION OF PAYMENTS IN LIEU OF TAXATION

4.2.1 Subject to Section 5.1, for each of years one (1) through thirteen (13) of this Agreement, the District shall be entitled to receive the maximum amount of payments in lieu of taxation as allowed by law, which is currently One Hundred Dollars (\$100.00) per Student in Average Daily Attendance (ADA), as determined for that particular school year in accordance with Texas Tax Code § 313.027(i).

4.2.2 In the event Chapter 313 is modified or amended to allow the District to receive payments in lieu of taxation in excess of the foregoing ADA limitation, Applicant agrees to cooperate with District in amending this Agreement to allow District to receive the maximum amount of payments in lieu of taxation as allowed by law; provided however, the total payments in lieu of taxation for any given year of this Agreement shall not exceed the greater of forty percent (40%) of Applicant's Net Tax Savings under this Agreement in such year or \$100 per student in ADA, as determined for that school year. This Section shall only apply if Texas Tax Code § 313.027(i) is amended so that the District is permitted to receive payments in lieu of taxation greater than as described in Section 4.2.1 above; otherwise, Section 4.2.1 shall apply.

4.2.3 Payment of amounts due under this Section shall be made as set forth in Section 3.7 of this Agreement and is subject to the limitations contained in Section 5.1. Payments made under this Article 4 shall not exceed the Aggregate Limit.

Section 4.3 PAYMENT OF EXTRAORDINARY EDUCATION-RELATED EXPENSES

4.3.1 Applicant agrees and acknowledges that construction and installation of its Qualified Property may bring an extraordinary influx of workers into the District. Applicant further agrees and acknowledges that these workers may cause an undetermined increase in enrollment for the District, and that such increase may subject the District to Extraordinary Education-Related Expenses that are not directly funded in school financing funding formulas. Accordingly, Applicant agrees to reimburse the District for any documented Extraordinary Education-Related Expenses paid by the District arising from Applicant's Qualified Investment.

4.3.2 In the event that the District incurs reimbursable Extraordinary Education-Related Expenses, the District will notify Applicant and provide a detailed explanation for such expenses prior to reimbursement by Applicant.

4.3.3 Payments of amounts due under this Section shall be made as set forth in Section 3.7 of this Agreement.

ARTICLE 5- LIMITATION OF PAYMENTS BY APPLICANT

Section 5.1 LIMITATION AFTER FIRST THREE YEARS

5.1.1 For each of the years of this Agreement, other than years one (1) through three (3), and notwithstanding anything to the contrary in this Agreement, in no event shall the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District plus the sum of all payments otherwise due from the Applicant under Articles 3 and 4 with respect to such year exceed the amount of the maintenance and operations ad valorem taxes that the Applicant would have paid to the District for such year if the Parties had not entered into this Agreement.

5.1.2 A comparison of (a) the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District plus the sum of all payments otherwise due from the Applicant under Articles 3 and 4 with respect to such year; and (b) the taxes Applicant would have paid to the District if this Agreement had not been entered into shall be included in the

Consultant's calculations made pursuant to Section 3.4 of this Agreement. The Consultant shall include a credit for the amount of taxes actually paid by the Applicant on the Qualified Property when making this comparison.

5.1.3 During years four (4) through ten (10), should the sum of the Applicant's maintenance and operations ad valorem taxes plus the sum of all payments otherwise due from the Applicant under Article 3 and Article 4 exceed the maintenance and operations ad valorem taxes that the Applicant would have paid if the Parties had not entered into this Agreement, then the payments due from the Applicant to the District under Articles 3 and 4 shall be reduced until such excess is eliminated. In no event shall the payments to the District exceed the greater of: (a) forty percent (40%) of the Net Tax Savings, or (b) One Hundred Dollars (\$100.00) per Student in Average Daily Attendance (ADA), as determined for that particular school year.

Section 5.2 OPTION TO CANCEL AGREEMENT

5.2.1 For years four (4) through ten (10) of this Agreement, in the event that payments by Applicant to the District become limited as described in Section 5.1 above, the Applicant shall have the option to terminate this Agreement. Applicant may exercise such option by notifying the District of its election in writing not later than July 31 of any year next following the year in which the payments were limited. Upon receipt of such written notice, this Agreement shall terminate effective December 31 of the year in which the notice is received by the District.

5.2.2 For years three (3) through ten (10) of this Agreement, the Applicant shall have the option to terminate this Agreement in the event that the Appraised Value of the Qualified Property falls below the Tax Limitation Amount. The Applicant may exercise such option by notifying the District and the Appraisal District of its election in writing not later than October 31 of any year. The cancellation of this Agreement under this Subsection shall be effective immediately, and Applicant's ad valorem tax shall be assessed based on the actual Appraised Value of the Qualified Property.

5.2.3 The Applicant shall have the right to terminate this Agreement in the event of a change in the School Finance Law, administrative interpretations by the Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other statutory or regulatory change which materially reduces the Net Tax Savings to Applicant under this Agreement. Applicant may exercise such option by notifying the District and the Appraisal District of its election in writing. Upon receipt of such written notice, this Agreement shall terminate effective December 31 of the year in which the notice is received by the District.

5.2.4 The rights and obligations of the Parties under this Agreement through and including the year during which notice of termination of this Agreement is delivered shall survive such termination and remain until satisfied.

ARTICLE 6– TAX CREDITS

Section 6.1 TAX CREDIT DESCRIPTION AND ELIGIBILITY

6.1.1 Upon the Applicant’s compliance with all requirements of Chapter 313 of the Code and the Comptroller, and in addition to the limitation on the Appraised Value of the Qualified Property as described in Article 2 above, the Applicant shall be entitled to a Tax Credit from the District in an amount equal to the amount of ad valorem taxes paid to the District on that portion of the Appraised Value of the Qualified Property that exceeds the amount of the limitation agreed to by the Parties in each year of the Qualifying Time Period, subject to any limitation or reduction required by law.

6.1.2 The application for a Tax Credit as described in this Article 6 shall be made in accordance with §313.103 of the Code and is solely the Applicant's responsibility.

Section 6.2 DISTRICT OBLIGATIONS REGARDING TAX CREDITS

6.2.1 The District shall timely comply with and, to the extent possible, cause the timely compliance by the Appraisal District of all District obligations regarding Tax Credits under the Code and Comptroller Rules.

6.2.2 The Board of Trustees shall grant Applicant’s application for the tax credit as provided in §313.104 of the Code as well as Comptroller and/or TEA rules.

Section 6.3 TAX CREDIT PROTECTION REVENUE LOSS

If the District does not receive aid pursuant to §42.2515 of the Texas Education Code (or similar or successor statute) after Applicant receives a Tax Credit as described under this Article 6, and such failure is not the result of District’s failure to comply with the requirements of obtaining such aid, then the District shall so notify the Applicant in writing. The Applicant shall, within thirty (30) days after notice, pay to the District the amount of such aid the District did not receive. Conversely, the District shall refund to the Applicant the amount of state aid the District received that was solely attributable to any portion of such state aid paid by Applicant to the District.

ARTICLE 7- ADDITIONAL OBLIGATIONS OF APPLICANT

Section 7.1 INFORMATION REQUESTS

7.1.1 Upon written request, Applicant shall be obligated to provide the District and the Appraisal District with all information and data necessary to determine whether all obligations under this Agreement are being met. In the event that the District requests information which the Applicant regards as being technical or business information which is proprietary, a trade secret or confidential in nature or is subject to a confidentiality agreement with any third party, and subject to §313.028 of the Code, Applicant shall inform the District of its concerns and suitable arrangements shall be made for the District to have access to the information in a manner which does not compromise the confidentiality of the information to other third parties.

7.1.2 Applicant shall be obligated to provide the Comptroller, Appraisal District, or other governmental agency with all information required for such agency to complete any reports, appraisal or analysis pursuant to the Texas Tax Code, Comptroller or TEA rule, or other law or administrative regulation.

7.1.3 Applicant shall allow authorized employees of the District and Appraisal District access to all property that is subject to a limitation on the local ad valorem property values called for under this Agreement during the term of this Agreement for the purposes of appraisal or determination of compliance with this Agreement. All inspections or appraisals will be made at a mutually agreeable time after no less than forty-eight (48) hours prior written notice.

7.1.4 Applicant shall timely make any reports that may be required under law or administrative regulation, including but not limited to the annual report or certifications that may be required by the Comptroller under the provisions of the Comptroller's Rules or the Texas Tax Code, including §313.032 of the Code. Applicant shall forward a copy of all such required reports or certifications to the District at the time of such filing. Timely performance of all required filings shall be a material obligation under this Agreement.

Section 7.2 MAINTAINING VIABLE PRESENCE

By entering into this Agreement, Applicant represents, covenants, and warrants that it will abide by all of the terms of this Agreement and that it will Maintain a Viable Presence in the District as defined in this Agreement for a period of at least three (3) years after the termination of the limitation on the local ad valorem property values called for under this Agreement. Applicant shall not be in breach of this covenant to Maintain a Viable Presence to the extent such failure is caused by an event of Force Majeure, provided Applicant makes commercially reasonable efforts to Maintain a Viable Presence at the conclusion of any period of Force Majeure.

ARTICLE 8- BREACH

As stated in Section 2.3.4 above, the failure by Applicant to make a Qualified Investment of at least Ten Million Dollars (\$10,000,000.00) during the Qualifying Time Period shall result in this Agreement being null and void as of January 1, 2016. This Article 8 shall control in all other instances of Applicant's failure to perform according to the terms of this Agreement.

Section 8.1 DISTRICT'S DETERMINATION OF BREACH

8.1.1 In the event Applicant terminates this Agreement without the consent of the District, except as provided in Section 5.2, or should Applicant or Applicant's successor in interest fail to comply with any material term or meet any material obligation of this Agreement, after the notice and cure period provided herein, District shall be entitled to: (a) the recapture of all ad valorem tax revenue that would have been due from Applicant without the benefit of this Agreement; and (b) all penalty and interest as calculated under Section 8.4. For purposes of the recapture calculation, the Applicant shall be entitled to a credit for all payments made under Article 3 and Article 4.

8.1.2 Notwithstanding Section 8.1.1, in the event the District determines that the Applicant has failed to Maintain a Viable Presence and provides written notice of termination, Applicant shall pay to District liquidated damages equal to the total of the District ad valorem taxes that would have been due from Applicant without the benefit of this Agreement for all of the years for which a Tax Limitation was granted pursuant to this Agreement, plus penalty and interest. Applicant shall be entitled to a credit for all payments made to the District pursuant to Article 3 and Article 4.

8.1.3 Prior to making a determination that Applicant has committed a material breach of this Agreement, the District shall provide the Applicant with a written notice of the facts which the District believes constitute the material breach and, if a cure is feasible, the cure proposed by the District. After receipt of the notice, Applicant shall have sixty (60) days to present any facts or argument to the Board of Trustees showing that it is not in material breach of its obligations under this Agreement or that it has cured any such material breach.

8.1.4 Upon the expiration of Applicant's opportunity to respond, the Board of Trustees shall conduct a hearing as provided in District Policy GF (LOCAL) to determine whether or not a material breach of this Agreement has occurred and, if so, the date such material breach occurred. Applicant shall have the opportunity to be heard before the Board of Trustees at such hearing. In the event that the Board of Trustees determines that a material breach has occurred, it shall also determine the amounts of recaptured taxes, penalties and interest to be paid by Applicant to District under Section 8.2 below.

8.1.5 After a determination under Section 8.1.2, the Board of Trustees shall notify Applicant, in writing, of its determination and the amount of recaptured taxes, penalties and interest owed by Applicant, if any.

Section 8.2 REMEDIES AFTER BREACH

8.2.1 In the event of default or breach by Applicant, the District's damages shall not exceed the greater of (a) any amounts of recaptured taxes plus penalty and interest; or (b) the sum of the difference between the payments and credits due and owing to the Applicant at the time of default and the District taxes that would have been payable to the District had this Agreement not been executed.

8.2.2 The Parties understand and agree that the damages and remedies set forth in this Section 8.2 shall be the sole and exclusive remedies, both legal and equitable, available to the District.

8.2.3 In accordance with §313.0275 of the Code, for any full year beginning after the project is commercially operational, Applicant shall cure those material breaches defined in 8.3(d), 8.3(e), or 8.3(f), below, without the termination of this Agreement. In order to cure its noncompliance with 8.3(d), 8.3(e), or 8.3(f) for the particular year of noncompliance only, Applicant may pay liquidated damages as required by §313.0275(b) of the Code, in accordance with §313.0275(c).

Section 8.3 MATERIAL BREACH BY APPLICANT

Any one of the following acts or omissions shall constitute a material breach of this Agreement by Applicant:

- (a) Applicant is determined to have failed to meet its obligations to have made accurate representations of fact in submission of its Application, provided, however, subsequent changes of fact such as discussed in Section 9.10 shall not constitute a breach.
- (b) Applicant fails to Maintain a Viable Presence in the District, as required by this Agreement, through the final termination date of this Agreement.
- (c) Applicant fails to timely make any payment required under Articles 3 or 4 of this Agreement.
- (d) Applicant fails to create and maintain, at a minimum, the number of New Jobs it committed to create in its Application.
- (e) Applicant fails to create and maintain, at a minimum, the number of Qualifying Jobs it committed to create and maintain on Schedule C, Column E of its Application.
- (f) Applicant fails to create and maintain at least Eighty Percent (80%) of all New Jobs created on the project as Qualifying Jobs.
- (g) Applicant makes any payments to the District or to any other person or entity in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of or consideration for this Agreement for limitation on appraised value made pursuant to Chapter 313 of the Code, in excess of the amounts set forth in Articles 3 and 4 above. Voluntary donations made by Applicant to the District after the date of execution of this Agreement, and not mandated by this Agreement or not made in recognition of or consideration for this Agreement are not barred by this provision.
- (h) Applicant fails to comply in a material respect with any other term of this Agreement, or Applicant fails to meet its obligations under the applicable Comptroller's Rules or Chapter 313 of the Code.

Section 8.4 CALCULATION OF PENALTY AND INTEREST

In determining the amount of penalty and interest due in the event of a breach of this Agreement, the District shall determine the base amount of taxes owed less any Tax Credit under Article 6 of this Agreement for each year during the term of this Agreement since the Commencement Date. The District shall calculate penalty or interest for each year during the term of this Agreement since the Commencement Date in accordance with the methodology set forth in Chapter 33 of the Texas Tax Code, as if the base amount calculated for such years less

all credits under Article 6 had become due and payable on February 1 of the calendar year following such year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in the Code §33.01(a) or its successor statute provided however, that no penalties shall accrue until sixty (60) days after Applicant has received written notice from the District stating the amount due to the District. Interest on said amounts shall be calculated in accordance with the methodology set forth in the Code §33.01(c), or its successor statute.

Section 8.5 DISPUTE RESOLUTION

8.5.1 After the Applicant receives notice of breach from District as set out under Section 8.1.5, the Applicant shall have sixty (60) days to either (a) tender payment, (b) submit evidence of its efforts to cure, or (c) submit to the District written notice of dispute mediation. The mediation shall be conducted by a mutually agreeable mediator at a mutually convenient time and place. If no mediator is agreed upon by the Parties, a mediator shall be appointed by the judge of a state district court in the judicial district containing the administrative offices of the District. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the Texas Civil Practice and Remedies Code and such other rules as the mediator shall prescribe. The Parties shall each bear one-half of the mediation fees and expenses.

8.5.2 In the event that any mediation is not successful in resolving the dispute or that payment is not received before the expiration of such sixty (60) days, the District shall have the remedies for the collection of the amounts determined under Section 8.2 and as set forth in Chapter 33, Subchapters B and C of the Code. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees and a tax lien on the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to §§6.30 and 33.07 of the Code, or other applicable law.

8.5.3 In any event where a dispute between the Parties cannot be resolved, and after completing the mediation procedures required above, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in any judicial proceeding, assert any rights or defenses, or seek any remedy in law or in equity, except as may be limited by this Agreement, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any covenant, agreement or undertaking made by a Party pursuant to this Agreement.

ARTICLE 9- MISCELLANEOUS PROVISIONS

Section 9.1 NOTICES

All notices required to be sent under this Agreement shall be given in writing via certified mail, return receipt requested to the Parties hereto as follows:

To the District:

Name: Miami Independent School District
Attn: Donna Gill, Superintendent
(or the successor superintendent)
Address: 100 Warrior Lane
City/Zip: Miami, Texas 79059
Phone #: (806) 868-3971
Fax #: (806) 868-3171
Email: donna.gill@region16.net

With a copy to:

Underwood Law Firm, P.C.
Attn: Fred Stormer
P.O. Box 9158
Amarillo TX 79105-9158
Phone #: 806-379-1306
Fax #: 806-379-0316
fred.stormer@uwlaw.com

To the Applicant:

Address: Miami Wind I, LLC c/o Invenergy, LLC
Attn: Joe Condo, General Counsel
One South Wacker Drive, Suite 1900
City/Zip: Chicago, IL 60606
Phone #: (312) 582-1465
Fax #: _____
Email: jcondo@invenergylc.com

Section 9.2 AMENDMENT

This Agreement may not be modified, amended, or terminated except by written mutual agreement of the District and the Applicant. No amendment to this Agreement shall be effective until the same is approved, accepted, and signed by the Parties.

Section 9.3 ASSIGNMENT

The Applicant may assign this Agreement, or a part of this Agreement, to an Affiliate, or a new owner or lessee of all or a portion of the Applicant's Qualified Property and/or the Applicant's Qualified Investment or collaterally assign the Agreement to any party providing financing to the Applicant or its Affiliate provided that the Applicant shall provide written notice of such assignment to the District. Upon such assignment Applicant shall remain liable to the District for all outstanding taxes and other obligations accrued under this Agreement prior to the date of such assignment and the Applicant's assignor shall be liable to the District for all outstanding taxes and other obligations accruing after the date of the assignment.

Section 9.4 ENTIRE AGREEMENT

This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof and all prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 9.5 MAINTENANCE OF APPRAISAL DISTRICT RECORDS

When appraising an Applicant's Qualified Property subject to a limitation on Appraised Value under this Agreement, the chief appraiser(s) of the Appraisal District(s) shall determine the market value of the property and include both the market value and the appropriate value under this Agreement in its appraisal records.

Section 9.6 GOVERNING LAW AND VENUE

This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law rules that would direct the application of the laws of another jurisdiction. The exclusive venue for any action between the Parties shall be in state district court in the judicial district where the District's central administrative office is located.

Section 9.7 AUTHORITY TO EXECUTE AGREEMENT

By signing below, each of the Parties expressly warrants that he or she has been authorized to execute this Agreement for and on behalf of the respective Party.

Section 9.8 SEVERABILITY

Every provision of this Agreement is intended to be severable. If any term or provision of this Agreement is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement unless the invalidity of any provision(s) would have a material adverse effect on the purpose and intent of this Agreement. If the invalidity has a material adverse effect, the Parties shall make a good faith effort to renegotiate the terms of this Agreement consistent with the purpose and intent of the Parties prior to bringing any action.

Section 9.9 EXECUTION OF COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute one and the same instrument.

Section 9.10 ACCURACY OF REPRESENTATIONS IN APPLICATION

The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application and in Schedule 2.3, or which was provided to the District subsequent to the Application. Applicant warrants that all information, facts, and representations contained in the Application were true and correct in all material respects, to the best of Applicant's knowledge, except to the extent of changes to development plans made subsequent to filing of such Application to which District has agreed. The Parties agree that the Application and all related schedules and attachments are included by reference in this Agreement as if fully set forth herein. It is expressly understood and agreed that this Agreement shall be void and of no further effect if any material misrepresentations were made in

the Application; provided that changes to development plans made subsequent to filing of such Application to which District has agreed shall not be governed by this provision.

Section 9.11 BINDING ON SUCCESSORS

In the event the District should merge or consolidate with another school district or other governmental entity, this Agreement shall be binding on the successor school district or governmental entity, and the duties and obligations of Applicant shall inure to the benefit of such successor school district or governmental entity.

Section 9.12 PUBLICATION

The Parties hereby acknowledge that certain documentation relating to the Application, including this Agreement and all economic analyses submitted to the District, are to be published for public inspection. Only information that is confidential under §313.028 of the Code may be excepted from publication.

Section 9.13 MORTGAGEE PROTECTION

District agrees that Applicant may mortgage, pledge, or otherwise encumber its interest in this Agreement or Applicant's Qualified Property to any financing party of lender or to any trustee or beneficiary under a deed of trust or to any master or special servicer (a "Mortgagee") for the purpose of financing operations of Qualified Property or constructing the Qualified Property or acquiring additional equipment following any initial phase of construction. Mortgagee shall be entitled to cure or commence cure of any such defaults in the same manner as Applicant.

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IN WITNESS WHEREOF, this Agreement has been executed by the District and the Applicant in duplicate originals on this 27th day of November, 2013.

MIAMI WIND I, LLC
Texas Taxpayer ID No. 32045958413

By: _____ Date: _____

Printed Name: _____

MIAMI INDEPENDENT SCHOOL DISTRICT

By _____ Date: _____
Signature

Printed Name and Title

Attest:

By _____
Signature

Printed Name and Title

SCHEDULE 1.2

<u>Year of Agreement</u>	<u>Date of Appraisal</u>	<u>School Year</u>	<u>Tax Year</u>	<u>Summary Description</u>
0	January 1, 2013	2013-14	2013	No appraisal limitation.
1	January 1, 2014	2014-15	2014	No appraisal limitation.
2	January 1, 2015	2015-16	2015	No appraisal limitation.
3	January 1, 2016	2016-17	2016	\$10 million appraisal limitation.
4	January 1, 2017	2017-18	2017	\$10 million appraisal limitation. Possible tax credit for Applicant.
5	January 1, 2018	2018-19	2018	\$10 million appraisal limitation. Possible tax credit for Applicant.
6	January 1, 2019	2019-20	2019	\$10 million appraisal limitation. Possible tax credit for Applicant.
7	January 1, 2020	2020-21	2020	\$10 million appraisal limitation. Possible tax credit for Applicant.
8	January 1, 2021	2021-22	2021	\$10 million appraisal limitation. Possible tax credit for Applicant.
9	January 1, 2022	2022-23	2022	\$10 million appraisal limitation. Possible tax credit for Applicant.
10	January 1, 2023	2023-24	2023	\$10 million appraisal limitation. Possible tax credit for Applicant.
11	January 1, 2024	2024-25	2024	No appraisal limitation. Possible tax credit for Applicant. Applicant must Maintain a Viable Presence.
12	January 1, 2025	2025-26	2025	No appraisal limitation. Possible tax credit for Applicant. Applicant must Maintain a Viable Presence.
13	January 1, 2026	2026-27	2026	No appraisal limitation. Possible tax credit for Applicant. Applicant must Maintain a Viable Presence.

SCHEDULE 1.3

DEFINITIONS

Wherever used in this Agreement, the following terms shall have the following meanings, unless the context in which the term is used clearly indicates a different meaning:

“Affiliate” means any person or entity which, directly or indirectly, through one or more entities, controls or is controlled by or is under direct or indirect common control of any such person or entity. For purposes of this definition “control” when used with respect to any person or entity, means (i) the ownership directly or indirectly, of fifty percent (50%) or more of the voting securities of such person or entity or (ii) the right to direct the management or operations of such person or entity, directly or indirectly, whether through the ownership (directly or indirectly) of securities, by contract or otherwise.

"Aggregate Limit" means, for any year of this Agreement, the total of the Annual Limit amount for the current year and all previous years of the Agreement, less amounts paid by the Applicant to or on behalf of the District under Article 4.

“Agreement” means this Agreement.

“Annual Limit” means the maximum annual benefit that can be paid directly to the District under the provisions of Texas Tax Code §313.027(i). For purposes of this Agreement, the amount of the Annual Limit shall be calculated for each year by multiplying the District’s Average Daily Attendance for the applicable school year, as calculated pursuant to Texas Education Code §42.005, times the greater of \$100, or any larger amount allowed by Texas Tax Code §313.027(i), if such limit amount is increased for any future year of this Agreement. The Annual Limit shall first be computed for the first year of the Qualifying Time Period under this Agreement.

“Applicant” means the company listed in the Preamble of this Agreement, who filed its Application with the District for a Limitation on Qualified Property on the Completed Application Date, pursuant to Chapter 313 of the Code. The term shall also include the Applicant’s permitted successors in interest.

“Application” means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C, Property Tax Code) which filing with the District by Applicant was completed on the Completed Application Date (unless otherwise specified in the Recitals) by the tender of its Application fee. The term includes all Amendments and Supplements thereto submitted by Applicant and provided to the Comptroller.

“Appraisal District” means the Roberts and Gray Counties Appraisal Districts.

“Appraised Value” has the same meaning as in Section 1.04(8) of the Texas Tax Code.

“Completed Application Date” means the date as set forth in the Recitals.

“Comptroller” means the Texas Comptroller of Public Accounts.

“Comptroller’s Rules” means the applicable rules and regulations of the Comptroller set forth in title 34 of the Texas Administrative Code or Chapter 313 of the Texas Tax Code, together with any court or administrative decisions interpreting same.

”County” means the County identified in the Preamble of this Agreement, which shall be the counties in which the School District’s administrative offices are located.

“District” or ”School District” means the Miami Independent School District listed in the Preamble of this Agreement, being a duly incorporated and operating independent school district in the State of Texas, having the power to levy, assess, and collect ad valorem taxes within its boundaries.

“District Funding Revenue” means those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to TEC §45.002 and Article VII §3 of the Texas Constitution. The term also includes all State revenues to which the District is or may be entitled under Chapters 41 and 42 of the TEC or any other statutory provision as well as any amendment or successor statute to these provisions. The term shall exclude any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 41 of the TEC.

“Enterprise Zone” means the District’s enterprise zone, if any, created pursuant to Chapter 2303 of the Texas Government Code and as further described by the legal description attached hereto as Schedule 2.1.

“Extraordinary Education-Related Expenses” means those additional expenses that the District incurs related to the project that are not directly funded in state aid formulas including, but not limited to, expenses for portable classrooms and hiring additional personnel attributable to increased enrollment due to project personnel.

“Force Majeure” means a failure caused by a provision of law, rules, regulations, or orders of any governmental authority having jurisdiction over the Applicant or the Qualified Investment, or any arrest, restraint, or decree of any court, natural disaster, riot, war, labor dispute, act of God, act of terrorism, or any other cause which inhibits performance and over which Applicant has no reasonable control.

“Maintain a Viable Presence” means the operation over the life of this Agreement of the facility, facilities, or property for which the tax limitation agreement is granted and the retention over the entire term of this Agreement, as defined in Section 1.2 above, of not fewer than the number of Qualifying Jobs and New Jobs specified in the Application. Applicant shall be deemed to have maintained a viable presence following an event of Force Majeure that halts facility operations so long as Applicant commences repairs and/or reconstruction of the damaged within one hundred eighty (180) days after the event of Force Majeure. In the event of a closure due to environmental reasons, Applicant will be deemed to have maintained a viable presence so long as it commences remediation or otherwise acts in accordance with the order of the court or environmental agency.

“Maintenance and Operations Revenue” means those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to §45.002 of the Texas Education Code and Article VII § 3 of the Texas Constitution, plus all State revenues to which the District is or may be entitled under Chapter 42 of the Texas Education Code or any other statutory provision as well as any amendment or successor statute to these provisions.

“Net Tax Savings” means an amount equal to (but not less than zero): (i) the sum of (A) the amount of maintenance and operations ad valorem taxes which the Applicant would have paid to the District for all years during the term of this Agreement if this Agreement had not been entered into by the Parties; plus (B) any Tax Credits received by Applicant under this Agreement; minus, (ii) an amount equal to the sum of (A) all maintenance and operations ad valorem school taxes actually due to the District or any other governmental entity, including the State of Texas for all years during the term of this Agreement, plus (B) any and all payments due to the District under Article 3 of this Agreement. For clarification, Net Tax Savings in respect of a particular year pursuant to Section 4.2.2 shall mean an amount equal to (but not less than zero): (i) the sum of (A) the amount of maintenance and operations ad valorem taxes which the Applicant would have paid to the District for such year if this Agreement had not been entered into by the Parties; plus (B) any Tax Credits received by Applicant under this Agreement for such year; minus, (ii) an amount equal to the sum of (A) all maintenance and operations ad valorem school taxes actually due to the District or any other governmental entity, including the State of Texas for such year, plus (B) any and all payments due to the District under Article 3 of this Agreement for such year.

“New Jobs” means the jobs defined by 34 Tex. Admin. Code §9.1051 and which Applicant will create by and through the project which is the subject of its Application. Under Texas Tax Code §313.024(d), Eighty Percent (80%), of all New Jobs created by Applicant on the project shall also be Qualifying Jobs, as defined below.

“Qualified Investment” has the meaning as that term is defined in §313.021(1) of the Code.

“Qualified Property” has the meaning as that term is defined in §313.021(2) of the Code.

“Qualifying Job” means the number of New Jobs Applicant will create by and through the project that is the subject of this Application and which meet the requirements of Texas Tax Code §313.021(3).

“Qualifying Time Period” has the meaning as that term is defined in §313.021(4) of the Code.

“Reinvestment Zone” means the District’s Reinvestment Zone created pursuant to Code §312.0025 by action of the Board of Trustees and the County as further described by the description and/or depiction of said Reinvestment Zone attached hereto as Schedule 2.1, which is incorporated herein by reference for all purposes.

“School Finance Law” means Chapters 41 and 42 of the TEC, the Texas Economic Development Act (Chapter 313, Code), Chapter 403, Subchapter M, Texas Government Code

applicable to the District, and the Constitution and general laws of the State applicable to the independent school districts of the State, including specifically, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term also includes any amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of Applicant's ad valorem tax obligation to the District either with or without the limitation of property values made pursuant to this Agreement.

"State" means the State of Texas.

"Tax Credit" means the credit to be received by the Applicant as computed under the provisions of Subchapter D of the Texas Economic Development Act and 34 Tex. Admin. Code §9.1056, provided that the Applicant timely complies with the requirements under such provisions, including the filing of a completed application under §313.103 of the Code and 34 Tex. Admin. Code §9.1054.

"Tax Limitation Amount" means the amount of Ten Million Dollars (\$10,000,000.00), for the purposes of this Agreement and §313.027 of the Code.

"Taxable Value" has the same meaning as in Section 1.04(10) of the Texas Tax Code.

SCHEDULE 2.1

DESCRIPTION AND MAP OF REINVESTMENT ZONES and/or ENTERPRISE ZONE

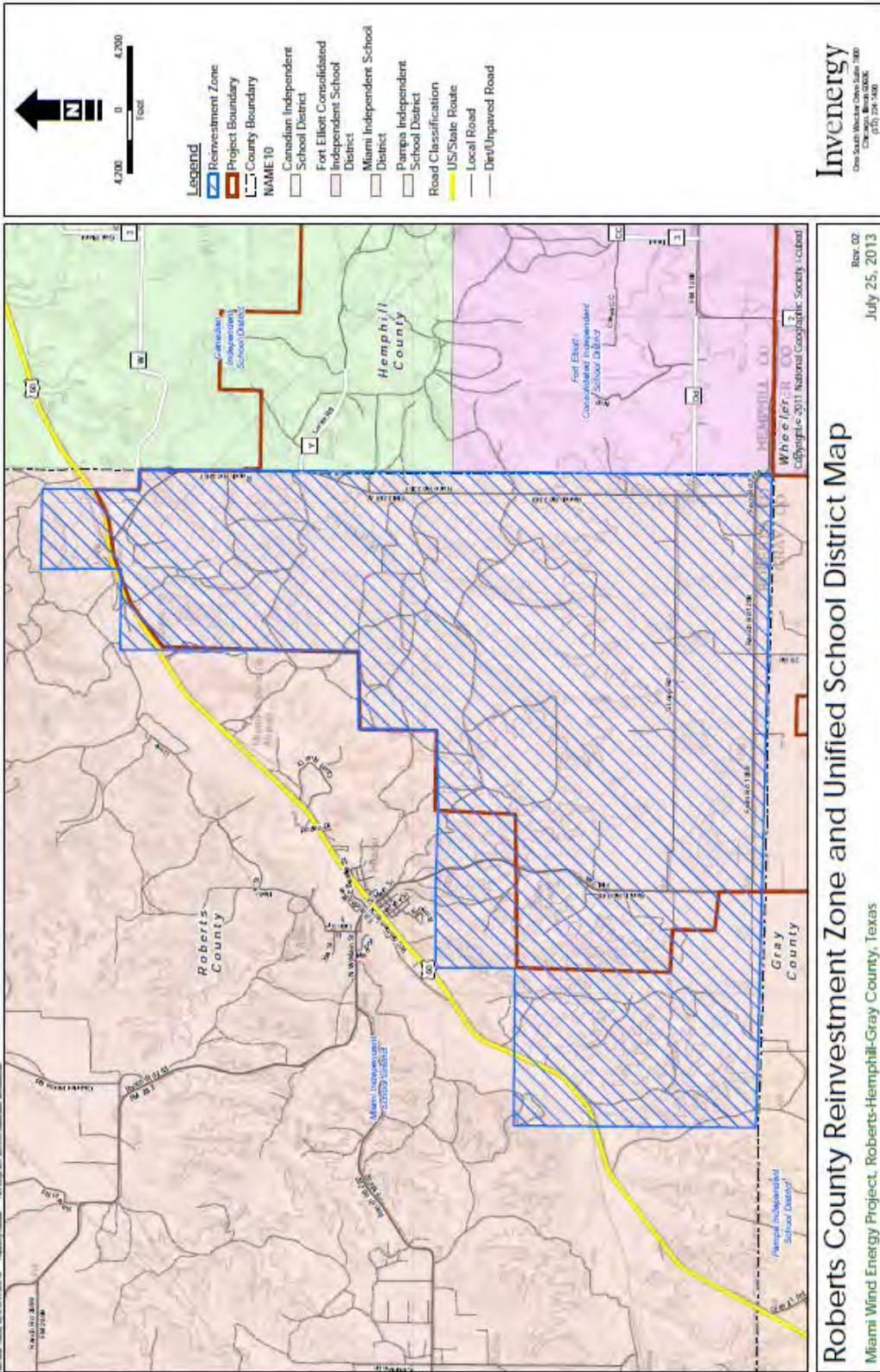
ROBERTS COUNTY

ROBERTS COUNTY REINVESTMENT ZONE
MIAMI WIND I PROJECT
APPROXIMATELY 27,820 ACRES, MORE OR LESS

LEGAL DESCRIPTION: BEING ALL OF AND ANY PORTIONS OF THE FOLLOWING SECTIONS OF LAND LYING IN AND BEING SITUATED OUT OF ROBERTS COUNTY, TEXAS AND CONTAINING APPROXIMATELY 27,820 ACRES OF LAND, MORE OR LESS; SAID SECTIONS OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

- Section 11, Block M2, Abstract 108, H & GN RR Survey
- Section 13, Block M2, Abstract 109, H & GN RR Survey
- Section 10, Block M2, Abstract 767, H & GN RR Survey
- Section 14, Block M2, Abstract 957, H & GN RR Survey
- Section 9, Block M2, Abstract 107, H & GN RR Survey
- Section 8, Block M2, Abstract 985, H & GN RR Survey
- Section 15, Block M2, Abstract 110, H & GN RR Survey
- Section 32, Block M2, Abstract 960, H & GN RR Survey
- Section 16, Block M2, Abstract 769, H & GN RR Survey
- Section 7, Block M2, Abstract 106, H & GN RR Survey
- Section 6, Block M2, Abstract 1021, H & GN RR Survey
- Section 17, Block M2, Abstract 111, H & GN RR Survey
- Section 31, Block M2, Abstract 114, H & GN RR Survey
- Section 42, Block M2, Abstract 961, H & GN RR Survey
- Section 61, Block M2, Abstract 96, H & GN RR Survey
- Section 72, Block M2, Abstract 952, H & GN RR Survey
- Section 105, Block M2, Abstract 41, H & GN RR Survey
- Section 92, Block M2, Abstract 951, H & GN RR Survey
- Section 73, Block M2, Abstract 102, H & GN RR Survey
- Section 60, Block M2, Abstract 1206, Abstract 825 & Abstract 1214, H & G N RR Survey
- Section 43, Block M2, Abstract 120, H & GN RR Survey
- Section 30, Block M2, Abstract 959, H & GN RR Survey
- Section 18, Block M2, Abstract 963, H & GN RR Survey
- Section 5, Block M2, Abstract 105, H & GN RR Survey
- Section 4, Block M2, Abstract 919, H & GN RR Survey
- Section 19, Block M2, Abstract 112, H & GN RR Survey
- Section 29, Block M2, Abstract 113, H & GN RR Survey

- Section 44, Block M2, Abstract 826 & Abstract 743, H & GN RR Survey
- Section 59, Block M2, Abstract 95, H & GN RR Survey
- Section 7 4, Block M2, Abstract 1211 & Abstract 786, H & G N RR Survey
- Section 91, Block M2, Abstract 34, H & GN RR Survey
- Section 106, Block M2, Abstract 895, H & GN RR Survey
- Section 107, Block M2, Abstract 42, H & GN RR Survey
- Section 90, Block M2, Abstract 785, H & GN RR Survey
- Section 75, Block M2, Abstract 103, H & GN RR Survey
- Section 58, Block M2, Abstract 776 & Abstract 743, H & GN RR Survey
- Section 45, Block M2, Abstract 121, H & GN RR Survey
- Section 28, Block M2, Abstract 824, H & GN RR Survey
- Section 20, Block M2, Abstract 823, H & GN RR Survey
- Section 3, Block M2, Abstract 104, H & GN RR Survey
- Section 2, Block M2, Abstract 1101, Abstract 1102 & Abstract 1103, H & GN RR Survey
- Section 21, Block M2, Abstract 1139, H & GN RR Survey
- Section 27, Block M2, Abstract 1140, H & GN RR Survey
- Section 46, Block M2, Abstract 1159, H & GN RR Survey
- Section 57, Block M2, Abstract 304, H & GN RR Survey
- Section 76, Block M2, Abstract 1058 & Abstract 954, H & GN RR Survey
- Section 89, Block M2, Abstract 1138, H & GN RR Survey
- Section 108, Block M2, Abstract 893, H & GN RR Survey
- Section 1, Block S, Abstract 1136, John Stump Survey
- Section 16, Block 44, Abstract 1004, HT Gill Survey
- Section 17, Block 44, Abstract 1031 & Abstract 1182, D. Kivlehen Survey



GRAY COUNTY

**MIAMI ISD
REINVESTMENT ZONE 2013-01**

ALL OF AND ANY PORTIONS OF THE FOLLOWING SECTIONS OF LAND LYING IN AND BEING SITUATED OUT OF GRAY COUNTY, AND SPECIFICALLY EXCLUDING THE AREA OF ANY MUNICIPALITY; SAID SECTIONS OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

<u>SURVEY</u>	<u>SURVEY NAME</u>	<u>BLOCK</u>	<u>SECTION</u>	<u>ABSTRACT</u>
BS&F		M2	55	1166
H&GN RR CO		M2	76	1384
H&GN RR CO	CUNNINGHAM, L	M2	76	1388
STUMP, J	HOCKETT, A	S	1	1295
H&GN RR CO	CHISUM, G L	M2	2	927
H&GN RR CO		M2	2	1237
H&GN RR CO	MC CLUNEY, W C W	M2	46	846
H&GN RR CO		M2	2	1268
H&GN RR CO		M2	89	311
H&GN RR CO		M2	21	313
H&GN RR CO		M2	27	160
I&GN RR CO		2	84	304
H&GN RR CO		M2	76	1036
H&GN RR CO		M2	76	1406
H&GN RR CO		M2	22	1397
H&GN RR CO	GRAY, N A	M2	56	951
H&GN RR CO	CHISUM, H P	M2	88	926
H&GN RR CO		M2	1	312

H&GN RR CO		M2	77	305
H&GN RR CO		M2	22	928
H&GN RR CO	STUMP, J N	M2	26	1095
H&GN RR CO		M2	47	161
STUMP, J	CARTER, S G & HARRIS, J	S	1	1304
STUMP, J	CHRISTOPHER, W D	S	1	1324
STUMP, J			1	1127
H&GN RR CO		M2	78	916
H&GN RR CO		M2	78	1350
H&GN RR CO		M2	78	1343
H&GN RR CO		M2	55	303
H&GN RR CO		M2	78	1344
H&GN RR CO		M2	87	310
CHISOM, H P				1143
H&GN RR CO	HOOFER, F W	M2	48	956
H&GN RR CO		M2	25	159
H&GN RR CO		A6	73	147
H&GN RR CO		A6	74	819
H&GN RR CO	FREEMAN, S F	M2	86	1337
H&GN RR CO		M2	24	1015
H&GN RR CO		M2	49	300
H&GN RR CO	JOHNS, G D	M2	54	1055

H&GN RR CO	JOHNS, P A	M2	54	1188
H&GN RR CO		M2	79	306
STEIN, S A				777
H&GN RR CO	GILLIS, W L	M2	86	950
H&GN RR CO		A6	71	146
H&GN RR CO		M2	80	1014
H&GN RR CO	STUMP, E R	M2	80	1012
H&GN RR CO		M2	85	309
H&GN RR CO		M2	53	302
H&GN RR CO		M2	50	964
H&GN RR CO		M2	50	915
H&GN RR CO		M2	23	158
STUMP, J			3	1159
SOWDER, J H			3	776
JOHNS, P A			8	1148
H&GN RR CO	STUMP, J N	M2	52	1013
H&GN RR CO		M2	81	307
H&GN RR CO	HENRY, J R	M2	84	821
WILLIAMS, B F				778
H&GN RR CO	STUMP, J N	A6	68	1018
H&GN RR CO		A6	67	144
H&GN RR CO	STUMP, S	M2	82	1011
H&GN RR CO		M2	51	301
H&GN RR CO	STUMP, S	M2	82	1096
H&GN RR CO		M2	83	308

TURNER, D	26	1334
HENRY, J R	6	1145
STUMP, J	4	1158

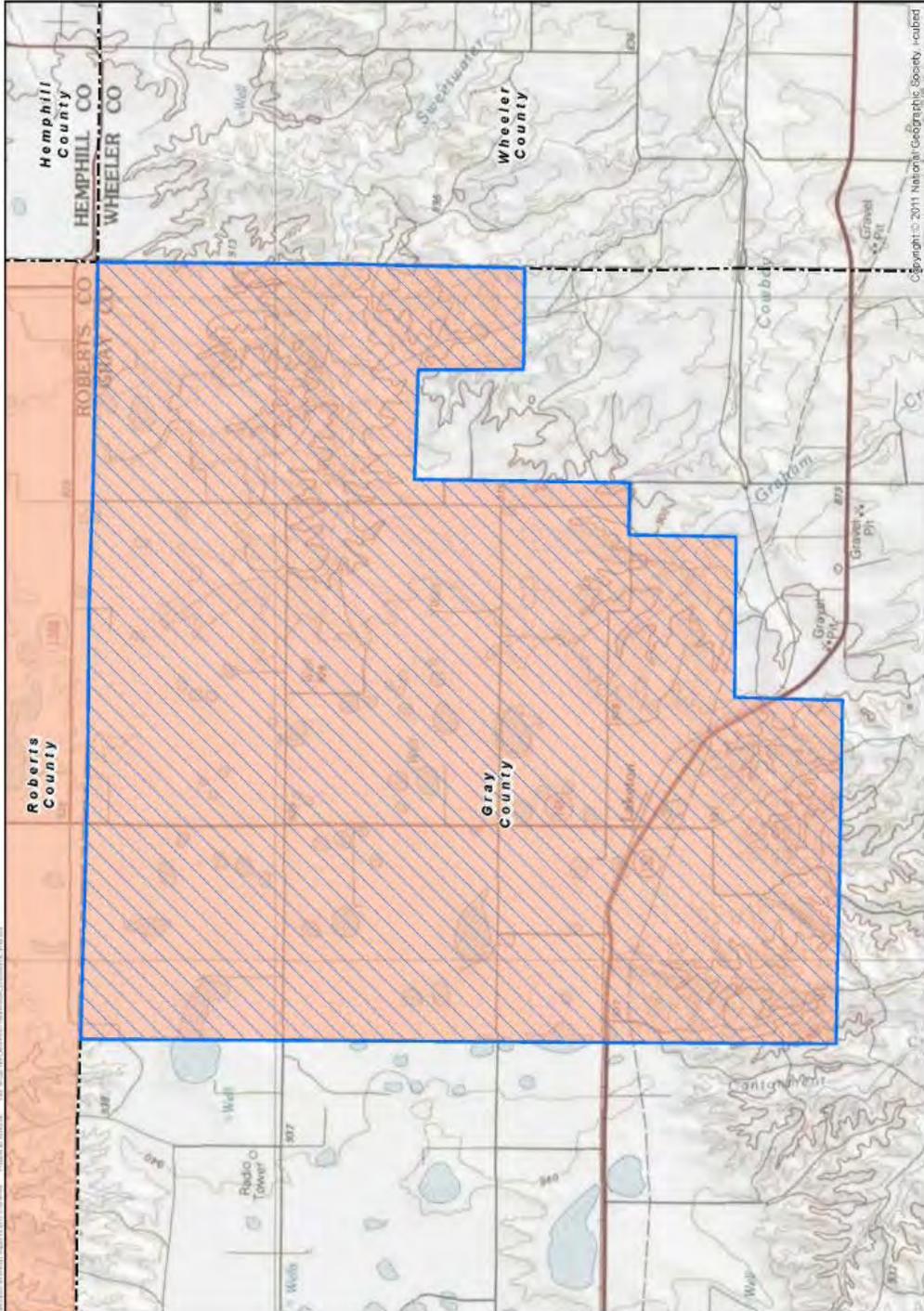
Draft

0 1,500 3,500
Feet

Legend

- Reinvestment Zone
- County Boundary
- Miami Independent School District

Invenergy
One South Wacker Drive, Suite 1000
Chicago, Illinois 60606
630.224.1400



Miami Independent School District Reinvestment Zone in Gray County
Gray County, Texas

REV.02
August 14, 2013

SCHEDULE 2.3

DESCRIPTION OF QUALIFIED INVESTMENT AND/OR QUALIFIED PROPERTY

The property for which the Applicant is requesting an appraised value limitation shall include, but is not limited to, the following:

Miami Wind I LLC anticipates constructing a wind-powered electric generating facility with an operating capacity of approximately 230-280 megawatts. The exact number of wind turbines and the size of each turbine will vary depending upon the wind turbines selected and the megawatt generating capacity of the project completed. Presently our plans are to install GE 1.7 megawatt turbines on property within the reinvestment zones in Roberts, Gray, and Hemphill Counties, Texas. Miami Wind I LLC estimates that 80 turbines are planned to be installed in Miami ISD in 2014 as well as 42 turbines in Ft. Elliott CISD, and 14 turbines in Canadian ISD. Miami Wind I may later decide to install up to 15 additional turbines in Miami ISD, 8 in Ft. Elliott, and 7 in Canadian ISD.

The additional improvements for the Miami Project will include but are not limited to, wind turbines, towers, foundations, roadways, buildings and offices, anemometer towers, computer equipment, furniture, company vehicles, electrical transmission cables and towers and electrical substations.

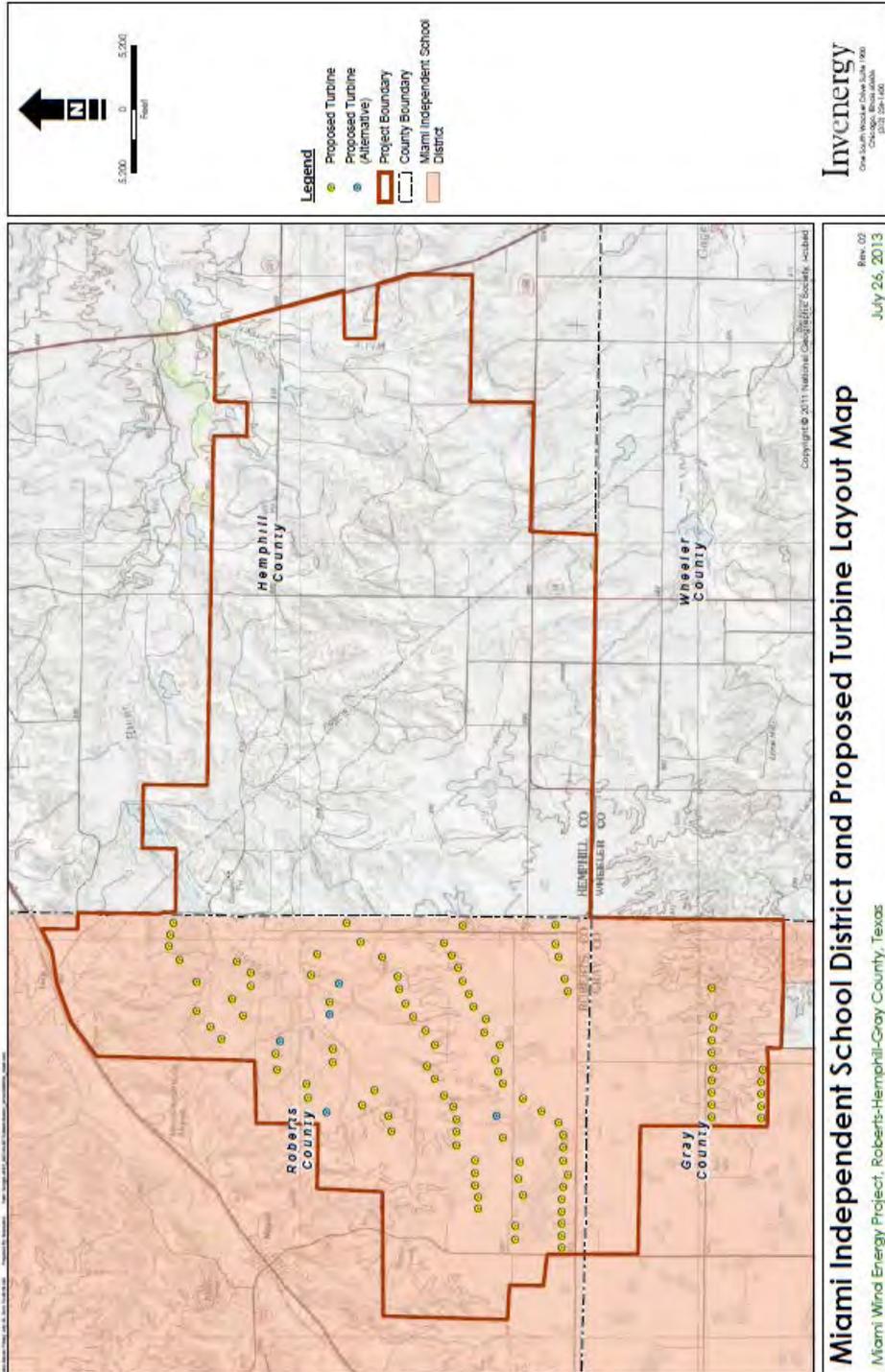
All of the improvements that make up the Qualified Investment and/or Qualified Property under this Agreement will be made within the project area, which is within the Reinvestment Zone as shown in Schedule 2.1.

None of the foregoing listed property is covered under an existing County Appraisal District account number.

All of the property for which the Applicant is seeking a limitation of appraised value will be owned by the Applicant or a valid assignee pursuant to this Agreement.

EXHIBIT A
to
SCHEDULE 2.3

MAP OF QUALIFIED PROPERTY/PROJECT AREA



SCHEDULE 3.2

CALCULATIONS FOR LOSS OF REVENUES BY DISTRICT

The District Funding Revenue amount owed by Applicant to District will equal:

- (a) Original District Funding Revenue minus New District Funding Revenue, where;
 - i. “Original District Funding Revenue” means the total State and local District Funding Revenue that the District would have received for the school year under the School Finance Law absent this Agreement, effective for said school year.
 - ii. “New District Funding Revenue” means the total State and local District Funding Revenue that the District actually received under the School Finance Law for said school year.
- (b) In making the calculations required by this Schedule 3.2:
 - i. The Taxable Value of property for each school year will be determined under the School Finance Law.
 - ii. All calculations using the Original District Funding Revenue and the New District Funding Revenue made for years three (3) through ten (10) of this Agreement shall be based upon the limitation of value on the Qualified Property using the Tax Limitation Amount so that Applicant is not responsible for protecting the District against any decrease in the amount of local ad valorem taxes collected.
 - iii. All calculations made under this Schedule shall be made by a methodology which isolates only the revenue impact caused by this Agreement. Applicant shall not be responsible to reimburse the District for other revenue losses created by other agreements or any other factors.
 - iv. The calculation made under this Schedule cannot result in a negative number. In the event that the calculation is a negative number, the loss to the District under this Schedule will be considered to be zero.

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

P.O. Box 13528 • AUSTIN, TX 78711-3528



November 19, 2013

Donna Gill
Superintendent
Miami Independent School District
100 Warrior Lane
Miami, Texas 79059

Re: Agreement for Limitation on Appraised Value of Property for School District
Maintenance and Operations Taxes by and between Miami Independent School District
and Miami Wind I, LLC

Dear Superintendent Gill:

This office has been provided with the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes by and between Miami Independent School District and Miami Wind I, LLC (the "Agreement"). As requested, the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1).

Based on our review, this office concludes that it complies with the provisions of Tax Code, Chapter 313 and 34 TAC Chapter 9, Subchapter F.

If you need additional information or have questions, please contact me at (512) 463-3973.

Sincerely,

A handwritten signature in black ink, appearing to read "R B Wood", is written over a horizontal line.

Robert B. Wood
Director
Economic Development & Analysis

cc: Audie Sciumbato, Underwood Law Firm, P.C.
Bryan Schueler, Invenergy, LLC
Evan Horn, Ryan, LLC

Invenergy

July 25, 2013

Re: Miami Wind Employment Estimate

To Whom it May Concern,

Invenergy has developed and placed into service 39 wind projects across the United States and in Canada and Europe, totaling over 3,400 MW. As one of the largest owner/operators of wind farms in the United States, Invenergy has significant experience staffing wind projects. Several factors determine the ultimate ratio of technicians to turbines; among these factors are site layout and turbine technology.

In Invenergy's experience, a ratio of 1 technician for every 10 – 15 turbines is typical for projects that are staffed by full-time employees. Invenergy's latest project under development, the Goldthwaite project will be one of the first Invenergy sites to deploy the GE 1.7 MW turbines. The GE 1.7 machine is the latest evolution of the GE 1.x fleet, of which Invenergy operates over 1,500 units.

We anticipate the technician to turbine ratio to be similar to that for the GE 1.5 MW turbines. As a result, we anticipate requiring approximately 1 technician per 12 GE 1.7 MW machines.

For independent estimates of full-time employment at wind farms in Texas, please see the National Renewable Energy Laboratory's report *Economic Development Impact of 1,000 MW of Wind Energy in Texas* (<http://www.nrel.gov/docs/fy11osti/50400.pdf>). Section 3.2.2 states that 60 full-time jobs are created for 1,000 MW of wind capacity. Assuming a 1.5 MW unit, that is approximately 1 job per 11 wind turbines.

If you have any questions, please do not hesitate to contact me at (312) 582-1421.

Sincerely,



Bryan Schueler
Senior Vice President
Invenergy LLC

cc: Evan Horn