



August 30, 2019

via CMRRR 9414 7266 9904 2130 8504 20

& email: *Annette.Holmes@cpa.texas.gov*

Ms. Annette Holmes
Senior Research Analyst
Economic Development & Local Government
Data Analysis and Transparency Division
Texas Comptroller of Public Accounts
111 E. 17th Street, Room 311
Austin, TX 78774

Re: Bay City Independent School District ("District") / Tax Limitation Agreement:
Peyton Creek Wind Farm, LLC ("Applicant") (Application #1307)

Dear Ms. Holmes:

On August 7, 2019, the Bay City ISD Board of Trustees voted to designate the Peyton Creek Wind Farm, LLC Reinvestment Zone and approve the Findings and Agreement related to Application #1307. Enclosed with this letter you will find the following documents:

- (1) Findings by the BCISD Board Regarding Application #1307 (adopted 08/07/19);
- (2) Executed Agreement for Limitation on Appraised Value for Application #1307 (approved/executed by BCISD Board of Trustees 08/07/19; executed by Applicant 08/08/19); and
- (3) an electronic copy of the all of the above-referenced documents on CD.

Please let me know if you have any questions or require additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Oscar G. Treviño'.

Oscar G. Treviño

Enclosures

cc: *via email: mscott@baycityisd.org*
Dr. Marshall Scott, Superintendent
Bay City Independent School District

via email: rcjohnson@baycityisd.org
Richard Johnson, Chief Financial Officer
Bay City Independent School District

Ms. Annette Holmes, Senior Research Analyst
August 30, 2019
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Application #1307

cc: *via email: paul.bowman@eon.com*
Paul Bowman, Executive Vice President
Authorized Agent for Applicant
E.ON Climate & Renewables North America, LLC

via email: richard.saunders@eon.com
Richard Saunders, SW Development
E.ON Climate & Renewables North America, LLC

via CMRRR 9414 7266 9904 2130 9504 06
Vince Maloney, Chief Appraiser
Matagorda County Tax Appraisal District
2225 Avenue G
Bay City, Texas 77414-5018

ON THE APPLICATION
FOR APPRAISED VALUE LIMITATION ON QUALIFIED PROPERTY
FINDINGS UNDER THE TEXAS ECONOMIC DEVELOPMENT ACT
TEXAS TAX CODE, CHAPTER 313 *et seq.*

PEYTON CREEK WIND FARM, LLC
Comptroller Application # 1307

BOARD OF TRUSTEES
BAY CITY INDEPENDENT SCHOOL DISTRICT

SPECIAL MEETING
August 7, 2019

County of Matagorda §
State of Texas §

FINDINGS UNDER THE TEXAS ECONOMIC DEVELOPMENT ACT

PREAMBLE

WHEREAS, at a duly called Special Meeting on the 7th day of August, 2019, the Board of Trustees of the Bay City Independent School District (“Board”) considered the Application for a Limitation on Appraised Value on Qualified Property from Peyton Creek Wind Farm, LLC (“Application” and “Applicant,” respectively) pursuant to Texas Economic Development Act, Chapter 313 of the Texas Tax Code and 34 Texas Administrative Code Part 1, Chapter 9, Subchapter F;

WHEREAS, the Board acknowledges the following facts:

1. On October 15, 2018, the Bay City Independent School District (“District”) received an application for appraised value limitation on qualified property (“Application”) on the form prescribed by the Comptroller from Applicant pursuant to Chapter 313 of the Texas Tax Code - **Exhibit A**;
2. On October 15, 2018, the Board acknowledged receipt of the Application and application fee and acted to consider the Application pursuant to Texas Tax Code Section 313.025(a)(1) – **Exhibit B**;
3. On October 22, 2018, the District submitted the Application to the Texas Comptroller of Public Accounts (“Comptroller”) for review pursuant to Texas Tax Code Section 313.025(b) – **Exhibit C**;
4. In response to requests from the Comptroller, the Applicant and District submitted four supplements to the Application pursuant to Texas Tax Code Section 313.025 – **Exhibit D**;
5. On November 28, 2018, the Comptroller issued a “completeness” letter acknowledging that the Applicant had submitted a complete application for a limitation on appraised value under the provisions of Tax Code Chapter 313 – **Exhibit E**;

6. On February 16, 2019, the District received an independent financial impact report from its financial advisor showing the estimated economic impact of the proposed tax value limitation – **Exhibit F**;
7. On February 7, 2019, the Comptroller issued a Certification for Limitation on Appraised Value letter including an economic impact evaluation pursuant to Texas Tax Code Section 313.025(b) – **Exhibit G**;
8. The District and Applicant negotiated the specific language of the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes (“Agreement”), including appropriate revenue protections pursuant to Chapter 313 of the Texas Tax Code;
9. The Agreement was reviewed and revised by the parties as requested by the Comptroller and subsequently approved via correspondence from the Comptroller dated July 29, 2019 – **Exhibit H**;
10. The Applicant is a corporation in good standing with the State of Texas as noted in its Franchise Tax Account Status – **Exhibit I**.

FINDINGS

WHEREAS, after hearing from interested parties and considering the criteria listed in Section 313.025, Texas Tax Code, and 34, Texas Administrative Code §9.1054, the Board makes the following findings:

1. The Comptroller recommends approval of the Application;
2. There is a strong and positive relationship between the Applicant’s industry and the types of qualifying jobs to be created by the Applicant and the long-term economic growth plans of the State;
3. Applicant has represented in the Application that it could locate or relocate the Project to another state or another region of this state;
4. The Project will result in revenue gains by the District and that the economic effects on the local and regional tax base are that the tax base will increase as a result of the Project and additional employment;
5. There exists a small but undetermined possibility that the Project could have an impact on enrollment from families that might temporarily relocate during the construction phase, but that any impact during the operation phase can be absorbed by current facilities;

6. The projected market value of the qualified property of the Applicant as determined by the Comptroller is One Hundred and Forty-Five Million, Three Hundred and Fifty Thousand Dollars (\$145,350,000.00);
7. The proposed limitation on appraised value for the qualified property of the Applicant is Thirty Million Dollars (\$30,000,000);
8. The total projected dollar amount of District maintenance and operation taxes that would be imposed on the qualified property, for all years covered by the Agreement, if the property does not receive a limitation on appraised value is Nineteen Million, Eight Hundred and Eleven Thousand, Six Hundred and Thirteen Dollars (\$19,811,613.00) as shown on **Exhibit G**, Attachment A, Table 3;
9. 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 is Nine Million, Five Hundred Seventy-Eight Thousand, Nine Hundred and Twenty Dollars (\$9,578,920.00) as shown on **Exhibit G**, Attachment A, Table 4;
10. 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 if the property receives a tax limitation from the projected taxes if the property does not receive a tax limitation is Ten Million, Two Hundred and Thirty-Two Thousand, Six Hundred and Ninety-Two Dollars (\$10,232,692.00) as shown on **Exhibit G**, Attachment A, Table 4;
11. The Applicant is eligible for the limitation on the appraised value of the Applicant's qualified property;
12. Applicant's qualified property is eligible for a limitation on appraised value under Texas Tax Code § 313.024 as a renewable energy electric generation project;
13. The Project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period;
14. The limitation of appraised value is a determining factor in the Applicant's decision to invest capital and construct the Project in this state;

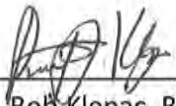
15. Applicant will create five (5) new qualifying jobs, and Applicant has confirmed that such jobs will meet all of the requirements of Texas Tax Code § 313.021(3);
16. The Project will be located within an area designated as a reinvestment zone by Matagorda County on October 8, 2018 pursuant to Texas Tax Code Chapter 312;
17. The information in the Application submitted by Applicant is true and correct;
18. The proposed Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes ("Agreement"), meets all of the requirements set out in Texas Tax Code § 313.027, including adequate and appropriate revenue protection provisions for the District;
19. The proposed Agreement is in the form of the template Texas Economic Development Act Agreement adopted by the Comptroller as of January 24, 2016, and the Comptroller has verified that the agreement complies with the provisions of Chapter 313 of the Texas Tax Code and 34 Texas Administrative Code Chapter 9, Subchapter F;
20. Considering the purpose and effect of the law and the terms of the Agreement, granting the Application and entering the Agreement are in the best interest of the District and the State;
21. The Applicant, Peyton Creek Wind Farm, LLC (Tex. Taxpayer ID # 32061984046) is an entity subject to Chapter 171, Texas Tax Code and is certified to be in good standing with the Texas Comptroller of Public Accounts. A copy of the Comptroller's Franchise Tax Account Status is attached as **Exhibit I**;
22. There are no conflicts of interest on the Board of Trustees at the time of its consideration of the Agreement; and
23. The posting of notice and conduct of the meeting at which these Findings under the Texas Economic Development Act complies with the Texas Open Meeting Act, Section 552.001 *et seq.*

IT IS THEREFORE DETERMINED THAT:

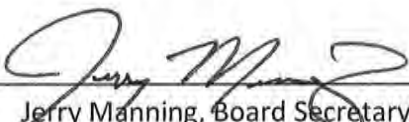
1. The Findings and the recitals in the Preamble are adopted and approved by the Board of Trustees;

2. The Application of Peyton Creek Wind Farm, LLC (No. 1307) for a limitation on the appraised value for school district maintenance and operations ad valorem tax purposes of qualified property is approved;
3. The Board President is authorized and designated to sign the Agreement on behalf of the District and take any other action necessary to implement the Board's decision; and
4. These Findings and Exhibits shall be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the District.

Dated the 7th day of August, 2019.



By: Bob Klepac, Board President
Bay City Independent School District



By: Jerry Manning, Board Secretary
Bay City Independent School District

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND
OPERATIONS TAXES by and between BAY CITY INDEPENDENT SCHOOL DISTRICT and PEYTON CREEK WIND FARM,
LLC

EXHIBIT A

Original Application Form for Appraised Value Limitation on Qualified Property

Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the 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 hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, 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 website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value 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 not later than the 150th 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 issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

Date Application Received by District

Dr. Marshall

First Name

Scott III

Last Name

Superintendent

Title

Bay City Independent School District

School District Name

520 7th Street

Street Address

520 7th Street

Mailing Address

Bay City

City

979-401-1000

Phone Number

TX

State

77414

ZIP

Fax Number

mscott@bcblackcats.net

Email Address

Mobile Number (optional)

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

☒ Yes

☐ No

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Oscar

First Name

Attorney at Law

Title

Walsh Gallegos Trevino Russo & Kyle P.C.

Firm Name

512-454-6864

Phone Number

512 423-1878

Mobile Number (optional)

Trevino

Last Name

512-467-9318

Fax Number

otrevino@wabsa.com

Email Address

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

5. Has the district determined that the electronic copy and hard copy are identical?



Yes



No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Paul

First Name

Executive Vice President

Title

701 Brazos Street, Suite 1400

Street Address

Bowman

Last Name

EC&R Development, LLC

Organization

Mailing Address

Austin

City

512-423-1878

Phone Number

512 423-1878

Mobile Number (optional)

TX

State

512-494-9581

Fax Number

paul.bowman@eon.com

Business Email Address

78701

ZIP

2. Will a company official other than the authorized company representative be responsible for responding to future information requests?

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



Yes



No

Richard

First Name

Sr. Development Manager

Title

701 Brazos Street, Suite 1400

Street Address

Saunders

Last Name

EC&R Development, LLC

Organization

Mailing Address

Austin

City

512-461-9747

Phone Number

512-461-9747

Mobile Number (optional)

TX

State

512-494-9581

Fax Number

richard.saunders@eon.com

Business Email Address

78701

ZIP

3. Does the applicant authorize the consultant to provide and obtain information related to this application?



Yes



No

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☒ Yes ☐ No
- The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

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

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

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Peyton Creek Wind Farm, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32061984046
3. List the NAICS code 221115
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☒ Yes ☐ No
- 4a. If yes, please list application number, name of school district and year of agreement
Application submitted to Van Vleck ISD on 8/21/17

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Company
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☒ Yes ☐ No
- 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☒ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☒ Yes ☐ No ☐ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:
- ☒ Land has no existing improvements ☐ Land has existing improvements (complete Section 13)
- ☐ Expansion of existing operation on the land (complete Section 13) ☐ Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

1. Application approval by school board October 15 2018
2. Commencement of construction April 1, 2019
3. Beginning of qualifying time period April 1, 2019
4. First year of limitation January 1, 2020
5. Begin hiring new employees September 1, 2019
6. Commencement of commercial operations December 31, 2019
7. 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.
8. When do you anticipate the new buildings or improvements will be placed in service? December 31, 2019

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Matagorda County (100%)
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Matagorda CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☒ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 County: Matagorda County (100%)(0.41998) City: N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: Matagorda Co H D (100%)(0.3127) Water District: Coastal Plains GW District (100%)(0.00499)
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): Drainage District #1 (100%)(0.06554) Other (describe): Port of Bay City (100%)(0.04856)
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? ☐ Yes ☒ No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ☐ Yes ☒ No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00
Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ☒ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ☒ Yes ☐ No

For more information, visit our website: comptroller.texas.gov/economy/local/ch313/

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? ☐ Yes ☒ No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? ☐ Yes ☒ No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone?

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

1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
 2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
 3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.
 4. Total estimated market value of existing property (that property described in response to question 1): \$ 0.00
 5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
 6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 0.00
- Note:** Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

SECTION 14: Wage and Employment Information

1. What is the 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
2. What is the last complete calendar quarter before application review start date:
☒ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2018
 (year)
3. 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 Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 5
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☒ Yes ☐ No
- 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information 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(21) and (22).
- a. Average weekly wage for all jobs (all industries) in the county is 1,049.00
- b. 110% of the average weekly wage for manufacturing jobs in the county is 1,845.25
- c. 110% of the average weekly wage for manufacturing jobs in the region is 1,273.50
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☒ §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 66,222.20
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 66,222.20
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☒ No
- 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☒ No
- 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**. **NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

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

**print
here** ➡

Print Name (Authorized School District Representative)

Title

**sign
here** ➡

Signature (Authorized School District Representative)

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

**print
here** ➡

Paul Bowman

Print Name (Authorized Company Representative (Applicant))

Executive Vice President

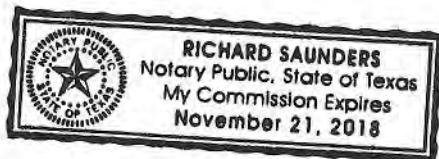
Title

**sign
here** ➡

Signature (Authorized Company Representative (Applicant))

10/15/18

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

15th day of October, 2015

Notary Public in and for the State of Texas

My Commission expires: November 21, 2018

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	Maps that clearly show: a) Project vicinity b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size Note: Electronic maps should be high resolution files. Include map legends/markers.
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	Description of Reinvestment or Enterprise Zone, including: a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* * To be submitted with application or before date of final application approval by school board
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES by and between BAY CITY INDEPENDENT SCHOOL DISTRICT and PEYTON CREEK WIND FARM, LLC

EXHIBIT B

Minutes of the Bay City ISD Board of Trustees dated December 17, 2018

Minutes of Regular Meeting

The Board of Trustees Bay City ISD

A Regular meeting of the Board of Trustees of Bay City ISD was held October 15, 2018, beginning at 7:00 PM in the Multi-Purpose Room of the District's Administration Building, 520 Seventh Street, Bay City, Texas. The following members were present: President Bob Klepac; Trustees Kimball, Allison and Nelson. Trustees Manning and Cole were absent. Others present included the Superintendent, Dr. Marshall Scott; Chief Academic Officer, Mrs. Lisa Moya; Chief Human Resource Officer, Mrs. Lisa Volkmer; Chief Financial Officer, Mr. Richard C. Johnson; Chief of Communications, Mrs. Allison Sliva; Chief Technology Officer, Mr. Josh Solis; Chief of Police, Mr. Leroy Cunningham; Director of Athletics, Mr. Pat Matthews; Director of Maintenance, Mr. Ron Carroll; Director of Transportation, Mr. Steven Stai; BCHS Principal, Mrs. Estela Reyes; BCJH Principal, Ms. Dollie Coleman; Cherry Elementary Principal, Mrs. Merideth Dodd; Roberts Elementary Principal, Ms. Rosemarie Cumings; Holmes Elementary Principal, Mrs. Kimberly Hickl; Teachers, Community Members; Jessica Shepard with the *Bay City Sentinel*; and Terri McCulloch, Recording Secretary.

President Klepac called the meeting to order at 7:00 p.m. and asked Chief Cunningham to open the meeting with a prayer.

Following the prayer, Trustee Kimball led the audience in reciting the Pledge of Allegiance.

AUDIENCE WITH PATRONS

There were none to report.

MONTHLY BOND PROJECT UPDATE

Francis Zordilla, Claycomb Associates, Architects, updated the board on the construction projects in the district. Bay City Jr. High is 45% complete and still on time despite the rain. Installation of exterior windows has begun along with HVAC ductwork and electrical wiring in all areas. They will continue mechanical, electrical and plumbing rough-ins and begin formation of sidewalks.

Tenie Holmes 17% complete and on time for completion. Pier installation has been finalized. Area foundations have been formed and poured. Steel is up in Area A and parts of B & C. Steel will continue to be erected and roof deck in all areas will continue to progress.

A copy of the project updates can be found attached to the minutes included in the agenda materials.

ITEM A – CLOSED SESSION: CONSULTATION WITH LEGAL COUNSEL REGARDING TWO SEPARATE APPLICATIONS FOR APPRAISED VALUE LIMITATION ON QUALIFIED PROPERTY SUBMITTED BY PEYTON CREEK WIND FARM, LLC AND AIRE LIQUIDE LARGE INDUSTRIES U.S. AND PROPOSED AMENDMENT TO APPRAISED VALUE LIMITATION AGREEMENT WITH OXEA CORPORATION PURSUANT TO TEX. GOV'T CODE SECTIONS 551.071 AND 551.087

The Trustees entered into closed session at 7:09 p.m. pursuant to the Texas Government Code Sections 551.071 and 551.087

The Board returned to open session at 8:11 p.m.

ITEM B – OPEN SESSION: DISCUSSION AND POSSIBLE ACTION ON INITIAL REVIEW REGARDING TWO SEPARATE APPLICATIONS FOR APPRAISED VALUE LIMITATION ON QUALIFIED PROPERTY AND AUTHORIZING SUPERINTENDENT TO ENGAGE CONSULTANTS FOR REVIEW OF APPLICATION AND TAKE ALL OTHER NECESSARY ACTION ON SUBMISSIONS BY PEYTON CREEK WIND FARM, LLC AND AIR LIQUIDE LARGE INDUSTRIES U.S.

Following discussion, Trustee Kimball, seconded by Trustee Allison, made a motion to approve the initial review of two separate Applications for Appraised Value Limitation on Qualified Property and authorize the Superintendent to engage Moak Casey as financial consultant and Walsh Gallegos as legal counsel and to take all other necessary action on submissions by Peyton Creek Wind Farm, LLC and Air Liquide Large Industries U.S. The motion carried by a vote of 4-0.

ITEM C – OPEN SESSION: DISCUSSION AND POSSIBLE ACTION ON PROPOSED AMENDMENT TO APPRAISED VALUE LIMITATION AGREEMENT WITH OXEA CORPORATION

Following discussion, Trustee Kimball, seconded by Trustee Nelson, made a motion to authorize the Superintendent and legal counsel to proceed as discussed in closed session. The motion carried by a vote of 4-0.

ITEM D – DISCUSSION AND POSSIBLE APPROVAL OF THE CONSTRUCTION DOCUMENTS FOR THE BAY CITY HIGH SCHOOL MEMORIAL STADIUM PROJECT AS PREPARED BY CLAYCOMB ASSOCIATES, ARCHITECTS

Construction documents were presented for approval by Francis Zordilla, Claycomb Associates and Weaver & Jacobs Constructors Representatives Dallas Hagen and Randy Boone.

Following discussion, Trustee Allison, seconded by Trustee Nelson, made a motion to approve the construction documents as presented. The motion carried by a vote of 4-0.

ITEM E – DISCUSSION AND POSSIBLE APPROVAL FOR WEAVER & JACOBS TO SOLICIT BIDS BASED ON THE CONSTRUCTION DOCUMENTS FOR THE BAY CITY HIGH SCHOOL MEMORIAL STADIUM PROJECT AS PREPARED BY CLAYCOMB ASSOCIATES, ARCHITECTS

Following discussion, Trustee Allison, seconded by Trustee Nelson, made a motion to approve Weaver & Jacobs to solicit bids for the Bay City High School Memorial Stadium Project as prepared by Claycomb Associates, Architects. The motion carried by a vote of 4-0.

ITEM F – REPORT ON FOOD SERVICE STUDENT SURVEY

Richard Johnson presented the results from the student survey on food in the cafeterias. A copy of the survey results can be found attached to the minutes included in the agenda materials.

ITEM G – MONTHLY SAFETY REPORT

Chief of Police, Leroy Cunningham, Jr., updated the board on safety and security. He stated Curtis Clay, School Safety Specialists, is finishing campus safety audits and will update the board at the November board meeting. He will also present his analysis on metal detectors for the district.

ITEM H – APPROVAL OF CONSENT AGENDA

1. Approval of Minutes of Previous Meetings

a. Regular Board Meeting – September 17, 2018

A copy of the approved minutes can be found at
www.bcblackcats.net/schoolboard.

2. Approval of September 2018 Financial Report

A copy of the September 2018 Financial Report can be found attached to the minutes included in the agenda materials.

3. Second Reading Approval of Board Policy CCG (LOCAL): LOCAL REVENUE SOURCES, AD VALOREM TAXES

A copy of the approved policy can be found attached to the minutes included in the agenda materials.

4. Approval of Maximum Class Size Exception

Trustee Kimball, seconded by Trustee Nelson, made a motion to approve the consent agenda as presented. The motion carried by a vote of 4-0.

ITEM I – EMPLOYMENT OF PERSONNEL

It was the administrations recommendation that the following personnel be employed for the 2018-2019 school year:

- AMY GRIFFIN ----- 2nd Grade Teacher
Cherry Elementary School
Effective October 8, 2018
- CHRISTOPHER MIRE ----- Special Education Teacher
Bay City High School
Effective October 15, 2018

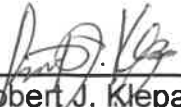
Trustee Kimball, seconded by Trustee Allison, made a motion to approve the employment of personnel as presented. The motion carried by a vote of 4-0.

SUPERINTENDENT'S REPORT

- A. Dr. Scott gave a kudos to the football team.
- B. Dr. Scott stated that resignations were on Boardbook for trustee review.
- C. Meeting dates were discussed and finalized for the November (Nov. 13), December (no meeting) and January (Jan. 14) regular board meetings.
- D. Superintendent Scott stated Monthly Statements from Claycomb Associates, Architects is attached to Boardbook for Trustee review.

ADJOURNMENT

There being no further business, Trustee Kimball, seconded by Trustee Allison, made a motion to adjourn. The motion carried by a vote of 4-0. President Klepac adjourned the meeting at 8:57 p.m.



Robert J. Klepac, President



Crystal Allison, Secretary

PROJECT UPDATE

Issue No. 10
October 2018

Bay City Junior High School



Aerial - Area E/F 10.11.2018



Aerial from West 10.11.2018



Aerial from North 10.11.2018



Aerial - Media Center Exterior 10.11.2018



Area C Exterior 10.11.2018



Front Entry 10.01.2018

Progress to Date

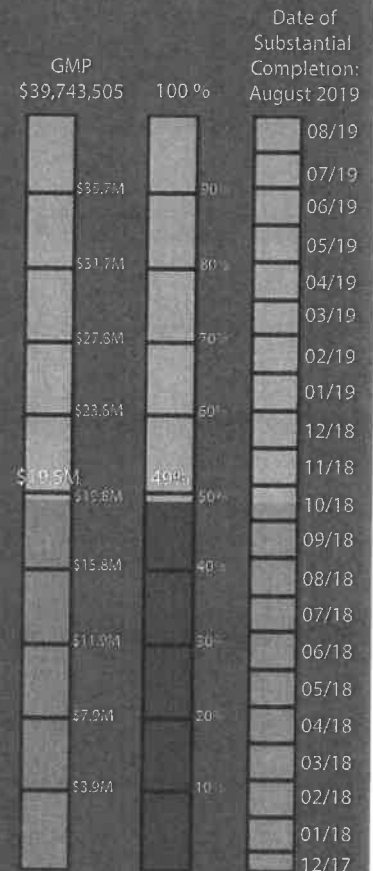
- Continued installation of water proofing.
- Continued installation of exterior masonry veneer.
- Continued metal stud framing, exterior sheathing, and interior partition framing and sheetrock installation.
- Installation of steel deck and roof continued - Area F and Gym.
- Installation of HVAC ductwork at all Areas continued.
- Mechanical, electrical and plumbing rough-ins and topout continued at all Areas.
- Site work: framing and rebar for exterior sidewalks started.
- Started installation of aluminum window frames and glazing.

Looking Ahead

- Steel detailing for Area G is ongoing.
- Continue Mechanical, Electrical, and Plumbing rough ins
- Continue interior framing.
- Continue exterior masonry veneer installation.
- Continue aluminum frames and glazing installation.

2016 Bond Project

- GMP Money Authorized to Date
- Completion of Project
- Schedule for Project



BAY CITY I.S.D.



CLAYCOMB
ASSOCIATES, ARCHITECTS

PROJECT UPDATE

Issue No. 10
October 2018

Bay City Junior High School



Area E/F Stair - View to North _ 10.01.2018



Area E/F Stair - View to the South Entrance _ 10.01.2018



Dining Cafeteria _ 10.01.2018



Media Center Interior _ 10.01.2018



Corridor - MEP (Mechanical/HVAC, Electrical, Plumbing) _ 10.01.2018



Science Classroom _ 10.01.2018

BAY CITY I.S.D.



PROJECT UPDATE

Issue No. 05
October 2018

Tenie Holmes Elementary School



Steel & Masonry _ 10.01.2018



Site Aerial - Steel Erection _ 10.11.2018



Site Aerial - Steel Erection _ 10.11.2018



Steel Erection _ 10.01.2018



Steel Erection & Masonry _ 10.01.2018



Steel Erection _ 10.01.2018

Progress to Date

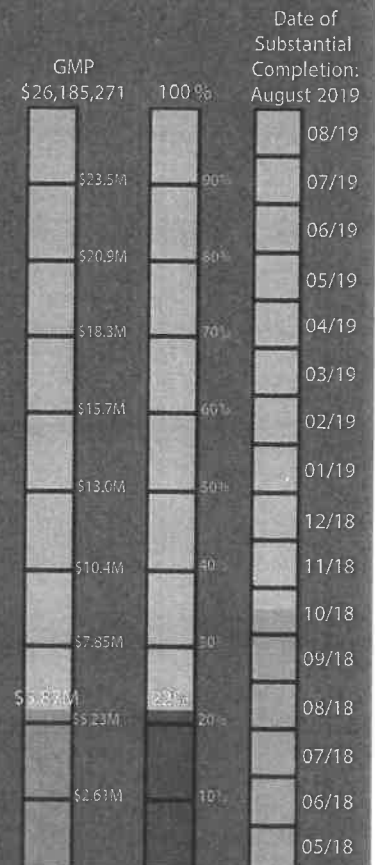
- Area A: metal decking installation.
- Area A: CMU block walls construction.
- Area C: steel erection and metal decking.
- Area B: excavation and foundation framing.
- Area B: steel erection and metal decking.
- Area B: CMU block walls construction.
- MEP: plumbing top-out and electrical rough-in in Area A and in Area B Auditorium/Dining.

Looking Ahead

- Continue steel erection and metal decking at areas A, B, & C.
- Continue formwork and preparation for concrete pour at Area D.
- Continue CMU block wall construction in Areas A & C.
- Begin metal stud framing in Area A.
- Continue MEP plumbing top-out and electrical rough-in.
- Area A door delivery expected mid-October.

2016 Bond Project

- GMP Money Authorized to Date
- Completion of Project
- Schedule for Project



BAY CITY I.S.D.



School Cafeteria Food Student Survey Results Overview

1. How often do you eat the school meals?

	Response Total	Response Percent
Always	102	27%
Sometimes	218	58%
Never	59	16%
Total Respondents	379	

2. If you never or rarely eat the school food, why don't you eat the food? You may check as many answers as apply to you.

	Response Total	Response Percent
Lines are too long	186	57%
Food does not taste good	227	70%
Friends do not eat there	32	10%
Total Respondents	326	
(skipped this question)	53	

3. If you almost always eat the school food, why do you eat the food? Select as many answers as apply to you.

	Response Total	Response Percent
The food tastes good.	90	29%
I like the menu choices.	92	30%
My friends eat the food in the cafeteria.	74	24%
The food is free.	215	70%
Total Respondents	309	
(skipped this question)	70	

4. What type of LUNCHES do you prefer? Select as many as apply to you.

	Response Total	Response Percent
Hot dinner type	218	58%
Fast food type	267	70%
Box or Bagged lunch	66	17%
Soup and sandwiches	116	31%
Salad bar	102	27%
Total Respondents	379	

5. What type of BREAKFAST do you prefer? Select all that apply to you.

	Total	Percent
Hot cereal	51	13%
Cold cereal	212	56%
Breakfast sandwich	181	48%
Yogurt parfait	143	38%
Smoothies	222	59%
Total Respondents	379	

6. How do you like the LUNCH foods currently served?

	Response Total	Response Percent
Like it all the time	24	6%
Like it most of the time	90	24%
Like it sometimes	189	50%
Do not like it at all	74	20%
Total Respondents	377	
(skipped this question)	2	

7. How do you like the BREAKFAST currently served?

	Response Total	Response Percent
Like it all the time	38	10%
Like it most of the time	70	19%
Like it sometimes	162	44%
Do not like it at all	99	27%
Total Respondents	369	

Financial Statement

September 2018

Bay City Independent School District

ESTIMATED/ACTUAL REVENUE COMPARISON

Comparison of Revenue to Budget
As of October

	Estimated Revenue	Current Realized Revenue	Realized Revenue To Date	Revenue Balance	Percent Realized
General Operating Funds					
161 / 9 - HIGH SCHOOL ALLOTMENT 5000	252,501.00	.00	-2,879.82	249,621.18	1.14%
171 / 9 - GIFTED & TALENTED - PACE 5000	61,907.00	.00	-1,288.18	60,618.82	2.08%
181 / 9 - ATHLETIC FUND 5000	107,815.00	-6,696.00	-47,138.94	60,676.06	43.72%
191 / 9 - PUBLIC RELATIONS 5000	5,223.00	.00	-1,392.14	3,830.86	26.65%
197 / 9 - SCE 5000	3,481,278.00	.00	-27,774.30	3,453,503.70	.80%
198 / 9 - BILINGUAL EDUCATION 5000	244,366.00	.00	-3,250.96	241,115.04	1.33%
199 / 9 - LOCAL MAINTENANCE FUND 5000	28,714,448.00	-14,397.30	-3,640,971.41	25,073,476.59	12.68%
Totals 5000 REVENUE CONTROL ACCOUNTS	32,867,538.00	-21,093.30	-3,724,695.75	29,142,842.25	11.33%
Totals 7000	.00	.00	.00	.00	.00%
Totals General Operating Funds	32,867,538.00	-21,093.30	-3,724,695.75	29,142,842.25	11.33%
Special Revenue Funds					
211 / 8 - ESEA TITLE 1 PART A 5000	1,227,446.00	.00	-1,235,518.90	-8,072.90	100.66%
211 / 9 - ESEA TITLE 1 PART A 5000	1,243,104.00	.00	.00	1,243,104.00	.00%
216 / 8 - TITLE I - FOCUS 5000	50,000.00	.00	-37,593.00	12,407.00	75.19%
224 / 8 - 224 - IDEA PART B, FORMULA 5000	75,669.00	.00	-75,669.00	.00	100.00%
240 / 9 - FOOD SERVICE 5000	2,500,000.00	-2,602.60	-174,198.28	2,325,801.72	6.97%
242 / 9 - SUMMER FOOD SERVICE PROGRAM 5000	.00	.00	-9,986.53	-9,986.53	.00%
244 / 8 - CARL PERKINS GRANT 5000	49,218.00	.00	-47,858.76	1,359.24	97.24%
244 / 9 - CARL PERKINS GRANT 5000	53,326.00	.00	.00	53,326.00	.00%
255 / 8 - ESEA TITLE VI 5000	151,285.00	.00	-151,756.20	-471.20	100.31%
255 / 9 - ESEA TITLE VI 5000	146,993.00	.00	.00	146,993.00	.00%
263 / 8 - TITLE III LEP GRANT 5000	54,563.00	.00	-45,975.17	8,587.83	84.26%
263 / 9 - TITLE III LEP GRANT 5000	47,929.00	.00	.00	47,929.00	.00%
270 / 8 - TITLE VI RURAL LOW INCOME 5000	62,459.00	.00	-52,872.55	9,586.45	84.65%
287 / 9 - Restart Hurricane Recovery 5000	.00	.00	-85,288.13	-85,288.13	.00%
288 / 8 - TITLE IV, PART A, SUBPART 1 5000	26,459.00	.00	-25,819.84	639.16	97.58%
288 / 9 - TITLE IV, PART A, SUBPART 1 5000	85,330.00	.00	.00	85,330.00	.00%
289 / 8 - SUMMER SCHOOL - LEP 5000	.00	.00	-2,374.00	-2,374.00	.00%
313 / 8 - IDEA-B FORMULA 5000	1,461,996.00	.00	-1,208,656.38	253,339.62	82.67%
314 / 8 - IDEA-B PRESCHOOL 5000	35,967.00	.00	-29,617.58	6,349.42	82.35%
392 / 9 - NON-ED COMM.-BASED SUPP 5000	.00	.00	-500.00	-500.00	.00%
410 / 9 - 410 - STATETEXTBOOK FUND 5000	.00	.00	-65,062.54	-65,062.54	.00%
427 / 9 - LITERACY ACH.ACADEMY 5000	.00	.00	-700.00	-700.00	.00%

Comparison of Revenue to Budget
As of October

	Estimated Revenue	Current Realized Revenue	Realized Revenue To Date	Revenue Balance	Percent Realized
Special Revenue Funds					
437 / 9 - COOPERATIVES FUND 5000	1,681,382.00	-96,951.00	-163,215.20	1,518,166.80	9.71%
Totals 5000 REVENUE CONTROL ACCOUNTS	8,953,126.00	-99,553.60	-3,412,662.06	5,540,463.94	38.12%
Totals 7000	.00	.00	.00	.00	.00%
Totals Special Revenue Funds	8,953,126.00	-99,553.60	-3,412,662.06	5,540,463.94	38.12%
Interest & Sinking Funds					
599 / 9 - INTEREST & BONDED DEBT FUNDS 5000	4,483,258.00	-2,341.84	-37,779.68	4,445,478.32	.84%
599 / 9 - INTEREST & BONDED DEBT FUNDS 7000	.00	.00	-19,116.17	-19,116.17	.00%
Totals 5000	4,483,258.00	-2,341.84	-37,779.68	4,445,478.32	.84%
Totals 7000 OTHER RESOURCES/NON-OPERATING	.00	.00	-19,116.17	-19,116.17	.00%
Totals Interest & Sinking Funds	4,483,258.00	-2,341.84	-56,895.85	4,426,362.15	1.27%
Construction Funds					
670 / 9 - CAPITAL PROJECTS FUND 5000	.00	.00	-295,698.62	-295,698.62	.00%
670 / 9 - CAPITAL PROJECTS FUND 7000	.00	.00	-21,121,549.01	-21,121,549.01	.00%
Totals 5000	.00	.00	-295,698.62	-295,698.62	.00%
Totals 7000 OTHER RESOURCES/NON-OPERATING	.00	.00	-21,121,549.01	-21,121,549.01	.00%
Totals Construction Funds	.00	.00	-21,417,247.63	-21,417,247.63	.00%
Total Revenues 5000	46,303,922.00	-122,988.74	-7,470,836.11	38,833,085.89	16.13%
Total Revenues 7000	.00	.00	-21,140,665.18	-21,140,665.18	.00%
Total Revenues	46,303,922.00	-122,988.74	-28,611,501.29	17,692,420.71	61.79%

BUDGET/EXPENDITURE COMPARISON

Comparison of Expenditures and Encumbrances to Budget
As of October

	Appropriation	Encumbrance	Current Expenditure	Expenditure	Balance	Percent Expended
General Operating Funds						
161 / 9 - HIGH SCHOOL ALLOTMENT 6000	-246,727.00	75.01	.00	62,071.75	-184,580.24	25.16%
171 / 9 - GIFTED & TALENTED - PACE 6000	-93,366.00	.00	.00	9,676.62	-83,689.38	10.36%
181 / 9 - ATHLETIC FUND 6000	-618,217.00	38,327.03	12,938.20	187,346.14	-392,543.83	30.30%
185 / 9 - COCURRICULAR/EXTRACURRICULAR 6000	-157,620.00	9,175.31	19,967.89	45,808.37	-102,636.32	29.06%
191 / 9 - PUBLIC RELATIONS 6000	-166,580.00	1,100.00	10,134.67	42,123.89	-123,356.11	25.29%
197 / 9 - SCE 6000	-1,673,684.00	.00	.00	288,701.68	-1,384,982.32	17.25%
198 / 9 - BILINGUAL EDUCATION 6000	-246,833.00	587.81	.00	24,925.04	-221,320.15	10.10%
199 / 9 - LOCAL MAINTENANCE FUND 6000	-30,989,089.00	170,475.05	109,800.02	6,085,587.79	-24,733,026.16	19.64%
Totals 6000 EXP/EXP CONTROL ACCOUNTS	-34,192,116.00	219,740.21	152,840.78	6,746,241.28	-27,226,134.51	19.73%
Totals 8000	.00	.00	.00	.00	.00	.00%
Totals General Operating Funds	-34,192,116.00	219,740.21	152,840.78	6,746,241.28	-27,226,134.51	19.73%
Special Revenue Funds						
211 / 8 - ESEA TITLE 1 PART A 6000	-1,430,187.00	.00	.00	1,266,918.85	-163,268.15	88.58%
211 / 9 - ESEA TITLE 1 PART A 6000	-1,243,104.00	29,645.69	16,078.00	267,933.46	-945,524.85	21.55%
216 / 8 - TITLE I - FOCUS 6000	-50,000.00	.00	.00	42,325.00	-7,675.00	84.65%
224 / 8 - 224 - IDEA PART B, FORMULA 6000	-184,369.12	.00	.00	75,668.98	-108,700.14	41.04%
224 / 9 - 224 - IDEA PART B, FORMULA 6000	-145,072.00	.00	.00	10,437.83	-134,634.17	7.19%
240 / 9 - FOOD SERVICE 6000	-2,496,761.00	527.18	70,773.24	425,041.87	-2,071,191.95	17.02%
242 / 9 - SUMMER FOOD SERVICE PROGRAM 6000	.00	.00	.00	9,809.50	9,809.50	.00%
244 / 8 - CARL PERKINS GRANT 6000	-49,218.00	.00	.00	53,562.48	4,344.48	108.83%
244 / 9 - CARL PERKINS GRANT 6000	-53,326.00	800.00	11,385.00	11,385.00	-41,141.00	21.35%
255 / 8 - ESEA TITLE VI 6000	-183,386.00	.00	.00	167,875.23	-15,510.77	91.54%
255 / 9 - ESEA TITLE VI 6000	-146,993.00	605.00	42.83	18,208.17	-128,179.83	12.39%
263 / 8 - TITLE III LEP GRANT 6000	-102,192.00	.00	.00	50,418.92	-51,773.08	49.34%
263 / 9 - TITLE III LEP GRANT 6000	-47,929.00	.00	352.18	11,655.23	-36,273.77	24.32%
270 / 8 - TITLE VI RURAL LOW INCOME 6000	-97,922.00	.00	.00	54,372.55	-43,549.45	55.53%
270 / 9 - TITLE VI RURAL LOW INCOME 6000	.00	.00	.00	32,560.64	32,560.64	.00%
287 / 9 - Restart Hurricane Recovery 6000	-173,014.00	.00	.00	85,288.13	-87,725.87	49.30%
288 / 8 - TITLE IV, PART A, SUBPART 1 6000	-27,286.00	.00	.00	25,819.84	-1,466.16	94.63%
288 / 9 - TITLE IV, PART A, SUBPART 1 6000	-111,753.00	4,709.00	.00	25,329.84	-81,714.16	22.67%
313 / 8 - IDEA-B FORMULA 6000	-1,903,330.00	7,134.79	2,363.67	1,519,475.71	-376,719.50	79.83%

Bay City ISD

Comparison of Expenditures and Encumbrances to Budget
As of October

	Appropriation	Encumbrance	Current Expenditure	Expenditure	Balance	Percent Expended
Special Revenue Funds						
313 / 9 - IDEA-B FORMULA 6000	-939,180.00	.00	703.20	184,455.15	-754,724.85	19.64%
314 / 8 - IDEA-B PRESCHOOL 6000	-37,080.00	.00	.00	33,591.58	-3,488.42	90.59%
314 / 9 - IDEA-B PRESCHOOL 6000	-20,842.00	.00	.00	2,240.45	-18,601.55	10.75%
397 / 9 - AP/IB INCENTIVE PROGRAM 6000	.00	.00	.00	1,110.00	1,110.00	.00%
410 / 9 - 410 - STATETEXTBOOK FUND 6000	-65,167.24	.00	125.21	63,228.99	-1,938.25	97.03%
427 / 9 - LITERACY ACH.ACADEMY 6000	.00	.00	.00	700.00	700.00	.00%
437 / 9 - COOPERATIVES FUND 6000	-1,615,848.00	2,906.88	13,941.31	231,853.01	-1,381,088.11	14.35%
Totals 6000 EXP/EXP CONTROL ACCOUNTS	-11,123,959.36	46,328.54	115,764.64	4,671,266.41	-6,406,364.41	41.99%
Totals 8000	.00	.00	.00	.00	.00	.00%
Totals Special Revenue Funds	-11,123,959.36	46,328.54	115,764.64	4,671,266.41	-6,406,364.41	41.99%
Interest & Sinking Funds						
599 / 9 - INTEREST & BONDED DEBT FUNDS 6000	-5,559,000.00	.00	.00	1,572,277.99	-3,986,722.01	28.28%
Totals 6000 EXP/EXP CONTROL ACCOUNTS	-5,559,000.00	.00	.00	1,572,277.99	-3,986,722.01	28.28%
Totals 8000	.00	.00	.00	.00	.00	.00%
Totals Interest & Sinking Funds	-5,559,000.00	.00	.00	1,572,277.99	-3,986,722.01	28.28%
Construction Funds						
670 / 9 - CAPITAL PROJECTS FUND 6000	.00	.00	.00	9,574,044.91	9,574,044.91	.00%
Totals 6000 EXP/EXP CONTROL ACCOUNTS	.00	.00	.00	9,574,044.91	9,574,044.91	.00%
Totals 8000	.00	.00	.00	.00	.00	.00%
Totals Construction Funds	.00	.00	.00	9,574,044.91	9,574,044.91	.00%
Total Expenditures 6000	-50,875,075.36	266,068.75	268,605.42	22,563,830.59	-28,045,176.02	44.35%
Total Expenditures 8000	.00	.00	.00	.00	.00	.00%
Total Expenditures	-50,875,075.36	266,068.75	268,605.42	22,563,830.59	-28,045,176.02	44.35%

INVESTMENT REPORT

CASH BALANCE REPORT FOR SEPTEMBER, 2018

	PROSPERITY BANK		FIRST PUBLIC
	<u>MONEY MARKET</u>	<u>OPERATING</u>	<u>VARIOUS FUNDS</u>
Beginning Cash Balance	\$ 6,220,427.13	\$ 1,389,020.77	\$ 56,749,830.24
Ending Cash Balance	\$ 7,507,080.46	\$ 525,988.48	\$ 72,986,240.30
Interest Earned	\$ 4,131.67	\$ 260.92	\$ 93,328.15
Beginning Cash Total	\$ 7,609,447.90		
Ending Cash Total	\$ 8,033,068.94		
Interest Total	\$ 4,392.59		

FUND BALANCE REPORT

FUND BALANCE

	Current 9/30/2018	Budgeted 9/30/2018	Estimated 9/30/2018
PROJECTED UNAUDITED FUND BALANCE 07-01-18	\$8,750,000.00	\$8,750,000.00	\$8,750,000.00
REVENUE	\$3,724,695.75	\$32,867,538.00	\$32,867,538.00
EXPENDITURES	(\$6,746,241.28)	(\$34,192,116.00)	(\$34,192,116.00)
FUND BALANCE	\$5,728,454.47	\$7,425,422.00	\$7,425,422.00

TAX REPORT

Tax Collections Activity Report - Current/Delinquent

CRISTYN E. HALLMARK, PCC

Page 1 of 2

Entity: 20 (BAY CITY ISD)
Year: ALL
Date Range: 09/01/2018 to 09/30/2018
Batch(es): ALL

Report Criteria

10/2/2018 11:08:35AM

Entity BAY CITY ISD

Current Year	M&O	I&S	Delinquent Years	M&O	I&S	All Years	M&O	I&S
Taxes	10,983.17	2,773.03	Taxes	4,485.37	725.24	Taxes	15,468.54	3,498.27
Discounts	0.00	0.00	Discounts	0.00	0.00	Discounts	0.00	0.00
Penalty	952.71	240.58	Penalty	531.43	85.91	Penalty	1,484.14	326.49
Interest	637.64	160.99	Interest	1,290.90	206.58	Interest	1,928.54	367.57
Total Collected	12,573.52	3,174.60	Total Collected	6,307.70	1,017.73	Total Collected	18,881.22	4,192.33
Total Refunded:	15,748.12		Total Refunded:	7,325.43		Total Refunded:	23,073.55	
Refunds Paid			Refunds Paid			Refunds Paid		
Taxes	860.49	217.26	Taxes	0.00	0.00	Taxes	860.49	217.26
Penalty	0.00	0.00	Penalty	0.00	0.00	Penalty	0.00	0.00
Interest	0.00	0.00	Interest	0.00	0.00	Interest	0.00	0.00
Total Refunded:	860.49	217.26	Total Refunded:	0.00	0.00	Total Refunded:	860.49	217.26
Total Refunded:	1,077.75		Total Refunded:	0.00		Total Refunded:	1,077.75	
Taxes	10,122.68	2,555.77	Taxes	4,485.37	725.24	Taxes	14,608.05	3,281.01
Penalty	952.71	240.58	Penalty	531.43	85.91	Penalty	1,484.14	326.49
Interest	637.64	160.99	Interest	1,290.90	206.58	Interest	1,928.54	367.57
Total Disbursed:	11,713.03	2,957.34	Total Disbursed:	6,307.70	1,017.73	Total Disbursed:	18,020.73	3,975.07
Total Disbursed:	14,670.37		Total Disbursed:	7,325.43		Total Disbursed:	21,995.80	
Total Collected	15,748.12		Total Collected	7,325.43		Total Collected	23,073.55	
Attorney Fees	2,386.46		Attorney Fees	1,441.23		Attorney Fees	3,827.69	
Other Fees	0.00		Other Fees	0.00		Other Fees	0.00	
Overpayments	0.00		Overpayments	0.00		Overpayments	0.00	
Total Paid	18,134.58		Total Paid	8,766.66		Total Paid	26,901.24	
Underpayments	0.01		Underpayments	0.00		Underpayments	0.01	
Total Paid	18,134.58		Total Paid	8,766.66		Total Paid	26,901.24	
Attorney Fees	2,386.46		Attorney Fees	1,441.23		Attorney Fees	3,827.69	
Refunds Paid - Attorney Fees	0.00		Refunds Paid - Attorney Fees	0.00		Refunds Paid - Attorney Fees	0.00	
Attorney Fee Disbursement Amount	2,386.46		Attorney Fee Disbursement Amount	1,441.23		Attorney Fee Disbursement Amount	3,827.69	

Tax Collections Activity Report - Current/Delinquent

CRISTYNE E. HALLMARK, PCC

Page 2 of 2

Entity: 20 (BAY CITY ISD)

Year: ALL

Date Range: 09/01/2018 to 09/30/2018

Batch(es):

ALL

Report Criteria

11:08:35AM

10/2/2018

Grand Totals All Entities

Current Year	M&O	I&S	Delinquent Years	M&O	I&S	All Years	M&O	I&S
Taxes	10,983.17	2,773.03	Taxes	4,485.37	725.24	Taxes	15,468.54	3,498.27
Discounts	0.00	0.00	Discounts	0.00	0.00	Discounts	0.00	0.00
Penalty	952.71	240.58	Penalty	531.43	85.91	Penalty	1,484.14	326.49
Interest	637.64	160.99	Interest	1,290.90	206.58	Interest	1,928.54	367.57
Total Collected	12,573.52	3,174.60	Total Collected	6,307.70	1,017.73	Total Collected	18,881.22	4,192.33
Total Collected	15,748.12		Total Collected	7,325.43		Total Collected	23,073.55	
Attorney Fees	2,386.46		Attorney Fees	1,441.23		Attorney Fees	3,827.69	
Other Fees	0.00		Other Fees	0.00		Other Fees	0.00	
Overpayments	0.00		Overpayments	0.00		Overpayments	0.00	
Total Paid	18,134.58		Total Paid	8,766.66		Total Paid	26,901.24	
Underpayments	0.01		Underpayments	0.00		Underpayments	0.01	
Total Paid	18,134.58		Total Paid	8,766.66		Total Paid	26,901.24	
Refunds Paid			Refunds Paid			Refunds Paid		
M&O	860.49		M&O	0.00		M&O	860.49	
I&S	217.26		I&S	0.00		I&S	217.26	
Pen M&O	0.00		Pen M&O	0.00		Pen M&O	0.00	
Pen I&S	0.00		Pen I&S	0.00		Pen I&S	0.00	
Int M&O	0.00		Int M&O	0.00		Int M&O	0.00	
Int I&S	0.00		Int I&S	0.00		Int I&S	0.00	
Attorney Fees	0.00		Attorney Fees	0.00		Attorney Fees	0.00	
	17,056.83			8,766.66			25,823.49	

Tax Collections Activity Report - Current/Delinquent

CRISTYN E. HALLMARK, PCC

Page 1 of 2

Entity: 20BP (BAY CITY ISD BPP)
 Year: ALL
 Date Range: 09/01/2018 to 09/30/2018
 Batch(es): ALL

Report Criteria

Entity BAY CITY ISD BPP

Current Year	M&O	I&S	Delinquent Years	M&O	I&S	All Years	M&O	I&S
Taxes	53.41	0.00	Taxes	9.10	0.00	Taxes	62.51	0.00
Discounts	0.00	0.00	Discounts	0.00	0.00	Discounts	0.00	0.00
Penalty	6.41	0.00	Penalty	1.08	0.00	Penalty	7.49	0.00
Interest	4.27	0.00	Interest	2.15	0.00	Interest	6.42	0.00
Total Collected	64.09	0.00	Total Collected	12.33	0.00	Total Collected	76.42	0.00
Total Collected	64.09		Total Collected	12.33		Total Collected	76.42	
Refunds Paid			Refunds Paid			Refunds Paid		
Taxes	0.00	0.00	Taxes	0.00	0.00	Taxes	0.00	0.00
Penalty	0.00	0.00	Penalty	0.00	0.00	Penalty	0.00	0.00
Interest	0.00	0.00	Interest	0.00	0.00	Interest	0.00	0.00
Total Refunded:	0.00	0.00	Total Refunded:	0.00	0.00	Total Refunded:	0.00	0.00
Total Refunded:	0.00		Total Refunded:	0.00		Total Refunded:	0.00	
Taxes	53.41	0.00	Taxes	9.10	0.00	Taxes	62.51	0.00
Penalty	6.41	0.00	Penalty	1.08	0.00	Penalty	7.49	0.00
Interest	4.27	0.00	Interest	2.15	0.00	Interest	6.42	0.00
Total Disbursed:	64.09	0.00	Total Disbursed:	12.33	0.00	Total Disbursed:	76.42	0.00
Total Disbursed:	64.09		Total Disbursed:	12.33		Total Disbursed:	76.42	
Current Year			Delinquent Years			All Years		
Total Collected	64.09		Total Collected	12.33		Total Collected	76.42	
Attorney Fees	12.83		Attorney Fees	2.48		Attorney Fees	15.31	
Other Fees	0.00		Other Fees	0.00		Other Fees	0.00	
Overpayments	0.00		Overpayments	0.00		Overpayments	0.00	
Total Paid	76.92		Total Paid	14.81		Total Paid	91.73	
Underpayments	0.00		Underpayments	0.00		Underpayments	0.00	
Total Paid	76.92		Total Paid	14.81		Total Paid	91.73	
Attorney Fees	12.83		Attorney Fees	2.48		Attorney Fees	15.31	
Refunds Paid - Attorney Fees	0.00		Refunds Paid - Attorney Fees	0.00		Refunds Paid - Attorney Fees	0.00	
Attorney Fee Disbursement Amount	12.83		Attorney Fee Disbursement Amount	2.48		Attorney Fee Disbursement Amount	15.31	

Tax Connections Activity Report - Current/Delinquent

10/2/2018 11:08:52AM Report Criteria

Entity: 20BP (BAY CITY ISD BPP)
 Year: ALL
 Date Range: 09/01/2018 to 09/30/2018
 Batch(es): ALL

CRISTYN E. HALLMARK, PCC
 Page 2 of 2

Grand Totals All Entities

Current Year	M&O	I&S	Delinquent Years	M&O	I&S	All Years	M&O	I&S
Taxes	53.41	0.00	Taxes	9.10	0.00	Taxes	62.51	0.00
Discounts	0.00	0.00	Discounts	0.00	0.00	Discounts	0.00	0.00
Penalty	6.41	0.00	Penalty	1.08	0.00	Penalty	7.49	0.00
Interest	4.27	0.00	Interest	2.15	0.00	Interest	6.42	0.00
Total Collected	64.09	0.00	Total Collected	12.33	0.00	Total Collected	76.42	0.00
Total Collected	64.09	64.09	Total Collected	12.33	12.33	Total Collected	76.42	76.42
Attorney Fees		12.83	Attorney Fees		2.48	Attorney Fees		15.31
Other Fees		0.00	Other Fees		0.00	Other Fees		0.00
Overpayments		0.00	Overpayments		0.00	Overpayments		0.00
Total Paid	76.92	76.92	Total Paid	14.81	14.81	Total Paid	91.73	91.73
Underpayments		0.00	Underpayments		0.00	Underpayments		0.00
Total Paid	76.92	76.92	Total Paid	14.81	14.81	Total Paid	91.73	91.73
Refunds Paid			Refunds Paid			Refunds Paid		
M&O		0.00	M&O		0.00	M&O		0.00
I&S		0.00	I&S		0.00	I&S		0.00
Pen M&O		0.00	Pen M&O		0.00	Pen M&O		0.00
Pen I&S		0.00	Pen I&S		0.00	Pen I&S		0.00
Int M&O		0.00	Int M&O		0.00	Int M&O		0.00
Int I&S		0.00	Int I&S		0.00	Int I&S		0.00
Attorney Fees		0.00	Attorney Fees		0.00	Attorney Fees		0.00
Total Paid	76.92	76.92	Total Paid	14.81	14.81	Total Paid	91.73	91.73

Tax Connections Activity Report - Current/Delinquent

Entity: 80 (BCISD - CED 16)
Year: ALL
Date Range: 09/01/2018 to 09/30/2018
Batch(es): ALL

Report Criteria

Entity	BCISD - CED 16			
		Current Year	Delinquent Years	All Years
		M&O	M&O	M&O
		I&S	I&S	I&S
Taxes	0.00	0.00	0.00	0.00
Discounts	0.00	0.00	0.00	0.00
Penalty	0.00	0.00	0.00	0.00
Interest	0.00	0.00	0.00	0.00
Total Collected	0.00	0.00	0.00	0.00
Total Collected	0.00	0.00	0.00	0.00
Refunds Paid				
Taxes	0.00	0.00	0.00	0.00
Penalty	0.00	0.00	0.00	0.00
Interest	0.00	0.00	0.00	0.00
Total Refunded:	0.00	0.00	0.00	0.00
Total Refunded:	0.00	0.00	0.00	0.00
Taxes	0.00	0.00	0.00	0.00
Penalty	0.00	0.00	0.00	0.00
Interest	0.00	0.00	0.00	0.00
Total Disbursed:	0.00	0.00	0.00	0.00
Total Disbursed:	0.00	0.00	0.00	0.00
		All Years		
Total Collected	0.00	Total Collected	0.00	0.00
Attorney Fees	0.00	Attorney Fees	0.00	0.00
Other Fees	0.00	Other Fees	0.00	0.00
Overpayments	0.00	Overpayments	0.00	0.00
Total Paid	0.00	Total Paid	0.00	0.00
Underpayments	0.00	Underpayments	0.00	0.00
Total Paid	0.00	Total Paid	0.00	0.00
Attorney Fees	0.00	Attorney Fees	0.00	0.00
Refunds Paid - Attorney Fees	0.00	Refunds Paid - Attorney Fees	0.00	0.00
Attorney Fee Disbursement Amount	0.00	Attorney Fee Disbursement Amount	0.00	0.00

Tax Collections Activity Report - Current/Delinquent

CRISTYNE E. HALLMARK, PCC

Page 2 of 2

Entity: 80 (BCISD - CED 16)
 Year: ALL
 Date Range: 09/01/2018 to 09/30/2018
 Batch(es): ALL

Report Criteria

Grand Totals All Entities

Current Year	M&O	I&S	Delinquent Years	M&O	I&S	All Years	M&O	I&S
Taxes	0.00	0.00	Taxes	0.00	0.00	Taxes	0.00	0.00
Discounts	0.00	0.00	Discounts	0.00	0.00	Discounts	0.00	0.00
Penalty	0.00	0.00	Penalty	0.00	0.00	Penalty	0.00	0.00
Interest	0.00	0.00	Interest	0.00	0.00	Interest	0.00	0.00
Total Collected	0.00	0.00	Total Collected	0.00	0.00	Total Collected	0.00	0.00
Total Collected	0.00	0.00	Total Collected	0.00	0.00	Total Collected	0.00	0.00
Attorney Fees	0.00	0.00	Attorney Fees	0.00	0.00	Attorney Fees	0.00	0.00
Other Fees	0.00	0.00	Other Fees	0.00	0.00	Other Fees	0.00	0.00
Overpayments	0.00	0.00	Overpayments	0.00	0.00	Overpayments	0.00	0.00
Total Paid	0.00	0.00	Total Paid	0.00	0.00	Total Paid	0.00	0.00
Underpayments	0.00	0.00	Underpayments	0.00	0.00	Underpayments	0.00	0.00
Total Paid	0.00	0.00	Total Paid	0.00	0.00	Total Paid	0.00	0.00
Refunds Paid	0.00	0.00	Refunds Paid	0.00	0.00	Refunds Paid	0.00	0.00
M&O	0.00	0.00	M&O	0.00	0.00	M&O	0.00	0.00
I&S	0.00	0.00	I&S	0.00	0.00	I&S	0.00	0.00
Pen M&O	0.00	0.00	Pen M&O	0.00	0.00	Pen M&O	0.00	0.00
Pen I&S	0.00	0.00	Pen I&S	0.00	0.00	Pen I&S	0.00	0.00
Int M&O	0.00	0.00	Int M&O	0.00	0.00	Int M&O	0.00	0.00
Int I&S	0.00	0.00	Int I&S	0.00	0.00	Int I&S	0.00	0.00
Attorney Fees	0.00	0.00	Attorney Fees	0.00	0.00	Attorney Fees	0.00	0.00
	0.00	0.00		0.00	0.00		0.00	0.00

LOCAL REVENUE SOURCES
AD VALOREM TAXES

CCG
(LOCAL)

DISCOUNTS Discount options shall not be provided for the early payment of property taxes in the District.

SPLIT PAYMENTS Split payment of taxes shall be allowed in accordance with statutory provisions.

Note: The following provisions apply to applications filed on or after January 1, 2014. For provisions related to applications filed prior to this date, refer to the Board's previous actions taken regarding the Texas Economic Development Act.

TEXAS ECONOMIC
DEVELOPMENT ACT
PURPOSE

These provisions outline the procedures the District shall use for filing, accepting, reviewing, and considering applications, amendments to applications and, when necessary, enforcing agreements made under the Texas Economic Development Act, as set forth in Chapter 313 of the Tax Code.

DEFINITIONS

As used in this policy, the following phrases and words shall have the following meanings, unless the context clearly indicates otherwise:

"Act" shall mean the Texas Economic Development Act, as set forth in Chapter 313 of the Texas Tax Code.

"Agreement" shall mean the written agreement between the Board and the approved Applicant to implement a limitation on the appraised value for District maintenance and operations ad valorem property tax purposes on an entity's qualified property, required by Tax Code §313.027(d).

"Applicant" shall mean an entity that has applied for a limitation on appraised value for District maintenance and operations ad valorem property tax purposes on the entity's property, as provided by Chapter 313 of the Tax Code.

"Application" shall mean an application for limitation of appraised value limitation for District maintenance and operations ad valorem property tax purposes on an entity's qualified property on the form adopted by reference in 34 Administrative Code, Chapter 9, Subchapter F, §9.1052 (relating to forms), the schedules attached thereto, the documentation submitted by an entity for the purpose of obtaining an agreement for a limitation on appraised value from the District, and the Application Fee.

"Application fee" shall mean the nonrefundable application fee, determined in accordance with this policy, to be paid to the District by

an Applicant to cover the District's costs incurred in the processing and consideration of the application.

"Application review period" shall mean the period of time during which the Board is required to consider the application. The application review period shall begin on the application review start date and shall expire on the 151st day thereafter, unless the application review period is extended by Board action taken prior to the expiration date.

"Application review start date" shall mean the later date of either the date on which the District issues its written notice that an Applicant has submitted a completed application or the date on which the comptroller issues its written notice that an Applicant has submitted a completed application.

"Appraisal district" shall mean each county appraisal district that would appraise the property that is the subject of an application.

"Board" shall mean the Board of the District.

"Completed application" shall mean an application in the form and number and containing all the information required pursuant to 34 Administrative Code, Chapter 9, Subchapter F, §9.1053 (relating to an entity requesting agreement to limit appraised value), that has been determined by the District and the Comptroller to include all minimum requirements for consideration.

"Comptroller" shall mean the Texas Comptroller of Public Accounts or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of the comptroller.

"Comptroller's rules" shall mean those rules adopted by the comptroller set forth at 34 Administrative Code, Chapter 9, Subchapter F.

"Deferral" shall mean a forward adjustment of the date upon which the qualifying time period, as defined by the Tax Code §313.021(4), begins.

"District" shall have the meaning set out in policy AB(LOCAL).

"Entity" shall mean any entity upon which a tax is imposed by Tax Code §171.001, including a combined group as defined by Tax Code §171.0001(7) or members of a combined group, provided, however, an entity as defined herein does not include a sole proprietorship, partnership, or limited liability partnership.

"Substantive document" shall mean a document or other information or data in electronic media that is determined by the comptroller to substantially involve or include information or data significant to an application, the evaluation or consideration of an application, or the

LOCAL REVENUE SOURCES
AD VALOREM TAXESCCG
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agreement or implementation of an agreement for limitation of appraised value pursuant to Chapter 313 of the Tax Code. The term includes, but is not limited to, any application requesting a limitation on appraised value and any amendments or supplements; any economic impact evaluation made in connection with an application; any agreement between an Applicant and the District and any subsequent amendments or assignments; any District written finding or report filed with the comptroller as required under 34 Administrative Code, Chapter 9, Subchapter F; any completed Annual Eligibility Report (Form 50-772A) submitted to the comptroller.

APPLICATION
REQUIREMENTS

The owner or lessee of, or the holder of another possessory interest in, any qualified property described by §313.021(2)(A), (B), or (C) of the Tax Code may apply to the Board for a limitation on the appraised value of the person's qualified property for District maintenance and operations ad valorem tax purposes. An application must be made on the form prescribed by the comptroller, must include the information required by the comptroller, and must be accompanied by:

1. The application fee established by the Board;
2. Information sufficient to show that the real and personal property identified in the application as qualified property meets the applicable criteria established by §313.021(2); and
3. Any information required by the comptroller for the purposes of §313.026.

FILING AN
APPLICATION

For each application made under this policy, the Applicant shall file with the Superintendent:

1. One original and four hard copies of the completed application in three-ring binders, with tabs separating each section of documents submitted; and
2. An electronically digitized copy formatted in searchable pdf format or other format acceptable to the comptroller, certified by the Applicant as containing the identical information, maps, and schedules as the original hard copy. The digitized copy shall include:
 - a. Schedules A1, A2, B, C, and D in Microsoft Excel format; and
 - b. High-resolution maps and graphics (300 dpi or higher).

The Superintendent shall acknowledge in writing the date of receipt of the completed application and application fee.

LOCAL REVENUE SOURCES
AD VALOREM TAXESCCG
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Completed applications shall be considered for final approval by the Board only after the District's receipt of the application fee established by the Board and after completion of the economic analysis and the school facilities impact analysis required by the Act.

The total fee shall be paid at the time the application is submitted to the school district. Applications submitted without the Application Fee shall not be accepted. Any fees not accompanying the original application shall be considered supplemental payments.

At the time of initial submission to the District and prior to the District's approval of the application, information submitted to the District in connection with the application shall be presumed to be public information unless the Applicant clearly identifies the information as confidential and proprietary prior to its release.

AMENDING AN
APPLICATION

An application may be amended by an Applicant at any time prior to the Board's final action on the application. In the event that an amended application is filed within 60 days of the end of the application review period, the application review period shall be automatically extended to the 61st day after the date on which the last amended application is filed.

The Superintendent shall review and forward to the comptroller any amended application or supplemental information within seven days of the date of the receipt of the material.

STANDARD
APPLICATION FEE

The standard application fee shall be \$75,000 and shall not be refundable except:

1. For large project fees after the initial tender, as set forth in this policy; or
2. In the event that the application is denied after an initial Board review, as defined in this policy.

The standard application fee does not include any amount charged by the comptroller's office for its economic impact study, if such a fee is charged.

LARGE PROJECT
APPLICATION FEE

For each application for an appraised value limitation on qualified property for which the qualified investment exceeds \$300,000,000, the Board may, at its discretion, set an application fee higher than the standard application fee, if in the opinion of the Board an analysis of the application is of such complexity so as to require a higher fee. An Applicant proposing a qualified investment in excess of \$300,000,000 in value shall initially tender an application fee of \$75,000. In the event that the Board sets a higher fee, the Applicant shall be entitled to withdraw its application and its application fee if the Applicant disagrees with the higher fee set by the Board.

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LOCAL REVENUE SOURCES
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(LOCAL)PROCESSING THE
APPLICATION
BEFORE INITIAL
BOARD REVIEW

Upon receipt of the application and the application fee, the Superintendent shall take the following actions:

1. Send to the Applicant written confirmation of receipt of the application and application fee.
2. Review the application and, as necessary, require the Applicant to submit additional and/or supplementary information, including the completion of all schedules required by the comptroller's rules.
3. Submit the application to the comptroller within seven days of the receipt of the completed application, together with an economic analysis of the proposed project, if submitted by the Applicant.
4. Schedule Board consideration of the completed application for initial Board review.

INITIAL BOARD
REVIEW

Following the filing of an application, the Board shall conduct an initial review of the application. At the initial review, the Board may consider either a written or oral presentation concerning the application.

If, after the initial review, the Board is of the opinion that the application is not in the best interests of the District, the Board shall reject the application and return to the Applicant the application fee, less the necessary and reasonable costs of the initial review of the application.

In the event that the Board decides to proceed with a full consideration of the application, and the qualified investment in the application exceeds \$300,000,000, the Board shall set an appropriate large project application fee, in accordance with this policy.

Once the Board has accepted an application for consideration after the initial review, the Superintendent shall be expressly delegated the authority to accept on behalf of the Board and the District any amended or supplemental application submitted by the Applicant for the same project.

CONSULTING
SERVICES

Upon retention by the Board, the District's consultants shall review the application to ensure that the application documents include all information required by the comptroller's rules. The consultants shall simultaneously begin an analysis of the impact on District finances; any legal implications of the application; development of an appropriate revenue protection agreement; and when the reports become available, the studies from the comptroller's office and TEA.

LOCAL REVENUE SOURCES
AD VALOREM TAXESCCG
(LOCAL)AFTER THE
INITIAL BOARD
REVIEW

The consultants shall be paid for their services from the application fee. The consultants shall complete their analysis within sufficient time for the Board to consider it in its final determination on the application.

If the Board elects to consider the completed application, the Superintendent is authorized to deposit the application fee and provide written notice to the Applicant and comptroller, with a copy to the appraisal district, that the District has received and will be considering a completed application. The notice shall include:

1. The date on which the application was received;
2. The date on which the District elected to consider the application; and
3. The date on which the District determined that the Applicant has submitted a completed application.

At the time the District provides to the comptroller the notice of consideration of a completed application, the District shall deliver to the comptroller a copy of the completed application, request that the comptroller conduct an economic impact evaluation of the project proposed by the completed application, and provide all other information relating to consideration of the application to meet the requirements of §313.025(b) of the Tax Code and 34 Administrative Code, §9.1054.

The Superintendent shall also take the following actions:

1. Accept on behalf of the Board any amendments or supplements submitted by the Applicant, and transmit copies to the comptroller within seven days of receipt of the amendments or supplements.
2. Request from the Applicant any other written documents containing information reasonably necessary for the application review or for any economic impact study.
3. Direct the District's webmaster to create a link from the District's website to the location on the comptroller's website where copies of applications under the Act are posted.
4. Ensure that the Applicant and the District's consultants conduct all required analyses to properly protect the District's financial interests.
5. Provide all required supplemental information necessary to assist the staffs of the comptroller and the Texas Education Agency (TEA) with the analyses required by the Act and comptroller's rules.

LOCAL REVENUE SOURCES
AD VALOREM TAXESCCG
(LOCAL)

6. Not later than 151 days after the application review start date, present to the Board an agreement for final approval or a request for an extension of the application review period.
7. If an extension of the application review period is requested by the District or the Applicant, report each request for an extension to the comptroller within seven days of the decision to provide the extension.

BOARD ACTION ON
APPLICATION

Not later than the 90th day after the date the comptroller receives the copy of the application, the comptroller shall issue a certificate for a limitation on appraised value of the property and provide the certificate to the Board or shall provide to the Board a written explanation of the comptroller's decision not to issue a certificate.

The Board may not approve an application unless the comptroller submits to the Board a certificate for a limitation on appraised value of the property.

Before approving or disapproving an application under 34 Administrative Code, Chapter 9, Subchapter F, that the Board elects to consider, the Board shall make a written finding as to any criteria considered by the comptroller in conducting the economic impact evaluation under §313.026. The Board shall deliver a copy of those findings to the Applicant.

When presented a completed application pursuant to 34 Administrative Code §9.1054(c)(5) for which the comptroller has submitted a comptroller certificate for a limitation, the Board shall either:

1. By majority vote, adopt a written resolution approving the application, which shall include:
 - a. Written findings:
 - (1) As to each criterion listed in §9.1055(d)(3)(B)–(D) of 34 Administrative Code, Chapter 9, Subchapter F (relating to the comptroller application review and agreement to limit appraised value);
 - (2) As to the criteria required by Tax Code §313.025 (f-1), if applicable;
 - (3) That the information in the application is true and correct; and
 - (4) That the Applicant is eligible for the limitation on the appraised value of the entity's qualified property;
 - b. A determination that granting the application is in the best interest of the District and this state; and

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- c. A designation of a Board representative and a directive to execute the agreement for property tax limitation presented by the approved Applicant that complies with 34 Administrative Code, Chapter 9, Subchapter F, and Tax Code Chapter 313;
2. By majority vote, disapprove the application; or
3. Take no official action. The application shall be considered disapproved on the 151st day after the application review start date.

Upon completion of Board action, if any, on the application, the Superintendent shall ensure that all required information is transmitted to the comptroller, the Applicant, and each applicable appraisal district.

ADOPTION OF
AGREEMENT

The Board shall also consider and adopt an agreement with the Applicant to provide for protection from or compensation for any financial risks undertaken by the District in accepting the application in accordance with Tax Code §313.027.

WAIVER OF JOBS
REQUIREMENT

The Board may waive the new jobs creation requirement of §313.021(2)(A)(iv)(b) or §313.051(b) of the Tax Code and may approve an application if the Board makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility described in the application.

In the event that a waiver request is made subsequent to the time of the original application, the Board may charge the Applicant a fee to cover the costs of any consultant required by the Board in making the requisite finding.

SUBSTANTIVE
DOCUMENTS AND
CONFIDENTIALITY

Information that is provided to the District in connection with an application for a limitation on appraised value under Chapter 313, Subchapter B and that 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 shall be segregated in the application from other information and shall be confidential and not subject to public disclosure unless the Board approves the application.

Other information in the custody of the District or the comptroller in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Chapter 313, such as the nature and amount of the projected investment, employment, wages, and benefits, shall not be considered confidential business information if the Board agrees to consider the application.

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LOCAL REVENUE SOURCES
AD VALOREM TAXESCCG
(LOCAL)

All applications and parts of applications that are not segregated and marked as confidential as required under 34 Administrative Code, Chapter 9, Subchapter F, §9.1055 shall be considered substantive documents and shall be posted on the Internet.

If the Board approves the application, information in the custody of the District or the comptroller shall not be confidential.

Any information received by the District from the Applicant shall be subject to the Texas Public Information Act.

APPLICANT'S CLAIM
OF INFORMATION
CONFIDENTIALITY

When submitting an application or any amendment or supplement thereto, an Applicant may request that all or parts of the documents not be posted on the Internet and not be otherwise publicly released.

The request for confidentiality shall be considered by the comptroller if:

1. The Applicant has segregated the information for which confidentiality is being requested from the other information submitted to the comptroller and clearly and conspicuously labeled the information as confidential;
2. The Applicant has provided on the form prescribed by the comptroller a written list specifically identifying each document, portion of a document, or entry that the Applicant contends is confidential;
3. The Applicant has provided in writing specific reasons, including any relevant legal authority, stating why the Applicant believes the material to be confidential; and
4. The comptroller determines that the information for which confidentiality is sought describes:
 - a. Specific processes or business activities to be conducted by the Applicant; or
 - b. Specific tangible personal property to be located on real property covered by the application.

APPLICANT
REPORTING
OBLIGATIONS

During the course of its Chapter 313 agreement with the District, the Applicant shall timely make any and all reports that are or may be required under the provisions of law or administrative regulation, including but not limited to the annual report or certifications the Applicant may be required to submit to the comptroller under provisions of §313.032 of the Tax Code. The Applicant shall forward to the District a copy of all such required reports or certifications contemporaneously with filing the reports with the comptroller. The obligation to make all required filings shall be a material obligation of the agreement.

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LOCAL REVENUE SOURCES
AD VALOREM TAXESCCG
(LOCAL)DISTRICT
REPORTING
OBLIGATIONS

If the comptroller requests information reasonably necessary to complete the recommendation or economic impact evaluations, the Superintendent shall provide the requested information within 20 working days from the date of the request. The Superintendent may request an extension of time, not to exceed ten working days, to provide the additional information to the comptroller.

SUPERINTENDENT
RESPONSIBILITIES /
DELEGATION

During the term of any agreement, the Superintendent shall ensure that all reporting requirements under Chapter 313 are met in a timely fashion by the District and the Applicant. The Superintendent is authorized to delegate this function to outside consultants; however, the Applicant shall reimburse the District for any consultant fees.

The Superintendent shall provide to the Applicant and the District's consultants a copy of the economic impact evaluation and the facilities impact study upon receipt thereof.

APPLICANT
INFORMATION
UPDATES

An Applicant shall update the District regarding the following information:

1. Changes to the designation of an authorized representative;
2. Changes to the location and contact information for the approved Applicant, including all members of the combined group participating in the limitation agreement; and
3. Copies of any assignments of the agreement and contact information for authorized representatives of any assignees.

EXHIBIT C

Application Submission to Comptroller

Oscar G. Treviño
Attorney at Law



WALSH GALLEGOS
TREVIÑO RUSSO & KYLE P.C.

otreviño@wabsa.com
(512) 454-6864, Ext. 642

October 22, 2018

RECEIVED

OCT 23 2018

Data Analysis &
Transparency Division

via Hand Delivery:

Local Government Assistance and Economic Analysis Division
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, TX 78774

Re: Peyton Creek Wind Farm, LLC's Application for Appraised Value Limitation on
Qualified Property to the Bay City Independent School District

Dear Madam or Sir:

This firm, Walsh Gallegos Treviño Russo & Kyle P.C. represents the Bay City Independent School District regarding the above referenced matter. Enclosed please find one hard copy of the Application for Appraised Value Limitation of Qualified Property together with an electronic copy of same.

Bay City ISD received a copy of the enclosed Application and received payment of the Application Fee required by the District from the Applicant on Monday, October 15, 2018. On October 15, 2018, the Bay City ISD Board of Trustees determined that the application was complete and elected to consider the Application.

The Bay City Independent School District respectfully requests that the Comptroller conduct an economic impact evaluation of the investment proposed by the Application. Please confirm with us the date and website link to the Comptroller's publication of the documentation received.

In addition to the paper and electronic copy of the Application submitted to you with this letter, a copy of the Application is being submitted to the Matagorda County Appraisal District pursuant to 34 TEX. ADMIN CODE §9.1054.

Please let us know if you have any questions or need anything additional. Thank you.

Sincerely,

Oscar G. Treviño

Enclosure

Local Government Assistance and Economic Analysis Division
Texas Comptroller of Public Accounts
October 22, 2018
Page 2

cc: Dr. Marshall Scott, III, Superintendent
Bay City Independent School District
520 Seventh Street
Bay City, Texas 77414
via email: mscott@baycityisd.org

Mr. Paul Bowman
Senior Vice President
EC&R Development, LLC
701 Brazos Street, Suite 1400
Bay City, Texas 78701
via email: paul.bowman@eon.com

Mr. Richard Saunders
Sr. Development Manager
EC&R Development, LLC
701 Brazos Street, Suite 1400
Bay City, Texas 78701
via email: Richard.saunders@eon.com

Mr. Vince Maloney, Chief Appraiser
Matagorda County Tax Appraisal District
2225 Avenue G
Bay City, Texas 77414-5018
via CMRRR 9414 7266 9904 2130 8518 61

Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the 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 hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, 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 website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value 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 not later than the 150th 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 issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

Date Application Received by District

Dr. Marshall

First Name

Scott III

Last Name

Superintendent

Title

Bay City Independent School District

School District Name

520 7th Street

Street Address

520 7th Street

Mailing Address

Bay City

City

979-401-1000

Phone Number

TX

State

77414

ZIP

Fax Number

mscott@bcblackcats.net

Email Address

Mobile Number (optional)

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

☒ Yes

☐ No

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Oscar

First Name

Attorney at Law

Title

Walsh Gallegos Trevino Russo & Kyle P.C.

Firm Name

512-454-6864

Phone Number

512 423-1878

Mobile Number (optional)

Trevino

Last Name

512-467-9318

Fax Number

otrevino@wabsa.com

Email Address

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

5. Has the district determined that the electronic copy and hard copy are identical?



Yes



No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Paul

First Name

Executive Vice President

Title

701 Brazos Street, Suite 1400

Street Address

Bowman

Last Name

EC&R Development, LLC

Organization

Mailing Address

Austin

City

512-423-1878

Phone Number

512 423-1878

Mobile Number (optional)

TX

State

512-494-9581

Fax Number

paul.bowman@eon.com

Business Email Address

78701

ZIP

2. Will a company official other than the authorized company representative be responsible for responding to future information requests?

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



Yes



No

Richard

First Name

Sr. Development Manager

Title

701 Brazos Street, Suite 1400

Street Address

Saunders

Last Name

EC&R Development, LLC

Organization

Mailing Address

Austin

City

512-461-9747

Phone Number

512-461-9747

Mobile Number (optional)

TX

State

512-494-9581

Fax Number

richard.saunders@eon.com

Business Email Address

78701

ZIP

3. Does the applicant authorize the consultant to provide and obtain information related to this application?



Yes



No

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☒ Yes ☐ No
- The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

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

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

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Peyton Creek Wind Farm, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32061984046
3. List the NAICS code 221115
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☒ Yes ☐ No
- 4a. If yes, please list application number, name of school district and year of agreement
Application submitted to Van Vleck ISD on 8/21/17

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Company
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☒ Yes ☐ No
- 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☒ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☒ Yes ☐ No ☐ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:
- ☒ Land has no existing improvements ☐ Land has existing improvements (complete Section 13)
- ☐ Expansion of existing operation on the land (complete Section 13) ☐ Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

1. Application approval by school board October 15 2018
2. Commencement of construction April 1, 2019
3. Beginning of qualifying time period April 1, 2019
4. First year of limitation January 1, 2020
5. Begin hiring new employees September 1, 2019
6. Commencement of commercial operations December 31, 2019
7. 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.
8. When do you anticipate the new buildings or improvements will be placed in service? December 31, 2019

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Matagorda County (100%)
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Matagorda CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☒ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 County: Matagorda County (100%)(0.41998) City: N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: Matagorda Co H D (100%)(0.3127) Water District: Coastal Plains GW District (100%)(0.00499)
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): Drainage District #1 (100%)(0.06554) Other (describe): Port of Bay City (100%)(0.04856)
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? ☐ Yes ☒ No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ☐ Yes ☒ No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00
Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ☒ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ☒ Yes ☐ No

For more information, visit our website: comptroller.texas.gov/economy/local/ch313/

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? ☐ Yes ☒ No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? ☐ Yes ☒ No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone?

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

1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
 2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
 3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.
 4. Total estimated market value of existing property (that property described in response to question 1): \$ 0.00
 5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
 6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 0.00
- Note:** Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

SECTION 14: Wage and Employment Information

1. What is the 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
2. What is the last complete calendar quarter before application review start date:
☒ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2018
(year)
3. 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 Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 5
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☒ Yes ☐ No
 - 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information 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(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 1,049.00
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1,845.25
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,273.50
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☒ §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 66,222.20
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 66,222.20
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☒ No
 - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☒ No
 - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**. **NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

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

**print
here** ➡

Print Name (Authorized School District Representative)

Title

**sign
here** ➡

Signature (Authorized School District Representative)

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

**print
here** ➡

Paul Bowman

Print Name (Authorized Company Representative (Applicant))

Executive Vice President

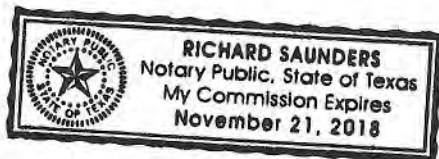
Title

**sign
here** ➡

Signature (Authorized Company Representative (Applicant))

10/15/18

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

15th day of October, 2015

Notary Public in and for the State of Texas

My Commission expires: November 21, 2018

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	Maps that clearly show: a) Project vicinity b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size Note: Electronic maps should be high resolution files. Include map legends/markers.
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	Description of Reinvestment or Enterprise Zone, including: a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* * To be submitted with application or before date of final application approval by school board
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

Tab 2

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

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

Tab 3

Peyton Creek Wind Farm, LLC, Texas tax payer identification number 32061984046, is a limited liability corporation first organized and registered with the Secretary of State on November 3, 2016. As of the date of this letter, the Peyton Creek Wind Farm, LLC has not been required to file a franchise tax report. As of the first applicable filing period, Peyton Creek Wind Farm, LLC will be a member of a combined group as defined by Texas Tax Code 171.0001 (7). The reporting entity taxpayer name is E.ON Climate & Renewables North America, LLC, Texas tax payer identification number 12000751680.

With kind regards,

A handwritten signature in black ink, appearing to be 'PB' or similar initials, followed by a long horizontal line that extends to the right.

Paul Bowman
Senior Vice President

**Documentation of combined
group received by the
Texas Comptroller
of Public Accounts**

Tab 4

Peyton Creek Wind Farm, LLC
Application for Appraised Value Limitations on Qualified Property

Tab 4

Section 7 — Project Description

The proposed Project will consist of a facility designed to use wind power to generate electricity, including wind turbines, towers, transformers, transmission lines, and associated ancillary equipment necessary to safely operate, maintain and transmit power to the ERCOT grid, and meteorological equipment to measure and test wind speed and direction. The Project may consist of 44 - 75 wind turbine generators, with a capacity of 2.0 megawatts to 3.4 megawatts per generator, with an approximate total capacity of 151.2 MW.

The Project layout is not finalized at this time, but the base case scenario assumes 100% of the total project in the Bay City ISD. The base case also assumes the Acciona AW-125, 3.15 MW model as the turbine for the Project. Therefore, BCISD can expect to have 48 turbines (for a total capacity of 151.2 MWs) in their service territory. All of the property for which the applicant is seeking a limitation on appraised value will be owned by the applicant. All qualified property will be located inside the project boundaries.

The Project has signed the Full Interconnection Agreement with ERCOT. The Project has been assigned interconnection study ERCOT #18INR0018.

The Project will be entirely located within Matagorda County. Current land use for the private property consists of farming, hunting, ranching, and oil and gas production (note that these uses can continue, as the Project is designed to be compatible with such activities).

The additional improvements for the Project (within the BCISD) may include but are not limited to:

- Roadwork, sloped for drainage, with turnouts from public roads
- Fencing to control livestock and to protect substations and other equipment as needed for safety and security.
- 48 wind turbine generator foundations, with anchor bolt embeds and template rings
- Wind turbine obstruction lighting per FAA requirements
- Telephone system
- The collection substation will be connected to the utility interconnection through a single-circuit, double 795 ACSR conductor 345kv transmission line.
- Underground power cables and various cable accessories, with grounding.

- Permanent meteorological towers, quantity and location of which to be determined by final turbine layout.
- Underground communication cables

Tab 5

Peyton Creek Wind Farm, LLC
Application for Appraised Value Limitations on Qualified Property

Tab 5

Section 8 — Limitation as Determining Factor

- 1) N/A
- 2) Peyton Creek Wind Farm, LLC has entered into contracts for work for preliminary land work.
- 3) N/A
- 4) N/A
- 5) N/A
- 6) No.
- 7) The Company is currently considering several other projects in Texas (Val Verde County, Jack County, Kenedy County, Willacy County, Hardeman County, San Patricio County and several others), Oklahoma (Vici complex, Major), Kansas (four project sites), Indiana, Illinois, plus Canada. The Company has received tax incentives on several of these projects which significantly improve the financial viability of the investment. EON has not built a project in Texas that did not have a Chapter 313 agreement, as it is crucial to exceeding the company financial hurdle. EON recently sold a project that was unable to get a Chapter 313 agreement, as it was unable to meet the minimum financial hurdle. Without a Chapter 313 agreement, this Project would probably not be built.
- 8) N/A
- 9) N/A
- 10) N/A

Tab 6

Peyton Creek Wind Farm, LLC
Application for Appraised Value Limitations on Qualified Property

Tab 6

Section 10 — The Property

The proposed Project will consist of 44 - 75 wind turbine generators, with a capacity of 2.0 megawatts to 3.4 megawatts per generator, with an approximate total capacity of 151.2 MW. The current base case Project layout assumes 48 Acciona AW-125 turbines (3.15 MW capacities) will be located in Bay City ISD service territory. A map of the project area, the reinvestment zone and the school districts is attached.

At this time, we are projecting a total qualified investment of \$145 million for Peyton Creek Wind Farm, LLC within the Bay City ISD area. Approximately 151.2 MW will be in the Bay City ISD. As more Project information is gathered, the project area may change.

Tab 7

Peyton Creek Wind Farm, LLC
Application for Appraised Value Limitations on Qualified Property

Tab 7

Section 11— Investment

Description of Qualified Investment

4a. & 4b. Peyton Creek Wind Farm, LLC anticipates constructing a wind-powered electric generating facility with an operating capacity of approximately 151.2 megawatts within the Bay City ISD territory. The current base case turbine is the Acciona AW-125 with a 3.15 MW capacity. Therefore it is expected that 48 Acciona turbines will be located in BCISD area.

The additional improvements for the Project may include but are not limited to:

- Roadwork, sloped for drainage, with turnouts from public roads
- Fencing to control livestock and to protect substations and other equipment as needed for safety and security.
- 44-75 wind turbine generator foundations, with anchor bolt embeds and template rings
- Wind turbine obstruction lighting per FAA requirements
- Telephone system
- ECRNA will construct one 345:34.5kV collection substation, including transformers with OLTC's, as well as associated circuit breakers, switches, reactive power compensation equipment and control building. Location of substation is not known at this time.
- The collection substation will be connected to the utility interconnection through a single-circuit, double 795 ACSR conductor 345kv transmission line approximately 3 miles in length.
- Underground power cables from, and various cable accessories, with grounding.
- Permanent meteorological towers, quantity and location of which to be determined by final turbine layout.
- Underground communication cables

4c. Please see map in Tab 11. The specific locations of the roads, turbines and ancillary equipment is yet to be determined.

Tab 8

Peyton Creek Wind Farm, LLC
Application for Appraised Value Limitations on Qualified Property
Tab 8

Section 12— Qualified Property

Description of Qualified Property

1a. & 1b. Peyton Creek Wind Farm, LLC anticipates constructing a wind-powered electric generating facility with an operating capacity of approximately 151.2 megawatts (the "Project"). 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. The company is considering a number of different turbines and the final project will have 44-75 turbines. The current base case uses the Acciona AW-125 turbine with an individual capacity of 3.15 MWs. The base case assumes 48 turbines, for a total capacity of 151.2 MWs.

The additional improvements for the Project may include but are not limited to:

- Roadwork, sloped for drainage, with turnouts from public roads
- Fencing to control livestock and to protect substations and other equipment as needed for safety and security.
- 44-75 wind turbine generator foundations, with anchor bolt embeds and template rings
- Wind turbine obstruction lighting per FAA requirements
- Telephone system
- ECRNA will construct one 345:34.5kV collection substation, including power transformers with OLTC's, as well as associated circuit breakers, switches, reactive power compensation equipment and control building.
- The collection substation will be connected to the utility interconnection through a single-circuit, double 795 ACSR conductor 345kv transmission line approximately 3 miles in length.
- Underground power cables from, and various cable accessories, with grounding.
- Permanent meteorological towers, quantity and location of which to be determined by final turbine layout.
- Underground communication cables

1c. Please see map in Tab 11. The specific locations of the roads, turbines and ancillary equipment is yet to be determined.

Tab 9

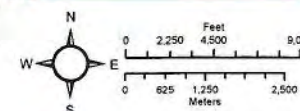
N/A

Tab 10

N/A

Tab 11

Matagorda County, Texas

 County Boundary

 US/State Highway
 County Road/Highway
 Local Road
 Dirt/Unpaved Road

Tab 12



701 Brazos Street
Suite 1400
Austin, TX 78701

October 15, 2018

Dr. Marshall Scott III
Superintendent
Bay City Independent School District
520 7th Street
Bay City, TX 77414

Re: Chapter 313 Job Waiver Request

Dear Dr. Scott

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

Peyton Creek Wind Farm, LLC requests that the Bay City Independent School District make such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, Peyton Creek Wind Farm, LLC has committed to create 5 total jobs for the project, with all 5 of jobs dedicated to BCISD.

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

The industry standard for employment is typically one full-time employee for approximately every 15-20 turbines. This number may fluctuate depending on the operations and maintenance requirements of the turbine selected as well as the support and technical assistance offered by the turbine manufacturer. The permanent employees of a wind project maintain and service wind turbines, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition, to the onsite employees, there may be managers or technicians who support the project from offsite locations.

With kind regards,

A handwritten signature in blue ink, appearing to read 'PB', followed by a long horizontal line.

Paul Bowman
Sr. Vice President, Development

Tab 13

CALCULATION OF WAGE REQUIREMENTS

TOTAL REGION MANUFACTURING

Council of Government	Hourly	Weekly	Annual
1. Houston-Galveston Area Council	\$28.64	\$1157.73	60,202

$\$1157.73 \times 1.10 = \textbf{\$1273.50}$

$\$60,202 \times 1.10 = \textbf{\$66,222.20}$

TOTAL – MANUFACTURING –Matagorda County

Year	Quarter	Average Weekly Wages	Annualized
2017	2Q	\$1709	\$88,868
2017	3Q	\$1407	\$73,164
2017	4Q	\$1445	\$75,140
2018	1Q	\$2149	\$111,748
		\$1677.50	\$87,230
	X	<u>110% of County Average Weekly Wage for all Jobs</u>	
		\$1845.25	\$95,953

TOTAL— ALL INDUSTRIES – Matagorda County

Year	Quarter	Average Weekly Wages	Annualized
2017	2Q	\$1054	\$54,808
2017	3Q	\$946	\$49,192
2017	4Q	\$1032	\$53,664
2018	1Q	\$1164	\$60,528
		\$1049	\$54,548

Quarterly Employment and Wages (QCEW) Matagorda County- Manufacturing

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	2nd Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$1,709
2017	3rd Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$1,407
2017	4th Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$1,445
Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2018	1st Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$2,149

Quarterly Employment and Wages (QCEW) **Matagorda County – All Industries**

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	2nd Qtr	Matagorda County	Total All	00	0	10	Total, all industries	\$1,054
2017	3rd Qtr	Matagorda County	Total All	00	0	10	Total, all industries	\$946
2017	4th Qtr	Matagorda County	Total All	00	0	10	Total, all industries	\$1,032
Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2018	1st Qtr	Matagorda County	Total All	00	0	10	Total, all industries	\$1,164

**Quarterly Employment and Wages (QCEW)
NORTEX Regional Planning Commission-
Manufacturing**

**2017 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$26.24	\$54,587
<u>1. Panhandle Regional Planning Commission</u>	\$23.65	\$49,190
<u>2. South Plains Association of Governments</u>	\$19.36	\$40,262
<u>3. NORTEX Regional Planning Commission</u>	\$23.46	\$48,789
<u>4. North Central Texas Council of Governments</u>	\$26.80	\$55,747
<u>5. Ark-Tex Council of Governments</u>	\$18.59	\$38,663
<u>6. East Texas Council of Governments</u>	\$21.07	\$43,827
<u>7. West Central Texas Council of Governments</u>	\$21.24	\$44,178
<u>8. Rio Grande Council of Governments</u>	\$18.44	\$38,351
<u>9. Permian Basin Regional Planning Commission</u>	\$26.24	\$54,576
<u>10. Concho Valley Council of Governments</u>	\$19.67	\$40,924
<u>11. Heart of Texas Council of Governments</u>	\$21.53	\$44,781
<u>12. Capital Area Council of Governments</u>	\$31.49	\$65,497
<u>13. Brazos Valley Council of Governments</u>	\$17.76	\$39,931
<u>14. Deep East Texas Council of Governments</u>	\$17.99	\$37,428
<u>15. South East Texas Regional Planning Commission</u>	\$34.98	\$72,755
<u>16. Houston-Galveston Area Council</u>	\$28.94	\$60,202
<u>17. Golden Crescent Regional Planning Commission</u>	\$26.94	\$56,042
<u>18. Alamo Area Council of Governments</u>	\$22.05	\$48,869
<u>19. South Texas Development Council</u>	\$15.07	\$31,343
<u>20. Coastal Bend Council of Governments</u>	\$28.98	\$60,276
<u>21. Lower Rio Grande Valley Development Council</u>	\$17.86	\$37,152
<u>22. Texoma Council of Governments</u>	\$21.18	\$44,060
<u>23. Central Texas Council of Governments</u>	\$19.30	\$40,146
<u>24. Middle Rio Grande Development Council</u>	\$24.07	\$50,058

Source: Texas Occupational Employment and Wages

Data published: July 2018

Data published annually, next update will be July 31, 2019

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

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

Data intended for TAC 313 purposes only.

Tab 14

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

Applicant Name **Peyton Creek Wind Farm, LLC**
 ISD Name **Bay City, ISD**

Form 50-296A
 Revised Feb 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	Years preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2018-2019	2018			\$ -	(The only other investment made before filing complete application with district that may become Qualified Property is land.)	\$ -
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period		2019-2020	2019	\$ 145,350,000.00	\$ -	\$ -	\$ -	\$ 145,350,000.00
Complete tax years of qualifying time period	QTP1	2020-2021	2020	\$ -	\$ -	\$ -	\$ -	\$ -
	QTP2	2021-2022	2021	\$ -	\$ -	\$ -	\$ -	\$ -
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$ 145,350,000.00		\$ -	\$ -	\$ 145,350,000.00
Total Qualified Investment (sum of green cells)				\$ 145,350,000.00	Enter amounts from TOTAL row above in Schedule A2			

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

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

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

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

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

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

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

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

Applicant Name **Peyton Creek Wind Farm, LLC**
 ISD Name **Bay City ISD**

Form 50-296A
 Revised Feb 2014

PROPERTY INVESTMENT AMOUNTS				
(Estimated investment in each year. Do not put cumulative totals.)				
	Year	School Year (YYYY-YYYY)	Tax Year (File in actual tax year below) YYYY	
				Column A New investment (original cost) of tangible personal property placed in service during this year that will become Qualified Property
				Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property
				Column C Other investment made during this year that will become Qualified Property (SEE NOTE)
				Column D Other investment made during this year that will become Qualified Property (SEE NOTE)
				Column E Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		Enter amounts from TOTAL row in Schedule A1 in the row below
				\$ 145,350,000.00
Each year prior to start of value limitation period**	0	2018-2019	2018	\$ -
Each year prior to start of value limitation period**	0	2019-2020	2019	\$ 145,350,000.00
Value limitation period***	1	2020-2021	2020	
	2	2021-2022	2021	
	3	2022-2023	2022	
	4	2023-2024	2023	
	5	2024-2025	2024	
	6	2025-2026	2025	
	7	2026-2027	2026	
	8	2027-2028	2027	
	9	2028-2029	2028	
	10	2029-2030	2029	
Total investment made through limitation				\$ 145,350,000.00
Continue to maintain viable presence	11	2030-2031	2030	
	12	2031-2032	2031	
	13	2032-2033	2032	
	14	2033-2034	2033	
	15	2034-2035	2034	
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2035	
	17	2036-2037	2036	
	18	2037-2038	2037	
	19	2038-2039	2038	
	20	2039-2040	2039	
	21	2040-2041	2040	
	22	2041-2042	2041	
	23	2042-2043	2042	
	24	2043-2044	2043	
	25	2044-2045	2044	

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

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

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

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

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

Only tangible personal property that is specifically described in the application can become qualified property.

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

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

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

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

Applicant Name

Peyton Creek Wind Farm, LLC

Form 50-296A

ISD Name

Bay City ISD

Revised Feb 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
	0	2018-2019	2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	0	2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Value Limitation Period	1	2020-2021	2020	\$ -	\$ -	\$ 145,350,000	\$ 145,350,000	\$ 145,350,000.00	\$ 30,000,000.00
	2	2021-2022	2021	\$ -	\$ -	\$ 139,536,000	\$ 139,536,000	\$ 139,536,000.00	\$ 30,000,000.00
	3	2022-2023	2022	\$ -	\$ -	\$ 133,722,000	\$ 133,722,000	\$ 133,722,000.00	\$ 30,000,000.00
	4	2023-2024	2023	\$ -	\$ -	\$ 127,908,000	\$ 127,908,000	\$ 127,908,000.00	\$ 30,000,000.00
	5	2024-2025	2024	\$ -	\$ -	\$ 122,094,000	\$ 122,094,000	\$ 122,094,000.00	\$ 30,000,000.00
	6	2025-2026	2025	\$ -	\$ -	\$ 116,280,000	\$ 116,280,000	\$ 116,280,000.00	\$ 30,000,000.00
	7	2026-2027	2026	\$ -	\$ -	\$ 110,466,000	\$ 110,466,000	\$ 110,466,000.00	\$ 30,000,000.00
	8	2027-2028	2027	\$ -	\$ -	\$ 104,652,000	\$ 104,652,000	\$ 104,652,000.00	\$ 30,000,000.00
	9	2028-2029	2028	\$ -	\$ -	\$ 98,838,000	\$ 98,838,000	\$ 98,838,000.00	\$ 30,000,000.00
	10	2029-2030	2029	\$ -	\$ -	\$ 93,024,000	\$ 93,024,000	\$ 93,024,000.00	\$ 30,000,000.00
Continue to maintain viable presence	11	2030-2031	2030	\$ -	\$ -	\$ 87,210,000	\$ 87,210,000	\$ 87,210,000.00	\$ 87,210,000.00
	12	2031-2032	2031	\$ -	\$ -	\$ 81,396,000	\$ 81,396,000	\$ 81,396,000.00	\$ 81,396,000.00
	13	2032-2033	2032	\$ -	\$ -	\$ 75,582,000	\$ 75,582,000	\$ 75,582,000.00	\$ 75,582,000.00
	14	2033-2034	2033	\$ -	\$ -	\$ 69,768,000	\$ 69,768,000	\$ 69,768,000.00	\$ 69,768,000.00
	15	2034-2035	2034	\$ -	\$ -	\$ 63,954,000	\$ 63,954,000	\$ 63,954,000.00	\$ 63,954,000.00
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2035	\$ -	\$ -	\$ 58,140,000	\$ 58,140,000	\$ 58,140,000.00	\$ 58,140,000.00
	17	2036-2037	2036	\$ -	\$ -	\$ 52,326,000	\$ 52,326,000	\$ 52,326,000.00	\$ 52,326,000.00
	18	2037-2038	2037	\$ -	\$ -	\$ 46,512,000	\$ 46,512,000	\$ 46,512,000.00	\$ 46,512,000.00
	19	2038-2039	2038	\$ -	\$ -	\$ 40,698,000	\$ 40,698,000	\$ 40,698,000.00	\$ 40,698,000.00
	20	2039-2040	2039	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00
	21	2040-2041	2040	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00
	22	2041-2042	2041	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00
	23	2042-2043	2042	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00
	24	2043-2044	2043	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00
	25	2044-2045	2044	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00

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

Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Applicant Name
ISD Name

Peyton Creek Wind Farm, LLC
Bay City ISD

Form 50-296A

Revised Feb 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
				Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2018-2019	2018					
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	100 FTE	\$ 66,222.20			
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2020-2021	2020			N/A	5	\$ 66,222.20
	2	2021-2022	2021			N/A	5	\$ 66,222.20
	3	2022-2023	2022			N/A	5	\$ 66,222.20
	4	2023-2024	2023			N/A	5	\$ 66,222.20
	5	2024-2025	2024			N/A	5	\$ 66,222.20
	6	2025-2026	2025			N/A	5	\$ 66,222.20
	7	2026-2027	2026			N/A	5	\$ 66,222.20
	8	2027-2028	2027			N/A	5	\$ 66,222.20
	9	2028-2029	2028			N/A	5	\$ 66,222.20
	10	2029-2044	2029			N/A	5	\$ 66,222.20
Years Following Value Limitation Period	11 through 26	2030-2045	2030-2045			N/A	5	\$ 66,222.20

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

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25
qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)?

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

☒	Yes	☐	No
☒	Yes	☐	No
☐	Yes	☒	No

Schedule D: Other Incentives (Estimated)

Applicant Name **Peyton Creek Wind Farm, LLC**
ISD Name **Bay City ISD**

Form 50-296A

Revised Feb 2014

State and Local Incentives for which the Applicant Intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: Matagorda	2020	2029	\$ 502,306.00	75% Abatement w/ PIL Per/MW \$1,500/ YR 1-10	\$ 316,848.00
	City:					
	Other: Matagorda County Hospital Dist.	2020	2029	\$ 384,793.00	65% Abatement w/ PIL Per/MW \$1,500/ YR 1-10	\$ 194,191.00
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL				\$ 502,306.00		\$ 316,848.00

Additional information on incentives for this project:

Tab 15

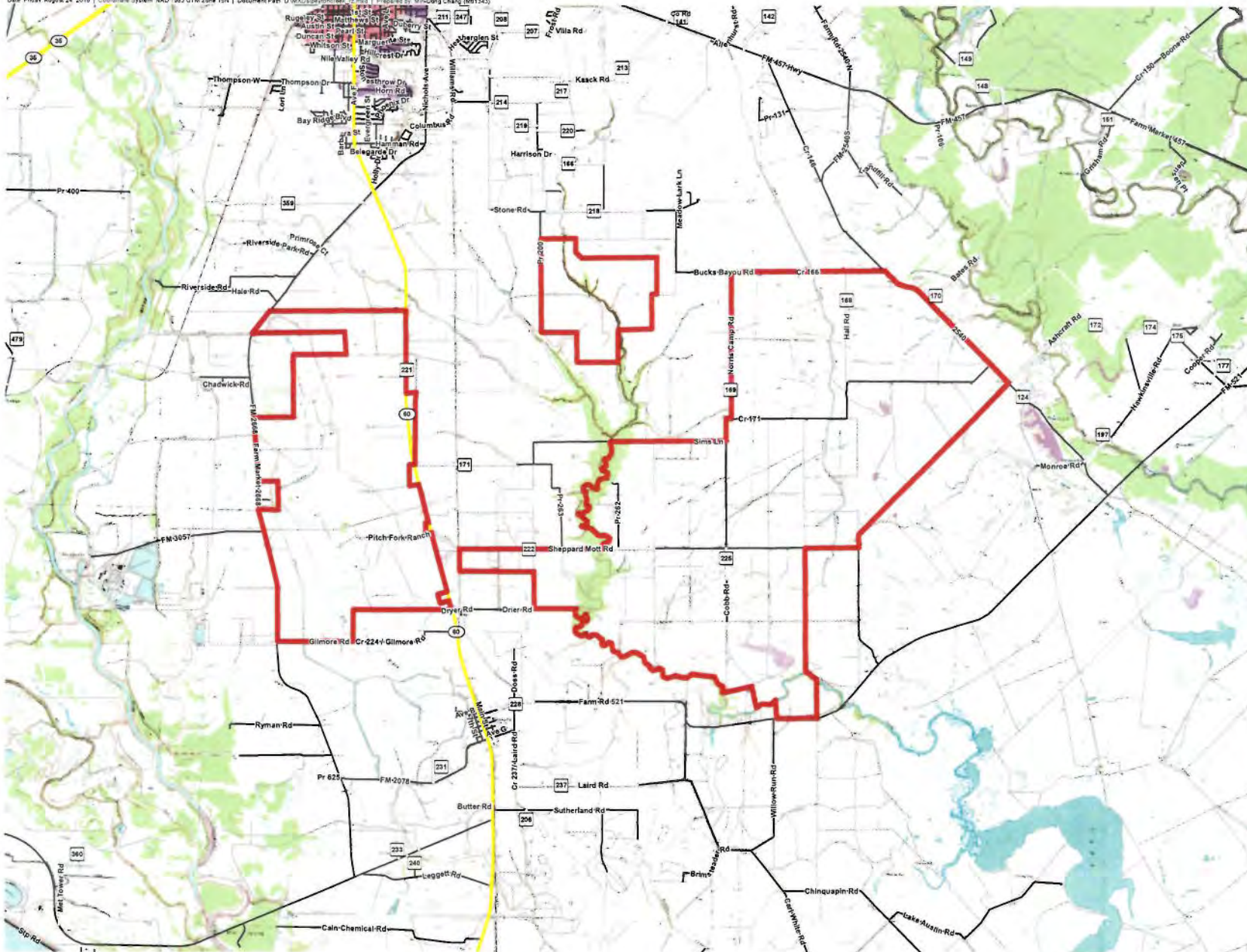
N/A

Tab 16

Stella Wind Farm, LLC
Application for Appraised Value Limitations on Qualified Property
Tab 16
Section 12— Reinvestment Zone

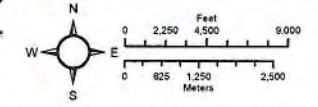
3b., 3c. & 3e. Created by Matagorda County on October 8, 2018

3d. Guidelines attached.



Peyton Creek Reinvestment Zone

Matagorda County, Texas



- Peyton Creek Reinvestment Zone
- County Boundary
- Road Classification**
- US/State Highway
- County Road/Highway
- Local Road
- Dirt/Unpaved Road

Date: August 24, 2018
 Map Scale: 1:80,000
 Projection: NAD 1983 UTM Zone 15N
 Datum: North American 1983

e-on

Map produced by E.ON Climate & Renewables UK for internal use only. Final analysis & site locations to be determined by E.ON personnel through on-site verification. Map is not to be reproduced or redistributed without expressly written permission from E.ON C&R. Base data from USGS.

***GUIDELINES AND CRITERIA
FOR GRANTING TAX ABATEMENT
IN REINVESTMENT ZONES AND/OR
ENTERPRISE ZONES CREATED
IN MATAGORDA COUNTY***

***ADOPTED: October 9, 2017
BY
MATAGORDA COUNTY COMMISSIONERS COURT***

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**GUIDELINES AND CRITERIA
FOR GRANTING TAX ABATEMENT IN
REINVESTMENT AND/OR ENTERPRISE ZONES
CREATED IN MATAGORDA COUNTY**

**Section 1
AUTHORITY**

Matagorda County is authorized to provide tax abatement benefits in accordance with the Texas Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code, as amended ("The Act"). The Act requires the establishment of these Guidelines and Criteria for the governing of tax abatement agreements between Matagorda County and eligible entities. The Act furthermore permits the designation of "reinvestment zones" in accordance with specific criteria.

**Section 2
PURPOSE AND INTENT**

The purpose and intent of these Guidelines and Criteria is to set forth the general parameters in which Matagorda County will operate a tax abatement program in accordance with the Act. The program is intended to be an economic development tool to assist and encourage investment to create, retain and expand full-time jobs while strengthening the tax base for Matagorda County.

All applications are considered on a case-by-case basis and the decision to approve or deny tax abatement shall be at the discretion of Commissioners Court. Nothing herein shall imply or suggest that Matagorda County is under any obligation to provide tax abatement to any applicant.

**Section 3
DEFINITIONS**

- (a) **"Abatement"** means the temporary full or partial exemption from ad valorem taxes of certain taxable improvements to real property in a Reinvestment and/or Enterprise Zone designated for economic development purposes pursuant to The Act
- (b) **"Abatement period"** means the period during which all or a portion of the value of real property or tangible personal property that is the subject of an Agreement is exempt from taxation.
- (c) **"Alternative/Renewable Energy or Fuel Facility"** means buildings, structures or equipment that are used in growing, production or generating of power or fuel sources or any alternative to fossil fuels used for generating power that is provided by abundant, natural energy sources such as solar, wind, geothermal or biomass.
- (d) **"Applicant"** means a current or potential owner of taxable real property, or current or potential owner of a leasehold interest in taxable real property, applying for abatement pursuant to these Guidelines and Criteria and the Property Redevelopment and Tax Abatement Act.
- (e) **"Aquaculture/Agriculture Facility"** means buildings, structures and major earth structure improvements, including fixed machinery and equipment, the primary purpose of which is the

hatching, incubating, nursing, maturing and/or processing to marketable size of aquaculture products in commercially marketable quantities or the processing, refining, packaging, and distribution of food and/or fiber products in commercially marketable quantities.

- (f) **“Agreement”** means a contractual agreement between a property owner and/or Lessee and an eligible jurisdiction for the purposes of tax abatement.
- (g) **“Base Year Value”** means the assessed value of eligible property on January 1st preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1st but before the execution of the agreement.
- (h) **“Business Retention and Expansion Programs”** are programs implemented to encourage economic development from within the existing businesses in the community. Includes, but not limited to, industrial, retail, agricultural and tourism.
- (i) **“Deferred Maintenance”** means improvements necessary for continued operations which do not improve productivity or alter the process technology.
- (j) **“Economic Life”** means the number of years a property improvement is expected to be in service in a facility. Provided, however, that in no circumstance shall the number of years exceed the depreciation allowance specified in the United States Internal Revenue Code.
- (k) **“Employee”** means a person whose employment is both permanent and full-time, who is employed by the applicant for abatement for a minimum of 1,750 hours per year exclusively within the reinvestment zone, and whose employment is reflected in the tax abatement applicant’s quarterly report filed with the Texas Workforce Commission.
- (l) **“Eligible Jurisdiction”** means Matagorda County, the Cities of Bay City and Palacios, and any special district which is located in Matagorda County, that levies ad valorem taxes upon and provides services to property located within a proposed or existing Reinvestment and/or Enterprise Zone.
- (m) **“Enterprise Zone”** means a specific geographic area, a census block group that has a poverty level of 20 percent or greater as identified by the 2010 U.S. Census and is recognized as such by the Texas Office of the Comptroller. Designation of an area as an Enterprise Zone under the Texas Enterprise Zone Act (Chapter 2303, Government Code) constitutes designation of the area as a Reinvestment Zone under Chapter 312, Subchapter C, Section 312.401 of the Government code.
- (n) **“Enterprise Project”** means a specific new or expanding business that can be located either in or outside of a designated Enterprise Zone that has been nominated by the Matagorda County Commissioners Court to participate in the Enterprise Zone program and is therefore eligible to receive state and/or local incentives and benefits.
- (o) **“Entertainment Project”** means a specific new or expanding business located in Matagorda County from which a majority of revenues are generated by visual arts, sporting, musical,

cinematic, theatrical, dance, recreational, arcades and/or other cultural endeavors, excluding all adult entertainment establishments.

- (p) **“Expansion”** means the addition of buildings, structures, fixed machinery or equipment for the purpose of increasing production capacity.
- (q) **“Facility”** means property improvements completed or in the process of construction which together comprise an integral whole.
- (r) **“Major Impact Project”** means
 - (i) any industrial, commercial, research and development, warehousing, distribution, transportation, energy generation, processing, mining, United States government or tourism enterprise together with all facilities required for construction, maintenance and operation of the enterprise with an initial capital investment of not less than Three Hundred Million Dollars (\$300,000,000.00) from private or United States government sources; or
 - (ii) with an initial capital investment of not less than One Hundred Fifty Million Dollars (\$150,000,000.00) from private or United States government sources together with all buildings, and facilities, structures or improvements or whatever kind required or useful for construction, maintenance and operation of the enterprise and which creates at least five hundred (500) net new full-time jobs; or which creates at least two hundred fifty (250) net new full-time jobs which provides an average salary, excluding benefits which are not subject to federal income taxation, of at least one hundred fifteen percent (115%) of the most recently published average annual wage of the state as determined by the State of Texas;
 - (iii) “Project” shall also include any ancillary development or business resulting from the enterprise, of which the authority is notified, within three (3) years from the date that the enterprise entered into commercial production, that the project area has been selected as the site for the ancillary development or business.
- (s) **“Manufacturing Facility”** means buildings, structures, fixed machinery or 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.
- (t) **“Modernization”** means the upgrading of existing facilities that increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration, or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purposes of reconditioning, refurbishing or repairing.
- (u) **“New Facility”** means a property previously undeveloped which is placed in service by means other than or in conjunction with expansion or modernization.
- (v) **“Other Basic Industry”** means buildings and structures including fixed machinery or equipment not elsewhere described, used or to be used for the production of products or services, from which

a majority of revenues generated by activity at the facility are derived from outside Matagorda County.

- (w) **“Productive Life”** means the number of years a property improvement is expected to be in service in a facility.
- (x) **“Recycling Facility”** means the buildings and structures used in the processing of used materials (waste or by-products) into new products to prevent waste of potentially useful materials, reduce the consumption of fresh raw materials, reduce energy usage, reduce air pollution (from incineration) and water pollution (from land filling) by reducing the need for “conventional” waste disposal, and lower greenhouse gas emissions as compared to virgin production.
- (y) **“Regional Distribution Facility”** means buildings and structures including fixed machinery or equipment used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility, from which a majority of revenues generated by activity at the facility are derived from outside Matagorda County.
- (z) **“Regional Entertainment/Tourism Facility”** means buildings and structures, including fixed machinery or equipment used or to be used to provide entertainment and/or tourism related services, from which a majority of revenues generated by activity at the facility are derived from outside Matagorda County.
- (aa) **“Regional Service Facility”** means buildings and structures, including fixed machinery or equipment used or to be used to provide a service, from which a majority of revenues generated by activity at the facility are derived from outside Matagorda County.
- (bb) **“Reinvestment and/or Enterprise Zone-County Designated”** means any area of Matagorda County which has been designated a Reinvestment and/or Enterprise Zone for tax abatement purposes and which is not within the tax jurisdiction of any incorporated municipality. It is the intent of the Matagorda County Commissioners Court to designate such Zones on a case-by-case basis.
- (cc) **“Reinvestment and/or Enterprise Zone-Municipality Designated”** means any area of Matagorda County which lies within the tax jurisdiction of a municipality and has been designated a Reinvestment and/or Enterprise Zone by that jurisdiction for tax abatement purposes. The Matagorda County Commissioners Court may provide industrial tax abatement within municipality designated Reinvestment and/or Enterprise Zones as long as the tax abatement granted by Matagorda County is in concert with the tax abatement guidelines contained herein.
- (dd) **“Research Facility”** means buildings and structures, including fixed machinery or equipment used or to be used primarily for research and experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- (ee) **“Tourism”** refers to the tourist industry encompassing the activity of travel to points of destination for business or leisure, through which tourist services are created and supplied either directly or through intermediaries. Types of tourist industry include but are not limited to tour

organizing services, tourist information services, accommodation services, food services, entertainment and other tourist services.

Section 4 ABATEMENT AUTHORIZED

- (a) **Reinvestment Zone.** To be eligible for tax abatement the owner must own taxable real property which is the subject of the tax abatement which is located within a reinvestment zone designated by the governing body of a municipality or the County in accordance with the Property Redevelopment and Tax Abatement Act and must enter into a written agreement with the County wherein the owner agrees to make specified improvements or repairs to the property and, if applicable, that such specified improvements or repairs to the property are being made in conformity with the municipality's comprehensive plan.
1. **Unincorporated Areas.** The Commissioners Court, by order, may designate as a reinvestment zone an area of the County that does not include area in the taxing jurisdiction of a municipality.
 2. **Public Hearing/Designation of area as reinvestment zone.**
 - a. The Commissioners Court may not designate an area as a reinvestment zone until it holds a public hearing on the designation and finds that the designation would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of the County.
 - b. At the hearing, interested persons are entitled to speak and present evidence for or against the designation.
 - c. Advance notice of the public hearing must be given in compliance with the requirements of Sections 312.201 and 312.401 of the Texas Tax Code. Accordingly, not later than the seventh (7th) day before the date of the hearing, notice of the hearing must be:
 - i. Published in a newspaper having general circulation in the County; and
 - ii. Delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone. For purposes of this requirement, the County shall mail the notice of the public hearing to the respective presiding officer(s) by certified mail, return receipt requested, with proper postage affixed.
 - d. Notice is presumed delivered when placed in the mail postage-paid and property addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the County is considered to have been delivered to the addressee.
 3. **Expiration of reinvestment zone under this section.** The designation of a reinvestment zone under this section expires five years after the date of the designation and may be renewed for periods not to exceed five years. Provided however, that the expiration of the designation does not affect existing agreements made under this Section.
 4. **Enterprise Zone.** Designation of an area as an enterprise zone under Chapter 2303 of the Government Code constitutes a designation of the area as a reinvestment zone under these Guidelines and Criteria without further hearing or other procedural requirements other than those provided by Chapter 2303 of the Government Code.

5. **Location.** Property may be located both in a reinvestment zone designated by the County under this section and in a reinvestment zone designated by a municipality.
 6. **Prohibition.** The County shall not establish a reinvestment zone for the purpose of tax abatement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.
 7. **Chapter 381 Incentive.** The County's general policy is that a tax abatement and a Chapter 381 agreement will not co-exist for one entity. The eligible entity shall not be granted a tax abatement if they have opted to enter into a Chapter 381 agreement with the County.
- (b) **Authorized Facility.** A facility may be eligible for abatement if it is a:
- Manufacturing facility,
 - Private company performing a governmental function,
 - Research facility,
 - Recycling facility,
 - Renewable or alternative energy or fuel facility
 - Aquaculture/agriculture facility,
 - Regional distribution facility,
 - Regional service facility,
 - Regional entertainment/tourism facility,
 - Other basic industry.
- (c) **Authorized Date.** A facility shall be eligible for tax abatement if it has applied for such abatement prior to the commencement of construction, provided, that such facility meets the criteria granting tax abatement in Reinvestment and/or Enterprise Zones created in Matagorda County pursuant to the guidelines and criteria adopted by the Matagorda County Commissioners Court, hereafter "Commissioners Court", and will be considered on a case-by-case basis.
- (d) **Creation of New Value.** Abatement may only be granted for the additional taxable value of eligible property improvements made subsequent to and listed in an abatement agreement between Matagorda County and the property owner and/or Lessee, subject to such limitations as the County Commissioners Court may require.
- (e) **New and Existing Facilities.** Abatement may be granted to new facilities and improvements to existing facilities for purposes of modernization and expansion of existing facilities and structures, unless the property is property described by Section 312.211(a) of the Texas Tax Code (in which it must conform with Section 312.211).
- If a company requests an abatement without the creation of new jobs to remain competitive or reduce labor force, they shall submit a timeline of Worker Adjustment and Retraining Notification notices (WARN) will be issued. The County shall be provided copies of all WARN notices issued by a company under this section.
- (f) **Eligible Property.** Abatement may be extended to the taxable value of buildings, structures, fixed machinery, equipment, site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility. The economic life of

the property and improvements must exceed the life of the abatement agreement. The value of all property shall be the certified appraised value for each year, as finally determined by the Matagorda Central Appraisal District.

(g) **Ineligible Property.** The following classes of property shall be fully taxable and ineligible for abatement:

- Land,
- Inventories,
- Supplies,
- Furnishings or other forms of movable personal property,
- Vehicles, marine vessels, or aircraft,
- Deferred maintenance investments,
- Residential property,
- Property that is associated with any activity that is illegal under federal, state or local law,
- Property owned or used by the State of Texas or its political subdivisions,
- Property owned by any organization which is owned, operated or directed by a political subdivision of the state.

(h) **Leased Facilities.** If an authorized facility eligible for tax abatement is leased, the agreement shall be executed with both the Lessor and the Lessee.

(i) **Disputing Assessed Value.** All companies requesting abatement agree that binding arbitration is the sole recourse for any protest, application, negotiation or other procedure available to tax payers. If a company granted a tax abatement believes they have grounds to challenge or dispute the assessed value, they may present this information to Commissioners Court and request arbitration. The Commissioners Court will/may initiate the process for the company to enter into binding arbitration with the Matagorda Central Appraisal District and the company shall comply.

(j) **Tax Abatement Not Applicable to Public or Non-Tax Paying Entities.** Public or non-tax paying entities are not eligible to receive tax abatement from Matagorda County.

(k) **Value and Term of Abatement.**

1. Effective Date of Abatement – Abatement shall be granted effective with the January 1st valuation date immediately following the date of execution of the agreement, unless another date is established by agreement between the applicant and Matagorda County Commissioners Court, as allowed by state law [See Section 3 (f) below].
2. Term and Value of Abatement – The value and term of abatement on new eligible property shall be determined on a case-by-case basis. Table 1 provides a guideline for consideration by Commissioners Court but from which it may vary the length and abatement percentage of any application on a case-by-case basis.

TABLE I

Project	New Jobs Created	Years/Total Percentage Available	Possible Abatement Percentages Per Year
New Industry Project	10 or more	5 years – 380%	100%-85%-75%-65%-55%
Tourism/ Entertainment	10 or more	5 years – 380%	100%-85%-75%-65%-55%
Existing Businesses	10 or more *Unless WARN exception	5 years – 380%	100%-85%-75%-65%-55%
Major Impact Project	250 or more	10 years – 1,000%	100% each year

3. **Additional Tax Abatement Percentage Available** – The County may offer additional percentage of tax abatement for the years in the agreement for the employment of Matagorda County residents. The additional percentage, based on the chart below, can be offered beginning in year three. If the company hires Matagorda County residents in years one and two, the County can carry the additional abatement percentage to the third year, however, in no year shall more than 100% be abated. Regardless of whether the company attempts to use this additional percentage, preferential treatment shall be given to hiring operations and construction workers residing in Matagorda County, not only in the construction phase of the facility, but also during operations thereafter.

Matagorda County Residents Hired	Additional Percentage Offered
25-34%	5%
35-44%	10%
45-54%	15%
55-64%	20%
65-74%	30%
75-84%	35%
85-94%	40%
95-100%	50%

- (l) **Duration of Abatement** – The duration of an abatement agreement shall not exceed the maximum period of tax abatement allowed by state law of 10 years or one-half (1/2) the economic

life of the eligible property, whichever is less. Furthermore, under no circumstances shall the value of the abatement exceed 100 percent (100%) of the eligible taxable property value in a single year.

(m) **Minimum Economic Qualification.** To be eligible to receive tax abatement, the planned new facility or the planned expansion to or modernization of an existing enterprise must meet the following qualifications:

1. Must increase the appraised value of the taxable property in the amount of not less than one million dollars (\$1,000,000) after construction is completed or three years from the commencement of construction, whichever is less.
2. Must create new employment or prevent the loss of employment by job retention for not less than 10 persons associated with the production of goods and services at the authorized facility on a full-time, permanent basis in Matagorda County. Two or more part-time, permanent employees totaling an average of not less than 40 hours per week may be considered as one full-time, permanent employee. Employees must be employed by the tax abatement Applicant and cannot be paid by an on-site contractor or sub-contractor.
3. **WARN Notice** - If a company requests an abatement without the creation of new jobs to remain competitive or reduce labor force, they shall submit a timeline of Worker Adjustment and Retraining Notification notices (WARN) will be issued. The County shall be provided copies of all WARN notices issued by a company under this section.
4. Companies seeking to qualify for tax abatement on the basis of job retention shall document that without the creation of a Reinvestment and/or Enterprise Zone and/or tax abatement the company will either reduce employment or cease operations.
5. New jobs shall not be construed as transferring employment from one part of Matagorda County to another.

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

1. The value of ineligible property as provided in Section 4 (g), above, shall be fully taxable;
2. The base year value of existing eligible property as determined each year shall be fully taxable, and
3. The additional value of new eligible property shall be taxable in the manner described in Section 4 (j)(2), above.

(o) **Conflict of Interest.** Property that is in a Reinvestment and/or Enterprise Zone and that is owned or leased by a member of the governing body of Matagorda County or its political subdivisions shall be excluded from any property tax abatement.

- (p) **Matagorda County Vendors.** The Applicant and the Applicant's contractors shall make every effort to utilize the services of Matagorda County vendors where applicable during construction and operations.

Section 5 APPLICATION

- (a) Any present or potential property owner of taxable property in Matagorda County may request the creation of a Reinvestment and/or Enterprise Zone and tax abatement by filing a written application with the Matagorda County Economic Development Corporation. *Nothing within these guidelines shall be construed to suggest that Matagorda County is under obligation to provide any abatement to any applicant even if certain criteria are met. The County Commissioners Court reserves the right to reject any application.* The County may condition the amount or duration of tax abatement granted to achievement of investment amounts, new employment numbers or other requirements specified in a tax abatement agreement.
- (b) The application shall consist of a completed application form accompanied by the following:
1. A cover letter clearly stating the abatement time frame sought, abatement percentages sought and any variances requested from these Guidelines and Criteria. The letter should also identify any considerations or proffers the Applicant may want to offer to the County.
 2. A non-refundable application fee of \$1,000 payable to Matagorda County;
 3. A general written description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken;
 4. A descriptive list of the improvements that will be a part of the facility;
 5. An estimate of the cost of improvements;
 6. A map, metes and bounds, and legal property description;
 7. A time schedule for undertaking and completing the planned improvements;
 8. Such financial and other information as deemed appropriate by the County Commissioners Court for purposes of evaluating the application;
 9. An estimate of the number of employees during construction and thereafter to operate the facility;
 10. A proposed program for the recruitment of local employees in the construction and operation of the facility together with a statement affirming the Applicant's commitment to equal employment opportunity and hiring, at all levels, including a plan to implement and ensure such equal employment opportunity;

11. A certification prepared by the County Tax Assessor-Collector stating that all of Applicant's tax accounts within the County are paid on a current basis or that the applicant does not have a tax account within the County;
 12. If applicable, a schedule of WARN notices being issued to Texas Workforce Commission;
 13. Information pertaining to the reasons that the requested tax abatement is necessary to ensure the proposed project is built in the County (i.e., documentation supporting assertion that "*but for*" a tax abatement, the stated project could not be constructed in the County);
 14. For a leased facility, the Applicant shall provide with the application the name and address of the lessor and a draft copy of the proposed lease or option to contract. In the event a lease or option contract has already been executed with the owner of the site, the document must include a provision whereby the abatement applicant may terminate such contract without penalty or loss of earnest money in the event the County does not grant a tax abatement;
 15. A narrative addressing the points raised in the description of narrative accompanying the Application for Tax Abatement form;
 16. Applicant shall include its history of environmental compliance;
 17. Confirmation on whether the property is located within a reinvestment zone established under the Tax Increment Financing Act (TIFA), and if so, then Applicant shall also provide a list of the members of the board of directors for the TIFA reinvestment zone, detailing their positions on the board, and, at minimum, contact information for the chair of the board and the secretary of the board; and
 18. For abatement of property located within a municipality, Applicant shall provide a true and complete copy of the respective city ordinance or ordinances designating the reinvestment zone, including any amendments to the city ordinance or ordinances designating the reinvestment zone. For abatement of property located within a municipality and located within an enterprise zone, the Applicant shall provide a true and complete copy of the ordinance or ordinances designating the enterprise zone, including any amendments to the respective designation ordinance or ordinances, or when applicable, documentation from the Governor's Office showing the enterprise zone is active. Such ordinances or ordinances or documentation shall show that the reinvestment zone or enterprise zone remain active at the time of the submission of Applicant's application. Applicant further acknowledges and agrees that the respective zone must also still be active at the time of full execution of the Agreement on the date of the last Party executing thereto.
- (c) **Modernization.** In the case of modernization, Applicant shall include a statement of the assessed value of the facility separately stated for real and personal property for the tax year immediately preceding the application.
- (d) **Job Retention.** In the case of an application based on job retention, Applicant shall include a statement and sufficient information to verify the potential of job loss that would occur without the abatement.

- (e) Upon receipt of a complete application, the Executive Director of the MCEDC shall make an initial determination of whether the project qualifies for tax abatement under these Guidelines and Criteria, and issue his or her recommendation as to whether the proposed project qualifies under these Guidelines and Criteria to the Commissioners Court, including requesting authorization from the Commissioners Court regarding scheduling the public hearing, creating the reinvestment zone, and negotiating the tax abatement agreement. If an Agreement is subsequently approved by the Commissioners Court, then the Director of the MCEDC shall provide a fully executed copy of the Agreement to the Matagorda County Auditor and to the Matagorda County Tax Assessor-Collector.
- (f) If the County intends to act favorably on the application and enter into an agreement with the Applicant, the County shall do so in writing with the owner of the taxable real property located in an area designated as a reinvestment zone to exempt from taxation all or a portion of the increase in the value of the property over its value in the year in which the agreement is executed, subject to the provisions of these Guidelines and Criteria. Property eligible for abatement includes only new improvements commencing after approval of a tax abatement agreement with the County. The County may not enter into a tax abatement agreement unless it finds that the terms of the agreement and the property subject to the agreement meet the requirements of these Guidelines and Criteria.
- (g) Before acting upon the application, the County Commissioners Court shall, through a public hearing, afford the applicant and the general public opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on a Commissioners Court agenda to be posted in accordance with the Texas Property Redevelopment and Tax Abatement Act and the Texas Open Meetings Act. The Applicant shall reimburse the County the cost of publishing notices of the public hearing(s) in the local newspaper(s).
- (h) After receipt of an application for creation of a Reinvestment and/or Enterprise Zone and application for tax abatement, the County Commissioners Court may require an economic impact study setting out the impact of the proposed Reinvestment and/or Enterprise Zone and tax abatement and the expense of the study shall be the sole responsibility of the entity requesting the proposed abatement. The economic impact study shall include, but not be limited to, an estimate of the economic effect of the creation of the Zone and the abatement of taxes to local entities and the cost/benefit to the County and other effected taxing jurisdictions. The economic impact study shall also include projections of the secondary jobs that may result from the applicant's proposed project. An economic impact study shall be required for all abatement agreements that grant 500% or more in tax abatement, unless waived by Commissioners Court with a supermajority vote.
- (i) A request for a Reinvestment and/or Enterprise Zone for the purpose of tax abatement ***shall not be granted*** if the County Commissioners Court finds that the request for abatement was filed ***after*** the commencement of construction, alteration, or installation of improvements related to proposed expansion, modernization or new facility authorized as eligible under these guidelines.
- (j) When a large construction project requires a long lead-time for ordering fabrication of specialized equipment for the project before the scheduled start of construction, the year the tax abatement period begins will be subject to negotiations between the applicant and County Commissioners Court, where such flexibility in the start period of the tax abatement is allowed by state law.

- (k) Variances from parts of this policy may be considered by County Commissioners Court. A request for variances from provisions of these guidelines shall be made in written form in the cover letter to the application. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance or variances. Approval of a request for variance requires a three-fourths (3/4) vote of the Commissioners Court.
- (l) All projects will be weighted on their own merit and the County reserves the right to adjust benefits based on the economic impact, infrastructure impact, average rate, and utilization of local labor.

Section 6 PUBLIC HEARING

- (a) Should any affected jurisdiction or taxing entity be able to show cause in the public hearing why the grant of abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity or the provision of services, that showing shall be reason for the County Commissioners Court to deny any designation of the Reinvestment and/or Enterprise Zone, the granting of abatement, or both.
- (b) A Reinvestment, Enterprise Zone, or an abatement agreement shall not be authorized if it is determined that:
 - 1. There would be a substantial adverse effect on the provision of government services or on the tax base;
 - 2. The applicant has insufficient financial capacity to make the proposed expenditures;
 - 3. Planned or potential use of the property would constitute a hazard to public safety, health or morals under existing local, state or federal laws, or
 - 4. Planned or potential use of the property violates other codes or laws.

Section 7 AGREEMENT

- (a) After approval of an application, County Commissioners Court shall formally pass a resolution and execute a legal agreement with the owner of the facility and/or Lessee, which shall include the following:
 - 1. Estimated total value(s) to be abated and the base year value;
 - 2. Estimated percent of value to be abated each year as provided for in Section 2(i)(2), above.
 - 3. The commencement and termination dates of the abatement;
 - 4. The proposed use of the facility, nature of the construction, time schedule for construction and commencement of operations, map, property description as provided

by the applicant, and improvements as listed in the application under Section 3(b), above,

5. Contractual obligations in the event of default, violation of terms and conditions, delinquent taxes, recapture, administration and assignment as provided for in Sections 2(a), 2(e), (2f), 2(h) (2i), (2j) (2k) and (2l), , or other provisions that may be required for uniformity or by state law, and
 6. Amount of investment to be made in, and the required number of new positions or retained positions to be associated with the facility during the abatement period.
- (b) **Prior written notice of tax abatement agreement to other taxing units.** Not later than the seventh (7th) day before the date on which the County enters into an Agreement, the Director of the CSD serving as the County's designee shall deliver to the presiding officer of the governing body of each other taxing unit in which the property to be subject to the agreement is located a written notice stating that the County intends to enter into the agreement. The notice must include a copy of the proposed agreement. The notice is presumed delivered when placed in the mail postage paid and properly addressed to the presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the County is considered to have been delivered to the addressee.
- (c) **Approval by Commissioners Court/Resolution required.** To be effective, an agreement must be approved by the affirmative vote of a majority of the members of the Commissioners Court at a regularly scheduled meeting of the Commissioners Court. After the public hearing, the Commissioners Court shall adopt a resolution finding that the proposed agreement filed with the resolution, a copy of which must be attached thereto, meets the applicable provisions of these Guidelines and Criteria. The resolution shall also authorize the execution of the agreement with the owner of the facility or, if applicable, the lessee.
- (d) **Specific terms of tax abatement agreement – statutory mandatory requirements.** The execution, duration, and other terms of the Agreement are governed by the provisions of Sections 312.204, 312.2041, 312.205, and 312.211 of the Tax Code applicable to a municipality. Accordingly, the Agreement shall:
1. List the kind, number, and location of all proposed improvements of the property;
 2. Provide access to and authorize inspection of the property by County employees to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement;
 3. Limit the uses of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect;
 4. Provide for recapturing property tax revenue lost as a result of the Agreement if the owner of the property fails to make the improvements or repairs as provided by the Agreement;
 5. Contain each term agreed to by the owner of the property;

6. Require the owner of the property to certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the Agreement; and
 7. Provide that the Commissioners Court may cancel or modify the Agreement if the property owner fails to comply with the Agreement.
- (e) **Specific terms of tax abatement agreements – additional mandatory requirements.** The Agreement shall also:
1. Include a map showing existing uses and conditions of real property in the reinvestment zone;
 2. Include a map showing proposed improvements and uses in the reinvestment zone;
 3. List the commencement date and termination date of abatement;
 4. Include a provision that the Agreement shall be effective when executed by all parties and, if the reinvestment zone is being designated by a municipality, upon the final passage of an ordinance designating the reinvestment zone;
 5. Include provisions that the owner or lessee will: obtain and maintain all required permits and other authorizations from the Federal and State agencies with authority regarding the property, including without limitation and if applicable, the United States Environmental Protection Agency and the Texas Commission on Environmental Quality (TCEQ) for the construction and operation of its facility and for the storage, transport, and disposal of solid waste; and seek a permit from the TCEQ for all grandfathered units on the site of the abated facility by filing with the TCEQ, within three years of receiving the abatement, a technically complete application for such a permit;
 6. List the proposed use of the facility, the nature of construction, time schedule, property description, and improvement list;
 7. Include a requirement that the Applicant annually file a report with the County describing the Applicant's efforts towards local hires and using local vendors and subsequent to completion, progress on construction. This annual report to the County shall also include a January employee count for the abated facility that corresponds to employee counts reported in the facility Employer's Quarterly Report to the Texas Workforce Commission for the quarter most recently ended at calendar year-end; and
 8. List whether the property subject to abatement is located within a reinvestment zone established under the Tax Increment Financing Act, and if no, then the Owner shall be required to represent and warrant that the property is not located within a reinvestment zone established under the Tax Increment Financing Act.
- (f) **Mandatory terms in these Guidelines are not limitations on requiring additional terms for tax abatement.** The Commissioners' Court retains the right to require additional terms and conditions for abatement and the listing of mandatory provisions specified in this Section 12 is not a limitation on the terms and conditions that may be required by the Commissioners' Court.

- (g) **Recapture provisions describe below.**

**Section 8
RECAPTURE**

- (a) **Discontinuation/Significant Reduction of Production/Services.** In the event that the facility is completed and begins producing goods and/or services, but subsequently discontinues such production for any reason for a period of 180 days while the Agreement is active, or one year in the event of a declared disaster under the Texas Disaster Act of 1975 in which the disaster is the cause for the discontinuation, then the agreement shall automatically terminate and so shall the abatement of taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for the calendar year shall be paid to the County within sixty (60) days from the date of termination. If the County does not receive full payment within said sixty (60) days, a penalty equal to fifteen percent (15%) of the total amount abated may be added

Any reduction of 50% or more from the estimated production/service in the application shall constitute a significant reduction in the production/service shall constitute a significant reduction in the production of product or service. The company or individual shall notify the County in writing at the address stated within the Agreement within (10) business days from any discontinuation or significant reduction, stating the reason for the discontinuation or significant reduction. If the County determines that this requirement for notification has not been complied with, the Agreement may be terminated immediately and all taxes previously abated by virtue of the Agreement shall be recaptured and must be paid within sixty (60) calendar days. If the County does not receive full payment within said sixty (60) days, a penalty equal to fifteen percent (15%) of the total amount abated may be added.

- (b) **Default under Terms and Conditions of Agreement.** Should the County determine that the company or individual is in default according to the terms and conditions of the abatement agreement, the County shall notify the company or individual, in writing, at the address stated in the agreement, and if such non-compliance is not resolved within sixty (60) days from the date of such notice, then the agreement shall be terminated and all taxes previously abated by the Agreement shall be recaptured and must be paid within sixty (60) calendar days. If the County does not receive full payment within said sixty (60) days, a penalty equal to fifteen percent (15%) of the total amount abated may be added

- (c) **Delinquent ad valorem taxes cause for termination.** In the event that the company or individual:

1. Allows its ad valorem taxes owed the County or affected jurisdictions to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or
2. Violates any of the terms and conditions of the abatement agreement and fails to resolve such violations within sixty (60) days from the date of written notice from Matagorda County or its designated agent of such violations, then the agreement may be terminated and all taxes previously abated by virtue of the tax abatement agreement will be recaptured and paid to the County by the company or individual within sixty (60) days of the

termination. If the County does not receive full payment within said sixty (60) days, a penalty equal to fifteen percent (15%) of the total amount abated may be added

- (d) **Sale to Non-Tax Paying Entity.** If a tax paying company receives a tax abatement from Matagorda County and then sells the facility or company to a public or non-tax paying entity, then the tax abatement agreement shall be declared in default by Matagorda County and all previously received tax abatements shall be recaptured and paid to the County by either the original recipient of the tax abatement or by the new purchasers of the facility or company within sixty (60) days of default of the tax abatement agreement. Matagorda County will notify the original tax abatement recipient and the new owners of the default and recapture requirement. If the County does not receive full payment within said sixty (60) days, a penalty equal to fifteen percent (15%) of the total amount abated may be added
- (e) **Penalty and Interest.** If taxes previously abated are recaptured, the company or individual shall also be responsible for payment of a penalty or interest, or both, on that recaptured property tax revenue as specified in the tax abatement agreement.

Section 9 ADMINISTRATION

- (a) The Chief Appraiser of the County shall, as a normal consequence of his duties, annually determine an assessment of the real and personal property comprising the Reinvestment Zone, Enterprise Project or tax abatement project. Each year, the company or individual receiving abatement shall furnish the Chief Appraiser and the County with such information as may be necessary for maintaining the abatement, including investments made in the facility. Once the value has been established, the Chief Appraiser shall notify the affected jurisdictions which levy taxes of the amount of the assessment. The applicant shall provide this information to the Chief Appraiser and to Commissioners Court by March 15th of each year.
- (b) The agreement shall stipulate that employees and/or designated representatives of the County will have access to the Reinvestment and/or Enterprise Zone during the term of the abatement agreement to inspect the facility to determine if the company or individual is in compliance with the terms and conditions of the abatement agreement. All inspections will be made only after notification of not less than twenty four (24) hours and will only be conducted in such manner as not to unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual present and in accordance with the company's safety standards.
- (c) Upon completion of construction, the County or the jurisdiction creating the Reinvestment and/or Enterprise Zone shall annually evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations to the Commissioners Court and County Attorney.
- (d) All proprietary information required by the County for purposes of monitoring compliance by a company with the terms and conditions of an abatement agreement shall be considered confidential to the extent permitted by law.
- (e) The company must file an annual status report by March 15th of each year of the abatement.

These reports will contain the amount of qualified taxable investment made, a total employee count that corresponds to employment counts reported in the Company's Quarterly Reports to the Texas Workforce Commission. It will also identify the number of employees filling the new positions created for the tax abatement. The report will demonstrate whether the company has met the conditions of the abatement agreement. If the company is deemed not in compliance with the agreement, the County Commissioners Court may cancel or modify the agreement at any time.

- (f) The agreement will be registered with both the Texas Department of Commerce and the State Comptroller. This report must contain a general description of the Reinvestment and/or Enterprise Zone as well as information about the specific agreement – the name of parties involved, the project, the portion of the property to be exempt, and duration of the agreement. *It is the responsibility of the property owner to annually certify to the Chief Appraiser and County Commissioners Court that the project is in compliance with the Reinvestment and/or Enterprise Zone creation agreement and tax abatement agreement.*
- (g) Matagorda County may cancel the entire agreement if the property owner fails to comply with terms of the written agreement and obtain a recapture of all tax abatements previously given to the company or individual.

Section 10 ASSIGNMENT

- (a) 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 County Commissioners Court 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 County Commissioners Court.
- (b) The expiration date of the new contractual agreement shall not exceed the termination date of the abatement agreement with the original owner and/or Lessee.
- (c) No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new Lessee are liable to Matagorda County or any affected taxing jurisdiction for outstanding taxes or other obligations.
- (d) Approval of a transferred and assigned agreement shall not be unreasonably withheld.

Section 11 FEDERAL AND STATE COMPLIANCE

- (a) **Confidentiality of Proprietary Information/Public Information Act.** Applicant acknowledges that the County is a governmental body subject to the Public Information Act and thus is required to release information in accordance with the Public Information Act. Applicant may be required to provide information in connection with its application or ongoing monitoring requirements 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 abatement is being sought. Section 312.003 of the Tax Code provides for the confidentiality of such information provided to

a taxing unit in connection with an application or request for tax abatement until the tax abatement agreement is executed. Applicant acknowledges that Section 312.003 affords confidentiality for such information only until the tax abatement agreement is executed. Applicant further agrees to and shall clearly and conspicuously mark any information that it considers to be proprietary, trade secret, or otherwise confidential in its application or other information furnished to the County to facilitate the procedures for notice to third party under the Public Information Act, which are contained at Section 552.305 of the Government Code.

(b) Immigration Compliance/Use of E-Verify Required.

1. **Compliance with U.S. Immigration Reform and Control Act of 1986.** To the best of Applicant's knowledge, having undertaken reasonable diligence, none of the Applicant's personnel is an unauthorized alien and Applicant at all times shall comply with the U.S. Immigration Reform and Control Act of 1986, as amended. Applicant further agrees that it shall not subcontract services to any subcontractor who utilizes persons not eligible for employment within the United States.
2. **Use of E-Verify required.** The United States Department of Homeland Security's Employment Eligibility Program is known as E-Verify. The E-Verify Program is used to electronically confirm an employee's eligibility to work in the United States; however it is not a substitute for complying with I-9 requirements. To be eligible for abatement, an Applicant shall comply with I-9 requirements and shall utilize E-Verify to confirm the eligibility of its employees to work in the United States.

(c) Abatement on properties within a TIFA reinvestment zone. In the event of real property located within a reinvestment zone established under the Tax Increment Financing Act (TIFA) (codified at Chapter 311 of the Tax Code), the County may enter into an Agreement with an owner of real property in the TIFA reinvestment zone regardless of whether the County deposits or agrees to deposit tax increment into the tax increment fund. However, to be effective, the agreement to abate taxes on real property in a TIFA reinvestment zone must also be approved by the board of directors of the respective TIFA reinvestment zone and the governing body of each taxing unit that imposes taxes on real property in the TIFA reinvestment zone and deposits or agrees to deposit any of its tax increment into the tax increment fund for the TIFA reinvestment zone. If the County participates in the TIFA reinvestment zone and enters into an abatement agreement with an owner of real property in the TIFA reinvestment zone, then the taxes that are abated under the abatement agreement are not considered taxes to be imposed or produced by the County in calculating the amount of the tax increment of the County of the County's deposit to the tax increment fund for the TIFA reinvestment zone.

Section 12 SEVERABILITY AND LIMITATION

- (a) In the event that any section, clause, sentence, paragraph or any part of these Guidelines and Criteria shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of these Guidelines and Criteria.
- (b) The County Commissioners Court of Matagorda County, Texas shall take no action which imposes an economic or financial hardship upon any other taxing unit in Matagorda County.

Further, the County Commissioners Court of Matagorda County, Texas shall not designate a Reinvestment and/or Enterprise Zone or enter into an abatement agreement which imposes penalty provisions, as provided in Section 312.206 and Section 312.402 of the Tax Code, upon any other taxing unit in Matagorda County for failing to enter into an abatement agreement.

Section 13

SUNSET PROVISION

- (a) The "Guidelines and Criteria" are effective upon the date of their adoption and will remain in force for two (2) years, at which time all Reinvestment and/or Enterprise Zones and tax abatement contracts created pursuant to its provisions will be reviewed by the Matagorda County Commissioners Court to determine whether the goals of the abatement program have been achieved. Based upon that review, the "Guidelines and Criteria" may be modified, renewed or eliminated.
- (b) Prior to the date for review, as defined above, the "Guidelines and Criteria" may be modified only by a vote of three-fourths of the members of County Commissioners Court, as specified in Sec.312.002(c) of the Texas Property Redevelopment and Tax Abatement Act.

**Matagorda County
Application for Tax Abatement**

Filing Instructions

This application must be filed prior to the commencement of construction or the installation of equipment associated with the project for which the abatement is being sought. This filing acknowledges that the applicant has read and understands the "Guidelines and Criteria for Granting Tax Abatement in a Reinvestment Zone in Matagorda County." Furthermore, the applicant agrees to comply with all requirements stated in the Guidelines.

This application will become a part of any tax abatement agreement or contract executed between the applicant and Matagorda County, and knowingly false representations therein will be grounds for voiding such agreement or contract. An original and two copies of this application and attachments (Recommended either by certified mail or equivalent method) should be submitted to:

County Judge
Matagorda County Courthouse
1700 Seventh Street
Bay City, Texas 77414

Executive Director
Matagorda County E.D.C.
2200 Seventh Street, Suite 302
Bay City, Texas

Applicant Information

Company Name: _____
Mailing Address: _____
Street Address: _____
Phone Number: (_____) _____
Fax Number: (_____) _____
Email _____

Parent Company Name: _____
(if applicable)
Mailing Address: _____
Street Address: _____
Phone Number: (_____) _____
Fax Number: (_____) _____
Email _____

Primary Contact Person: _____
Title: _____
Phone Number: (_____) _____
Fax Number: (_____) _____
Email _____
Second Contact Person: _____
Title: _____
Phone Number: (_____) _____
Fax Number: (_____) _____
Email _____

Type of Business:

- ☐ Privately Held Corporation
☐ Publicly Held Corporation
☐ Partnership
☐ Sole Proprietorship
☐ Limited Liability Partnership
☐ Other: _____

Attach One of the Following Documents:

- ☐ Articles of Incorporation
☐ Assumed Name Certificate
☐ Certificate to do Business in Texas

Federal Tax ID No.: _____

Is this a start-up company or operation? _____

Primary Activity (Good/Service Produced): _____

North American Industry Classification System (NAICS) code (5-digit): _____

Annual Sales at Time of Application (if applicable): _____

Number of Permanent, Full-time Employees at Time of Application: _____

Number of Permanent, Part-time Employees at Time of Application: _____

Project Information

Type of Facility for Which Abatement is Sought:

- | | |
|--|--|
| ☐ Manufacturing | ☐ Agriculture/Aquaculture* |
| ☐ Research | ☐ Regional Distribution* |
| ☐ Regional Service* | ☐ Regional Entertainment/Tourism* |
| ☐ Other Basic Industry* | ☐ Other _____ |

*Note: Applicant must provide evidence that a majority of the revenues generated by this facility are from sources outside of Matagorda County.

Type of Improvements:

- ☐ New Plant
☐ Modernization of Existing Facility
☐ Expansion of Existing Facility
☐ Machinery & Equipment

FACILITY ANALYSIS:

Estimated value of new facility \$ _____
Estimated value of machinery equipment \$ _____
Estimated value of personal property \$ _____
Estimated value of inventory \$ _____
Estimate the annual amount of electricity (KWH) _____
Estimate the annual amount of water usage (Gallons) _____
Estimate the annual amount of natural gas consumption _____
Size of building _____ sq. ft.
Acreage of property _____

Project Location (address and legal description, please provide a map if available):

Description of the Machinery or Equipment:

CONSTRUCTION INFORMATION:

Anticipated date construction will begin: _____
Anticipated date construction will be completed: _____
Anticipated operations start date: _____
Anticipated date of purchase of machinery or equipment: _____
Anticipated peak construction work force: _____
Average monthly construction worker salary \$ _____
Estimate % of construction workers' salaries to be spent in Matagorda County % _____
Estimation of the amount of taxable furniture, fixtures and equipment, construction materials
to be purchased in Matagorda County \$ _____
Length of construction period, in months _____

EMPLOYMENT INFORMATION:

Projected number of new permanent employees: _____

Projected number of new part-time employees: _____

Total jobs retained (if modernization*): _____

*Note: Applicant must provide evidence that the company would reduce or cease operations within Matagorda County, if not for the proposed modernization.

Present payroll amount \$ _____

Number of employees currently living in Matagorda County (if known): _____

Please list job titles or classification of new employees with average hourly or annual earnings and the number of jobs in each position:

Other Information

Estimate the number of out of town visitors to the company per year: _____

Average length of stay of each visitor: _____

Estimated average daily spending of each visitor: \$ _____

How much does the company pay in property taxes to taxing entities in Matagorda County:
\$ _____

Has the Company had a tax abatement from any taxing authority in Matagorda County?

_____ Yes _____ No If "Yes", which taxing entity: _____

Public Service Requirements and School District Impacts

Needed volume of public water required, if water will come from a public utility company or district: (Gallons Per Day): _____

Projected volume of effluent to be treated, if effluent will be treated by a public utility company or district: (Gallons Per Day): _____

Other Abatement Agreement Applications

Has the applicant made application for abatement of the value of real property improvements associated with this project to any other taxing jurisdiction or county?

_____ Yes _____ No

If yes, please provide the following information on each pending application:

Name of Jurisdiction:

Date of Application:

Date of Public Hearings (if required):

Action Taken by Jurisdiction (if any):

Variance

Does approval of this application by the County Commissioners Court require a variance from the Guideline and Criteria, adopted by the Commissioners Court on May 5, 2015?

_____ Yes _____ No

If yes, applicant must provide a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a three-fourths (3/4) vote of the governing body.

Attachments

All applications must contain the attachments listed in *Guidelines and Criteria for Granting Tax Abatement in Reinvestment Zones and/or Enterprise Zones Created in Matagorda County* which is located in Section 5, Paragraph B of these guidelines (see also Exhibit A). The Commissioners' Court may not review an application until the requested information has been provided.

Assurances

I do hereby certify:

- (1) The information provided above is, to the best of my knowledge, complete and accurate.
- (2) That I have received and read a copy of the "Guidelines and Criteria for Granting Tax Abatement in Reinvestment Zones in Matagorda County," dated May 5, 2015, and that I understand the conditions and terms under which a tax abatement agreement may be executed.
- (3) That employees and/or designated representatives of the County shall have access to the facility during the period of the abatement agreement to determine if the company is in compliance with the terms and conditions of the agreement, as provided in Section 7(b) of the "Guidelines and Criteria," referenced above.
- (4) I understand that failure to comply with the terms and conditions of the abatement agreement may result in the recapture by the County of any and all taxes previously abated by virtue of the agreement.
- (5) I understand that participation in an abatement agreement does not remove any obligation to satisfy all codes and resolutions issued by the County or any other affected taxing jurisdiction that may be in effect and applicable at the time this project is implemented.

Signature of Authorized Officer

Date

Name of Officer (Type or Print)

Title (Type or Print)

IF YOU HAVE ANY QUESTIONS, CALL THE MATAGORDA COUNTY ECONOMIC
DEVELOPMENT CORPORATION AT 979-245-8913.

Exhibit A

Attachments:

1. A cover letter clearly stating the abatement time frame sought, abatement percentages sought and any variances requested from these Guidelines and Criteria. The letter should also identify any considerations or proffers the Applicant may want to offer to the County.
2. A non-refundable application fee of \$1,000 payable to Matagorda County;
3. A general written description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken;
4. A descriptive list of the improvements that will be a part of the facility;
5. An estimate of the cost of improvements;
6. A map, metes and bounds, and legal property description;
7. A time schedule for undertaking and completing the planned improvements;
8. Such financial and other information as deemed appropriate by the County Commissioners Court for purposes of evaluating the application;
9. An estimate of the number of employees during construction and thereafter to operate the facility;
10. A proposed program for the recruitment of local employees in the construction and operation of the facility together with a statement affirming the Applicant's commitment to equal employment opportunity and hiring, at all levels, including a plan to implement and ensure such equal employment opportunity;
11. A certification prepared by the County Tax Assessor-Collector stating that all of Applicant's tax accounts within the County are paid on a current basis or that the applicant does not have a tax account within the County;
12. Information pertaining to the reasons that the requested tax abatement is necessary to ensure the proposed project is built in the County (i.e., documentation supporting assertion that "*but for*" a tax abatement, the stated project could not be constructed in the County);
13. For a leased facility, the Applicant shall provide with the application the name and address of the lessor and a draft copy of the proposed lease or option to contract. In the event a lease or option contract has already been executed with the owner of the site, the document must include a provision whereby the abatement applicant may

terminate such contract without penalty or loss of earnest money in the event the County does not grant a tax abatement;

14. A narrative addressing the points raised in the description of narrative accompanying the Application for Tax Abatement form;
15. Applicant shall include its history of environmental compliance;
16. Confirmation on whether the property is located within a reinvestment zone established under the Tax Increment Financing Act (TIFA), and if so, then Applicant shall also provide a list of the members of the board of directors for the TIFA reinvestment zone, detailing their positions on the board, and, at minimum, contact information for the chair of the board and the secretary of the board; and
17. For abatement of property located within a municipality, Applicant shall provide a true and complete copy of the respective city ordinance or ordinances designating the reinvestment zone, including any amendments to the city ordinance or ordinances designating the reinvestment zone. For abatement of property located within a municipality and located within an enterprise zone, the Applicant shall provide a true and complete copy of the ordinance or ordinances designating the enterprise zone, including any amendments to the respective designation ordinance or ordinances, or when applicable, documentation from the Governor's Office showing the enterprise zone is active. Such ordinances or ordinances or documentation shall show that the reinvestment zone or enterprise zone remain active at the time of the submission of Applicant's application. Applicant further acknowledges and agrees that the respective zone must also still be active at the time of full execution of the Agreement on the date of the last Party executing thereto.

Tab 17

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**. **NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

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

**print
here** ➡Dr. Marshall Scott

Print Name (Authorized School District Representative)

Superintendent

Title

**sign
here** ➡[Signature]

Signature (Authorized School District Representative)

10-15-18

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

**print
here** ➡Paul Bowman

Print Name (Authorized Company Representative (Applicant))

Executive Vice President

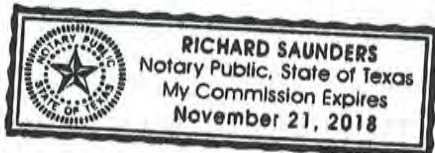
Title

**sign
here** ➡[Signature]

Signature (Authorized Company Representative (Applicant))

10/15/18

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

15th day of October, 2018[Signature]
Notary Public in and for the State of TexasMy Commission expires: November 21, 2018

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

EXHIBIT D

Supplements to Application

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (**Tab 11**).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? ☐ Yes ☒ No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (**Tab 9**);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (**Tab 9**);
 - c. owner (**Tab 9**);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (**Tab 9**); and
 - e. a detailed map showing the location of the land with vicinity map (**Tab 11**).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? ☒ Yes ☐ No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (**Tab 16**);
 - b. legal description of reinvestment zone (**Tab 16**);
 - c. order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
 - d. guidelines and criteria for creating the zone (**Tab 16**); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (**Tab 11**)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone?

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

1. In **Tab 10**, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In **Tab 10**, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in **Tab 10**:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): \$ 0.00
5. In **Tab 10**, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property
(that property described in response to question 2): \$ 0.00

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

Texas Comptroller of Public Accounts

Superintendent
and
Transparency
Baytown 50-296-A

SECTION 9: Projected Timeline

1. Application approval by school board October 15 2018
2. Commencement of construction April 1, 2019
3. Beginning of qualifying time period April 1, 2019
4. First year of limitation January 1, 2020
5. Begin hiring new employees September 1, 2019
6. Commencement of commercial operations December 31, 2019
7. 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.
8. When do you anticipate the new buildings or improvements will be placed in service? December 31, 2019

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Matagorda County (100%)
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Matagorda CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☒ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
- County: Matagorda County (100%)(0.41898) City: N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
- Hospital District: Matagorda Co H D (100%)(0.32096) Water District: Coastal Plains GW District (100%)(0.0083)
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
- Other (describe): Drainage District #1 (100%)(0.05138) Other (describe): Port of Bay City (100%)(0.05072)
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? ☐ Yes ☒ No
- 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ☐ Yes ☒ No
- 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00
- Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ☒ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
- a 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 (**Tab 7**);
 - a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ☒ Yes ☐ No

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
- a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? ☐ Yes ☒ No
- 2a. If yes, attach complete documentation including:
- legal description of the land (Tab 9);
 - each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - owner (Tab 9);
 - the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? ☒ Yes ☐ No
- 3a. If yes, attach the applicable supporting documentation:
- evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - legal description of reinvestment zone (Tab 16);
 - order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - guidelines and criteria for creating the zone (Tab 16); and
 - a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
- 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone?

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

1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
- maps and/or detailed site plan;
 - surveys;
 - appraisal district values and parcel numbers;
 - inventory lists;
 - existing and proposed property lists;
 - model and serial numbers of existing property; or
 - other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): \$ 0.00
5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 0.00

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

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 14: Wage and Employment Information

1. 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
2. What is the last complete calendar quarter before application review start date:
☒ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2018
 (year)
3. 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 Texas Workforce Commission (TWC)? 0
- Note:** For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 5
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☒ Yes ☐ No
- 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information 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(21) and (22).
- a. Average weekly wage for all jobs (all industries) in the county is 1,054.00
- b. 110% of the average weekly wage for manufacturing jobs in the county is 1,845.25
- c. 110% of the average weekly wage for manufacturing jobs in the region is 1,273.50
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☒ §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 66,222.20
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 66,222.20
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☒ No
- 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☒ No
- 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

**Peyton Creek Wind Farm, LLC
Application for Appraised Value Limitations on Qualified Property**

Tab 6

Section 10 — The Property

The proposed Project will consist of 44 - 75 wind turbine generators, with a capacity of 2.0 megawatts to 3.4 megawatts per generator, with an approximate total capacity of 151.2 MW. The current base case Project layout assumes 48 Acciona AW-125 turbines (3.15 MW capacities) will be located in Bay City ISD service territory. A map of the project area, the reinvestment zone and the school districts is attached.

At this time, we are projecting a total qualified investment of \$145 million for Peyton Creek Wind Farm, LLC within the Bay City ISD area. Approximately 151.2 MW will be in the Bay City ISD.

CALCULATION OF WAGE REQUIREMENTS

TOTAL REGION MANUFACTURING

Council of Government	Hourly	Weekly	Annual
1. Houston-Galveston Area Council	\$28.64	\$1157.73	60,202

$\$1157.73 \times 1.10 = \mathbf{\$1273.50}$

$\$60,202 \times 1.10 = \mathbf{\$66,222.20}$

TOTAL – MANUFACTURING –Matagorda County

Year	Quarter	Average Weekly Wages	Annualized
2017	2Q	\$1709	\$88,868
2017	3Q	\$1407	\$73,164
2017	4Q	\$1445	\$75,140
2018	1Q	\$2149	\$111,748
		\$1677.50	\$87,230
	X	<u>110% of County Average Weekly Wage for all Jobs</u>	
		\$1845.25	\$95,953

TOTAL— ALL INDUSTRIES – Matagorda County

Year	Quarter	Average Weekly Wages	Annualized
2017	2Q	\$1054	\$54,808
2017	3Q	\$946	\$49,192
2017	4Q	\$1032	\$53,664
2018	1Q	\$1184	\$61,568
		\$1054	\$54,808

Quarterly Employment and Wages (QCEW) Matagorda County- Manufacturing

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	2nd Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$1,709
2017	3rd Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$1,407
2017	4th Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$1,445
Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2018	1st Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$2,149

Quarterly Employment and Wages (QCEW) Matagorda County – All Industries

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	2nd Qtr	Matagorda County	Total All	00	0	10	Total, all industries	\$1,054
2017	3rd Qtr	Matagorda County	Total All	00	0	10	Total, all industries	\$946
2017	4th Qtr	Matagorda County	Total All	00	0	10	Total, all industries	\$1,032
Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2018	1st Qtr	Matagorda County	Total All	00	0	10	Total, all industries	\$1,184

**Quarterly Employment and Wages (QCEW)
NORTEX Regional Planning Commission-
Manufacturing**

**2017 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$26.24	\$54,587
1. Panhandle Regional Planning Commission	\$23.65	\$49,190
2. South Plains Association of Governments	\$19.36	\$40,262
3. NORTEX Regional Planning Commission	\$23.46	\$48,789
4. North Central Texas Council of Governments	\$26.80	\$55,747
5. Ark-Tex Council of Governments	\$18.59	\$38,663
6. East Texas Council of Governments	\$21.07	\$43,827
7. West Central Texas Council of Governments	\$21.24	\$44,178
8. Rio Grande Council of Governments	\$18.44	\$38,351
9. Permian Basin Regional Planning Commission	\$26.24	\$54,576
10. Concho Valley Council of Governments	\$19.67	\$40,924
11. Heart of Texas Council of Governments	\$21.53	\$44,781
12. Capital Area Council of Governments	\$31.49	\$65,497
13. Brazos Valley Council of Governments	\$17.76	\$39,931
14. Deep East Texas Council of Governments	\$17.99	\$37,428
15. South East Texas Regional Planning Commission	\$34.98	\$72,755
16. Houston-Galveston Area Council	\$28.94	\$60,202
17. Golden Crescent Regional Planning Commission	\$26.94	\$56,042
18. Alamo Area Council of Governments	\$22.05	\$48,869
19. South Texas Development Council	\$15.07	\$31,343
20. Coastal Bend Council of Governments	\$28.98	\$60,276
21. Lower Rio Grande Valley Development Council	\$17.86	\$37,152
22. Texoma Council of Governments	\$21.18	\$44,060
23. Central Texas Council of Governments	\$19.30	\$40,146
24. Middle Rio Grande Development Council	\$24.07	\$50,058

Source: Texas Occupational Employment and Wages

Data published: July 2018

Data published annually, next update will be July 31, 2019

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

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

Data intended for TAC 313 purposes only.

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

Applicant Name **Peyton Creek Wind Farm, LLC**
ISD Name **Bay City ISD**

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PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	Years preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2018-2019	2018			\$ -	(The dollar amount of other investment that will not become Qualified Property is \$ -)	\$ -
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period		2019-2020	2019	\$ 145,350,000.00	\$ -	\$ -	\$ -	\$ 145,350,000.00
Complete tax years of qualifying time period	QTP1	2020-2021	2020	\$ -	\$ -	\$ -	\$ -	\$ -
	QTP2	2021-2022	2021	\$ -	\$ -	\$ -	\$ -	\$ -
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$ 145,350,000.00		\$ -	\$ -	\$ 145,350,000.00
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$ 145,350,000.00				

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

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

Only tangible personal property that is specifically described in the application can become qualified property.

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

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.02(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application

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

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

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

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

Applicant Name **Peyton Creek Wind Farm, LLC**
 ISD Name **Bay City ISD**

Form 50-296A
 Revised Feb 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated investment in each year. Do not put cumulative totals.)								
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will not become Qualified Property (SEE NOTE)	Column D Other investment made during this year that will become Qualified Property (SEE NOTE)	Column E Total Investment (A+B+C+D)
Total Investment from Schedule A1*	—	TOTALS FROM SCHEDULE A1		\$ 145,350,000.00				\$ 145,350,000.00
Each year prior to start of value limitation period**	0	2018-2019	2018	\$ —				\$ —
Each year prior to start of value limitation period**	0	2019-2020	2019	\$ 145,350,000.00				\$ 145,350,000.00
Value limitation period***	1	2020-2021	2020					
	2	2021-2022	2021					
	3	2022-2023	2022					
	4	2023-2024	2023					
	5	2024-2025	2024					
	6	2025-2026	2025					
	7	2026-2027	2026					
	8	2027-2028	2027					
	9	2028-2029	2028					
	10	2029-2030	2029					
Total Investment made through limitation				\$ 145,350,000.00				\$ 145,350,000.00
Continue to maintain viable presence	11	2030-2031	2030					
	12	2031-2032	2031					
	13	2032-2033	2032					
	14	2033-2034	2033					
	15	2034-2035	2034					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2035					
	17	2036-2037	2036					
	18	2037-2038	2037					
	19	2038-2039	2038					
	20	2039-2040	2039					
	21	2040-2041	2040					
	22	2041-2042	2041					
	23	2042-2043	2042					
	24	2043-2044	2043					
	25	2044-2045	2044					

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

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

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

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

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

Only tangible personal property that is specifically described in the application can become qualified property.

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

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

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

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

Applicant Name

Peyton Creek Wind Farm, LLC

Form 50-296A

ISD Name

Bay City ISD

Revised Feb 2014

				Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
	0	2018-2019	2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	0	2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Value Limitation Period	1	2020-2021	2020	\$ -	\$ -	\$ 145,350,000	\$ 145,350,000	\$ 145,350,000.00	\$ 30,000,000.00
	2	2021-2022	2021	\$ -	\$ -	\$ 139,536,000	\$ 139,536,000	\$ 139,536,000.00	\$ 30,000,000.00
	3	2022-2023	2022	\$ -	\$ -	\$ 133,722,000	\$ 133,722,000	\$ 133,722,000.00	\$ 30,000,000.00
	4	2023-2024	2023	\$ -	\$ -	\$ 127,908,000	\$ 127,908,000	\$ 127,908,000.00	\$ 30,000,000.00
	5	2024-2025	2024	\$ -	\$ -	\$ 122,094,000	\$ 122,094,000	\$ 122,094,000.00	\$ 30,000,000.00
	6	2025-2026	2025	\$ -	\$ -	\$ 116,280,000	\$ 116,280,000	\$ 116,280,000.00	\$ 30,000,000.00
	7	2026-2027	2026	\$ -	\$ -	\$ 110,466,000	\$ 110,466,000	\$ 110,466,000.00	\$ 30,000,000.00
	8	2027-2028	2027	\$ -	\$ -	\$ 104,652,000	\$ 104,652,000	\$ 104,652,000.00	\$ 30,000,000.00
	9	2028-2029	2028	\$ -	\$ -	\$ 98,838,000	\$ 98,838,000	\$ 98,838,000.00	\$ 30,000,000.00
	10	2029-2030	2029	\$ -	\$ -	\$ 93,024,000	\$ 93,024,000	\$ 93,024,000.00	\$ 30,000,000.00
Continue to maintain viable presence	11	2030-2031	2030	\$ -	\$ -	\$ 87,210,000	\$ 87,210,000	\$ 87,210,000.00	\$ 87,210,000.00
	12	2031-2032	2031	\$ -	\$ -	\$ 81,396,000	\$ 81,396,000	\$ 81,396,000.00	\$ 81,396,000.00
	13	2032-2033	2032	\$ -	\$ -	\$ 75,582,000	\$ 75,582,000	\$ 75,582,000.00	\$ 75,582,000.00
	14	2033-2034	2033	\$ -	\$ -	\$ 69,768,000	\$ 69,768,000	\$ 69,768,000.00	\$ 69,768,000.00
	15	2034-2035	2034	\$ -	\$ -	\$ 63,954,000	\$ 63,954,000	\$ 63,954,000.00	\$ 63,954,000.00
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2035	\$ -	\$ -	\$ 58,140,000	\$ 58,140,000	\$ 58,140,000.00	\$ 58,140,000.00
	17	2036-2037	2036	\$ -	\$ -	\$ 52,326,000	\$ 52,326,000	\$ 52,326,000.00	\$ 52,326,000.00
	18	2037-2038	2037	\$ -	\$ -	\$ 46,512,000	\$ 46,512,000	\$ 46,512,000.00	\$ 46,512,000.00
	19	2038-2039	2038	\$ -	\$ -	\$ 40,698,000	\$ 40,698,000	\$ 40,698,000.00	\$ 40,698,000.00
	20	2039-2040	2039	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00
	21	2040-2041	2040	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00
	22	2041-2042	2041	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00
	23	2042-2043	2042	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00
	24	2043-2044	2043	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00
	25	2044-2045	2044	\$ -	\$ -	\$ 36,337,500	\$ 36,337,500	\$ 36,337,500.00	\$ 36,337,500.00

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

Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Applicant Name
ISD Name

Peyton Creek Wind Farm, LLC
Bay City ISD

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				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>insert as many rows as necessary</i>	0	2018-2019	2018					
Each year prior to start of Value Limitation Period <i>insert as many rows as necessary</i>	0	2019-2020	2019	100 FTE	\$ 66,222.20			
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2020-2021	2020			N/A	5	\$ 66,222.20
	2	2021-2022	2021			N/A	5	\$ 66,222.20
	3	2022-2023	2022			N/A	5	\$ 66,222.20
	4	2023-2024	2023			N/A	5	\$ 66,222.20
	5	2024-2025	2024			N/A	5	\$ 66,222.20
	6	2025-2026	2025			N/A	5	\$ 66,222.20
	7	2026-2027	2026			N/A	5	\$ 66,222.20
	8	2027-2028	2027			N/A	5	\$ 66,222.20
	9	2028-2029	2028			N/A	5	\$ 66,222.20
	10	2029-2044	2029			N/A	5	\$ 66,222.20
Years Following Value Limitation Period	11 through 26	2030-2045	2030-2045			N/A	5	\$ 66,222.20

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

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25
qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)?

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

(25 ☒ Yes ☐ No
☒ Yes ☐ No
☐ Yes ☒ No

Schedule D: Other Incentives (Estimated)

Applicant Name

Peyton Creek Wind Farm, LLC

Form 50-296A

ISD Name

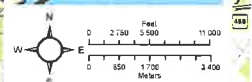
Bay City ISD

Revised Feb 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: Matagorda	2020	2029	\$ 502,306.00	75% Abatement w/ PIL Per/MW \$1,500/ YR 1-10	\$ 316,848.00
	City:					
	Other: Matagorda County Hospital Dist.	2020	2029	\$ 384,793.00	65% Abatement w/ PIL Per/MW \$1,500/ YR 1-10	\$ 194,191.00
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL				\$ 502,306.00		\$ 316,848.00

Additional information on incentives for this project:

Matagorda County, Texas



Date: November 08, 2018
Map Scale: 1:100,000
Projection: NAD 1983 UTM Zone 14N
Datum: North American 1983

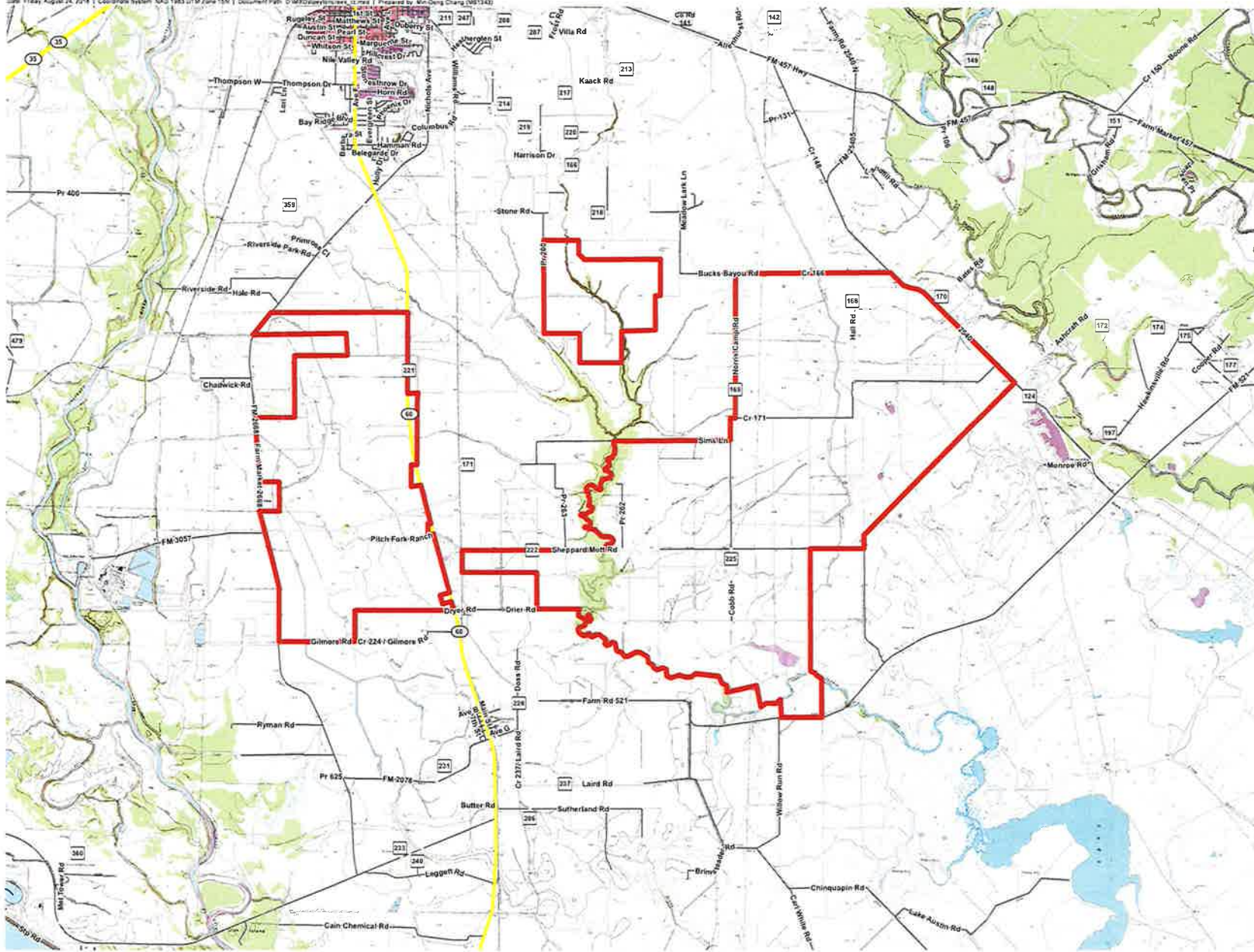
-  Peyton Creek Project Area
and Reinvestment Zone
-  Bay City ISD
-  Populated Place

Road Classification

-  Interstate Highway
 US/State Highway
 County Road/Highway
 Local Road
 Dirt/Unpaved Road

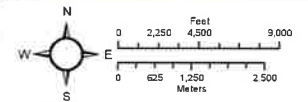
e-on

Map produced by E.ON Climate & Renewables NA for internal use only. Final analysis & site locations to be determined by E.ON personnel through on-site verification. Map is not to be reproduced or distributed without expressly written permission from E.ON G&R. Base data from:



Peyton Creek Reinvestment Zone

Matagorda County, Texas



- Peyton Creek Reinvestment Zone
- County Boundary
- Road Classification**
- US/State Highway
- County Road/Highway
- Local Road
- Dirt/Unpaved Road

Date: August 24, 2018
Map Scale: 1:50,000
Projection: NAD 1983 UTM Zone 15N
Datum: North American 1983



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Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

Application for Appraised Value Limitation on Qualified Property

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

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the 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 hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, 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 website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value 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 not later than the 150th 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 issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

October 15, 2018

Date Application Received by District

Dr. Marshall

First Name

Scott III

Last Name

Superintendent

Title

Bay City Independent School District

School District Name

520 7th Street

Street Address

520 7th Street

Mailing Address

Bay City

City

979-401-1000

Phone Number

TX

State

77414

ZIP

Fax Number

mscott@bcblackcats.net

Email Address

Mobile Number (optional)

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



Yes



No

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-ASECTION 1: School District Information *(continued)*3. Authorized School District Consultant *(If Applicable)*

Oscar	Trevino
First Name	Last Name
Attorney at Law	
Title	
Walsh Gallegos Trevino Russo & Kyle P.C.	
Firm Name	
512-454-6864	512-467-9318
Phone Number	Fax Number
512 423-1878	otrevino@wabsa.com
Mobile Number <i>(optional)</i>	Email Address

4. On what date did the district determine this application complete? October 15, 2018
5. Has the district determined that the electronic copy and hard copy are identical? ☒ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

Paul	Bowman
First Name	Last Name
Executive Vice President	EC&R Development, LLC
Title	Organization
701 Brazos Street, Suite 1400	
Street Address	
Mailing Address	
Austin	TX
City	State
512-423-1878	78701
Phone Number	ZIP
512 423-1878	512-494-9581
Mobile Number <i>(optional)</i>	Fax Number
	paul.bowman@eon.com
	Business Email Address

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? ☒ Yes ☐ No
- 2a. If yes, please fill out contact information for that person.

Richard	Saunders
First Name	Last Name
Sr. Development Manager	EC&R Development, LLC
Title	Organization
701 Brazos Street, Suite 1400	
Street Address	
Mailing Address	
Austin	TX
City	State
512-461-9747	78701
Phone Number	ZIP
512-461-9747	512-494-9581
Mobile Number <i>(optional)</i>	Fax Number
	richard.saunders@eon.com
	Business Email Address

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

EXHIBIT E

Comptroller's "Completeness" Letter



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

November 28, 2018

Dr. Marshall Scott III
Superintendent
Bay City Independent School District
520 7th Street
Bay City, TX 77414

Re: Application for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Bay City Independent School District and Peyton Creek Wind Farm, LLC, Application 1307

Dear Superintendent Scott:

On October 23, 2018, the Comptroller's office received Peyton Creek Wind Farm, LLC's (applicant) application for a limitation on appraised value (Application 1307) from Bay City Independent School District (school district).

The purpose of this letter is to inform you that the Comptroller's office has reviewed the submitted application and determined that it includes the information necessary to be determined as complete on November 28, 2018.

Texas Tax Code §313.025(d) directs the Comptroller's office to issue a certificate for a limitation on the appraised value of the property, or provide the governing body of the school district with a written explanation of the Comptroller's decision to not issue a certificate no later than the 90th day after receiving the completed application. The requirements to determine eligibility and to issue a certificate for a limitation do not begin until an application is complete as determined by this agency. The Comptroller's office will move forward with our economic impact evaluation and will send a letter of determination to the school district and the applicant.

This letter does not constitute a review of the application under Section 313.025(h) to determine if the project meets the requirements of Section 313.024 for eligibility for a limitation on appraised value. Likewise, this letter does not address the determinations required under Section 313.026(c).

Should you have any questions, please contact Annette Holmes with our office. She can be reached by email at annette.holmes@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 5-3792 or at 512-475-3792.

Sincerely,

Will Counihan
Director
Data Analysis & Transparency Division

cc: Richard Sanders, EC&R Development, LLC
Paul Bowman, EC&R Development, LLC
Oscar Trevino, Walsh Gallegos Trevino Russo & Kyle P.C.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES by and between BAY CITY INDEPENDENT SCHOOL DISTRICT and PEYTON CREEK WIND FARM, LLC

EXHIBIT F

Independent Economic Impact Report

**CHAPTER 313 PROPERTY VALUE LIMITATION
FINANCIAL IMPACT OF THE PROPOSED PEYTON CREEK
WIND FARM, LLC PROJECT IN THE BAY CITY
INDEPENDENT SCHOOL DISTRICT
(PROJECT # 1307)**

PREPARED BY



FEBRUARY 16, 2019

Executive Summary

Peyton Creek Wind Farm, LLC (Company) has requested that the Bay City Independent School District (BCISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to BCISD on October 15, 2018 the Company plans to invest \$145.4 million to construct a renewable energy electric generation facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

The Peyton Creek Wind project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others.

Under the provisions of Chapter 313, BCISD may offer a minimum value limitation of \$30 million. This value limitation, under the proposed application, will begin in the 2020-21 school year and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement.

MCA's initial school finance analysis is detailed in this report, incorporating the major legislative changes adopted in 2017. The overall conclusions are as follows, but please read all of the subsequent details in the report below for more information.

Total Revenue Loss Payment owed to BCISD	\$1.5 million
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$8.7 million

Application Process

After the school district has submitted an application to the Comptroller's Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. The Completeness Letter for this project was issued on November 28, 2018.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full review of the project and provide its certificate for a limitation on appraised value. A certificate was issued for this project on February 7, 2019.

After the Comptroller's certificate is received, the District's legal counsel will contact the school district to discuss the value limitation agreement and begin negotiations of the supplemental benefit payment with the Company. A final version of the agreement must be submitted to the Comptroller for review prior to final adoption by the school district's board of trustees.

Prior to final board meeting, the District's legal counsel will provide the district with the necessary agenda language and any additional action items. The school board will review the Value Limitation Agreement and Findings of Fact that detail the project's conformance with state law. The school board will also be required to consider the adoption of a job waiver during this meeting.

How the 313 Agreement Interacts with Texas School Finance

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of two components: Tier I (based on ADA, special student populations and M&O taxes at the compressed tax rate) and Tier II (based on weighted ADA for each penny of tax effort above a specified level). (For more detailed information on the school finance funding system, please review the Texas Education Agency's website ([Manuals and Presentations](#)) or ([School Finance-One Page Descriptions](#)).

Because the general school finance formula system calculates state aid entitlements using the Comptroller's certified property value for the preceding year, the first year is often problematic financially. The implementation of the value limitation often results in an M&O revenue loss to the school district in the first year of the limitation that would not be reimbursed by the state but require some type of compensation from the Company under the revenue protection provisions of the agreement. **If the full value of the project increases significantly during the value limitation period, the revenue losses may be greater than originally estimated.**

A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 1-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter).

Future legislative action on school funding could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

Underlying School District Data Assumptions

The agreement between the school district and the applicant calls for a calculation of the revenue impact of the value limitation in years 1-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. The Basic Allotment remained at \$5,140 and the Tier II Austin yield increased to \$106.28 for 2018-19, which is maintained for future years.

Static school district enrollment and property values are used to isolate the effects of the value limitation under the school finance system. Any previously-approved Chapter 313 projects are also factored into the M&O tax bases used. The impact of the Chapter 313 project value returning to the total tax roll for M&O funding purposes is beyond the scope of this revenue report.

ADA: 3,426
 Local Tax Base: \$1.35 billion
 M&O Tax Rate: \$1.1473 per \$100
 I&S Tax Rate: \$0.4049 per \$100
 Wealth per WADA: \$251,924

Table 1 summarizes the enrollment and property value assumptions for the 15 years that are the subject of this analysis.

Table 1 – Base District Information with Peyton Creek Wind Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	CAD Value with Project	CAD Value with Limitation	CPTD with Project	CPTD With Limitation	CPTD Value with Project per WADA	CPTD Value with Limitation per WADA
QTP0	2019-20	3,428.67	4,829.03	\$1.1473	\$0.4049	\$1,353,991,424	\$1,353,991,424	\$1,300,140,101	\$1,300,140,101	\$269,234	\$269,234
QTP1/VI1	2020-21	3,425.92	4,835.77	\$1.1473	\$0.4049	\$1,499,341,424	\$1,383,991,424	\$1,300,140,101	\$1,300,140,101	\$268,859	\$268,859
QTP2/VI2	2021-22	3,423.17	4,849.99	\$1.1473	\$0.4049	\$1,493,527,424	\$1,383,991,424	\$1,445,490,101	\$1,330,140,101	\$298,040	\$274,256
VL3	2022-23	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,487,713,424	\$1,383,991,424	\$1,439,676,101	\$1,330,140,101	\$296,392	\$273,842
VL4	2023-24	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,481,899,424	\$1,383,991,424	\$1,433,862,101	\$1,330,140,101	\$295,195	\$273,842
VL5	2024-25	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,476,085,424	\$1,383,991,424	\$1,428,048,101	\$1,330,140,101	\$293,998	\$273,842
VL6	2025-26	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,470,271,424	\$1,383,991,424	\$1,422,234,101	\$1,330,140,101	\$292,802	\$273,842
VL7	2026-27	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,464,457,424	\$1,383,991,424	\$1,416,420,101	\$1,330,140,101	\$291,605	\$273,842
VL8	2027-28	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,458,643,424	\$1,383,991,424	\$1,410,606,101	\$1,330,140,101	\$290,408	\$273,842
VL9	2028-29	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,452,829,424	\$1,383,991,424	\$1,404,792,101	\$1,330,140,101	\$289,211	\$273,842
VL10	2029-30	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,447,015,424	\$1,383,991,424	\$1,398,978,101	\$1,330,140,101	\$288,014	\$273,842
VP1	2030-31	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,441,201,424	\$1,441,201,424	\$1,393,164,101	\$1,330,140,101	\$286,817	\$273,842
VP2	2031-32	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,435,387,424	\$1,435,387,424	\$1,387,350,101	\$1,387,350,101	\$285,620	\$285,620
VP3	2032-33	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,429,573,424	\$1,429,573,424	\$1,381,536,101	\$1,381,536,101	\$284,423	\$284,423
VP4	2033-34	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,423,759,424	\$1,423,759,424	\$1,375,722,101	\$1,375,722,101	\$283,226	\$283,226
VP5	2034-35	3,420.42	4,857.33	\$1.1473	\$0.4049	\$1,417,945,424	\$1,417,945,424	\$1,369,908,101	\$1,369,908,101	\$282,029	\$282,029

*Basic Allotment: \$5,140; AISD Yield: \$106.28; Equalized Wealth: \$514,000 per WADA

QTP= Qualifying Time Period
 VL= Value Limitation
 VP= Viable Presence

M&O Impact of the Peyton Creek Wind project on BCISD

A model is established to make a calculation of the “Baseline Revenue Model” (Table 2) by adding the total value of the project to the model, without assuming a value limitation is approved. A separate model is established to make a calculation of the “Value Limitation Revenue Model” (Table 3) by adding the project’s limited value of \$30 million to the model. The difference between the two models (Table 4) indicates there will be a total revenue loss of \$1.5 million over the course of the Agreement, with all the loss reflected in the first limitation year (2020-21). Nearly all reduction in M&O taxes under the limitation agreement is offset through an increase in state aid under current law.

Table 2- "Baseline Revenue Model" --Project Value Added with No Value Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2019-20	\$13,316,645	\$13,240,724	\$0	\$1,961,542	\$2,573,783	\$0	\$0	\$108,729	\$31,201,423
QTP1/VL1	2020-21	\$14,764,145	\$13,276,685	\$0	\$2,174,759	\$2,857,261	\$0	\$0	\$108,729	\$33,181,580
QTP2/VL2	2021-22	\$14,706,005	\$11,899,313	\$0	\$2,166,194	\$2,354,967	\$0	\$0	\$108,729	\$31,235,209
VL3	2022-23	\$14,647,865	\$11,996,637	\$0	\$2,157,631	\$2,370,516	\$0	\$0	\$108,729	\$31,281,378
VL4	2023-24	\$14,589,725	\$12,054,777	\$0	\$2,149,066	\$2,382,953	\$0	\$0	\$108,729	\$31,285,250
VL5	2024-25	\$14,531,585	\$12,112,917	\$0	\$2,140,502	\$2,391,669	\$0	\$0	\$108,729	\$31,285,402
VL6	2025-26	\$14,473,445	\$12,171,057	\$0	\$2,131,939	\$2,400,384	\$0	\$0	\$108,729	\$31,285,554
VL7	2026-27	\$14,415,305	\$12,229,197	\$0	\$2,123,374	\$2,409,099	\$0	\$0	\$108,729	\$31,285,704
VL8	2027-28	\$14,357,165	\$12,287,337	\$0	\$2,114,810	\$2,417,956	\$0	\$0	\$108,729	\$31,285,997
VL9	2028-29	\$14,299,025	\$12,345,477	\$0	\$2,106,246	\$2,426,677	\$0	\$0	\$108,729	\$31,286,154
VL10	2029-30	\$14,240,885	\$12,403,617	\$0	\$2,097,682	\$2,435,397	\$0	\$0	\$108,729	\$31,286,310
VP1	2030-31	\$14,171,303	\$12,461,757	\$0	\$2,087,433	\$2,440,190	\$0	\$0	\$108,729	\$31,269,412
VP2	2031-32	\$14,114,326	\$12,519,897	\$0	\$2,079,041	\$2,448,899	\$0	\$0	\$108,729	\$31,270,892
VP3	2032-33	\$14,057,348	\$12,578,037	\$0	\$2,070,648	\$2,461,390	\$0	\$0	\$108,729	\$31,276,152
VP4	2033-34	\$14,000,371	\$12,636,177	\$0	\$2,062,254	\$2,470,106	\$0	\$0	\$108,729	\$31,277,637
VP5	2034-35	\$13,943,394	\$12,694,317	\$0	\$2,053,862	\$2,479,003	\$0	\$0	\$108,729	\$31,279,305

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Table 3- "Value Limitation Revenue Model" --Project Value Added with Value Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2019-20	\$13,316,645	\$13,240,724	\$0	\$1,961,542	\$2,573,783	\$0	\$0	\$108,729	\$31,201,423
QTP1/VL1	2020-21	\$13,610,645	\$13,276,685	\$0	\$2,004,848	\$2,634,921	\$0	\$0	\$108,729	\$31,635,829
QTP2/VL2	2021-22	\$13,610,645	\$13,052,813	\$0	\$2,004,848	\$2,544,156	\$0	\$0	\$108,729	\$31,321,192
VL3	2022-23	\$13,610,645	\$13,091,997	\$0	\$2,004,848	\$2,551,038	\$0	\$0	\$108,729	\$31,367,257
VL4	2023-24	\$13,610,645	\$13,091,997	\$0	\$2,004,848	\$2,551,038	\$0	\$0	\$108,729	\$31,367,257
VL5	2024-25	\$13,610,645	\$13,091,997	\$0	\$2,004,848	\$2,551,038	\$0	\$0	\$108,729	\$31,367,257
VL6	2025-26	\$13,610,645	\$13,091,997	\$0	\$2,004,848	\$2,551,038	\$0	\$0	\$108,729	\$31,367,257
VL7	2026-27	\$13,610,645	\$13,091,997	\$0	\$2,004,848	\$2,551,038	\$0	\$0	\$108,729	\$31,367,257
VL8	2027-28	\$13,610,645	\$13,091,997	\$0	\$2,004,848	\$2,551,038	\$0	\$0	\$108,729	\$31,367,257
VL9	2028-29	\$13,610,645	\$13,091,997	\$0	\$2,004,848	\$2,551,038	\$0	\$0	\$108,729	\$31,367,257
VL10	2029-30	\$13,610,645	\$13,091,997	\$0	\$2,004,848	\$2,551,038	\$0	\$0	\$108,729	\$31,367,257
VP1	2030-31	\$14,171,303	\$13,091,997	\$0	\$2,087,433	\$2,655,049	\$0	\$0	\$108,729	\$32,114,511
VP2	2031-32	\$14,114,326	\$12,519,897	\$0	\$2,079,041	\$2,448,899	\$0	\$0	\$108,729	\$31,270,892
VP3	2032-33	\$14,057,348	\$12,578,037	\$0	\$2,070,648	\$2,461,390	\$0	\$0	\$108,729	\$31,276,152
VP4	2033-34	\$14,000,371	\$12,636,177	\$0	\$2,062,254	\$2,470,106	\$0	\$0	\$108,729	\$31,277,637
VP5	2034-35	\$13,943,394	\$12,694,317	\$0	\$2,053,862	\$2,479,003	\$0	\$0	\$108,729	\$31,279,305

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Table 4 – Value Limit less Project Value with No Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2019-20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP1/VL1	2020-21	-\$1,153,500	\$0	\$0	-\$169,911	-\$222,340	\$0	\$0	\$0	-\$1,545,751
QTP2/VL2	2021-22	-\$1,095,360	\$1,153,500	\$0	-\$161,346	\$189,189	\$0	\$0	\$0	\$85,983
VL3	2022-23	-\$1,037,220	\$1,095,360	\$0	-\$152,783	\$180,522	\$0	\$0	\$0	\$85,879
VL4	2023-24	-\$979,080	\$1,037,220	\$0	-\$144,218	\$168,085	\$0	\$0	\$0	\$82,007
VL5	2024-25	-\$920,940	\$979,080	\$0	-\$135,654	\$159,369	\$0	\$0	\$0	\$81,855
VL6	2025-26	-\$862,800	\$920,940	\$0	-\$127,091	\$150,654	\$0	\$0	\$0	\$81,703
VL7	2026-27	-\$804,660	\$862,800	\$0	-\$118,526	\$141,939	\$0	\$0	\$0	\$81,553
VL8	2027-28	-\$746,520	\$804,660	\$0	-\$109,962	\$133,082	\$0	\$0	\$0	\$81,260
VL9	2028-29	-\$688,380	\$746,520	\$0	-\$101,398	\$124,361	\$0	\$0	\$0	\$81,103
VL10	2029-30	-\$630,240	\$688,380	\$0	-\$92,834	\$115,641	\$0	\$0	\$0	\$80,947
VP1	2030-31	\$0	\$630,240	\$0	\$0	\$214,859	\$0	\$0	\$0	\$845,099
VP2	2031-32	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP3	2032-33	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP4	2033-34	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP5	2034-35	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

M&O Impact on the Taxpayer

Under the assumptions used here, the potential tax savings from the value limitation total \$10.2 million over the life of the agreement. The BCISD revenue losses are expected to total approximately \$1.5 million over the course of the agreement. In total, the potential net tax benefits (after hold-harmless payments are made) are estimated to reach \$8.7 million, prior to any negotiations with Peyton Creek Wind on supplemental payments.

I&S Funding Impact on School District

The project remains fully taxable for debt services taxes, with BCISD currently levying a \$0.4049 per \$100 I&S rate. The project is not expected to affect school district enrollment and is expected to depreciate over the life of the agreement and beyond. Local taxpayers should benefit from the addition of the Peyton Creek Wind project to the local I&S tax roll. Continued expansion of the project and related development could result in additional employment in the area and an increase in the school-age population, but this project is unlikely to have much impact on a stand-alone basis.

**Table 5 - Estimated Financial Impact of the Peyton Creek Wind Project Property Value Limitation
Request Submitted to BCISD at \$1.1473 M&O Tax Rate**

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Value Savings	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	School District Revenue Losses	Estimated Net Tax Benefits
QTP0	2019-20	\$0	\$0	\$0	\$1.147	\$0	\$0	\$0	\$0	\$0
QTP1/VL1	2020-21	\$145,350,000	\$30,000,000	\$115,350,000	\$1.147	\$1,667,644	\$344,199	\$1,323,445	-\$1,545,751	-\$222,306
QTP2/VL2	2021-22	\$139,536,000	\$30,000,000	\$109,536,000	\$1.147	\$1,600,938	\$344,199	\$1,256,739	\$0	\$1,256,739
VL3	2022-23	\$133,722,000	\$30,000,000	\$103,722,000	\$1.147	\$1,534,233	\$344,199	\$1,190,034	\$0	\$1,190,034
VL4	2023-24	\$127,908,000	\$30,000,000	\$97,908,000	\$1.147	\$1,467,527	\$344,199	\$1,123,328	\$0	\$1,123,328
VL5	2024-25	\$122,094,000	\$30,000,000	\$92,094,000	\$1.147	\$1,400,821	\$344,199	\$1,056,622	\$0	\$1,056,622
VL6	2025-26	\$116,280,000	\$30,000,000	\$86,280,000	\$1.147	\$1,334,115	\$344,199	\$989,916	\$0	\$989,916
VL7	2026-27	\$110,466,000	\$30,000,000	\$80,466,000	\$1.147	\$1,267,410	\$344,199	\$923,211	\$0	\$923,211
VL8	2027-28	\$104,652,000	\$30,000,000	\$74,652,000	\$1.147	\$1,200,704	\$344,199	\$856,505	\$0	\$856,505
VL9	2028-29	\$98,838,000	\$30,000,000	\$68,838,000	\$1.147	\$1,133,998	\$344,199	\$789,799	\$0	\$789,799
VL10	2029-30	\$93,024,000	\$30,000,000	\$63,024,000	\$1.147	\$1,067,292	\$344,199	\$723,093	\$0	\$723,093
VP1	2030-31	\$87,210,000	\$87,210,000	\$0	\$1.147	\$1,000,586	\$1,000,586	\$0	\$0	\$0
VP2	2031-32	\$81,396,000	\$81,396,000	\$0	\$1.147	\$933,881	\$933,881	\$0	\$0	\$0
VP3	2032-33	\$75,582,000	\$75,582,000	\$0	\$1.147	\$867,175	\$867,175	\$0	\$0	\$0
VP4	2033-34	\$69,768,000	\$69,768,000	\$0	\$1.147	\$800,469	\$800,469	\$0	\$0	\$0
VP5	2034-35	\$63,954,000	\$63,954,000	\$0	\$1.147	\$733,763	\$733,763	\$0	\$0	\$0
						\$18,010,557	\$7,777,865	\$10,232,692	-\$1,545,751	\$8,686,941

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Note: School district revenue-loss estimates are subject to change based on numerous factors, including:

- Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations.
- Legislative changes addressing property value appraisals and exemptions.
- Year-to-year appraisals of project values and district taxable values.
- Changes in school district tax rates and student enrollment.



**Estimated Financial Impact of the #1307 - Peyton Creek
Wind Farm, LLC Chapter 313 Property Value Limitation
Request Submitted to BAY CITY ISD**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Year of Agreement	School Year	Project Taxable Value for M&O If No Limitation	Project Taxable Value for M&O With Limitation	Assumed M&O Tax Rate	Tax Savings To Company	Total School District Estimated Loss of Revenue	Estimated Net Tax Benefits	School District Article VI Tax Benefit - Lesser of Annual Limit or 40%	Potential Company Tax Benefit
QTP0	2019-20	\$0	\$0	\$1.054	\$0	\$0	\$0	\$0	\$0
QTP1/VL1	2020-21	\$145,350,000	\$30,000,000	\$1.040	\$1,199,814	-\$1,471,390	-\$271,576	\$0	-\$271,576
QTP2/VL2	2021-22	\$139,536,000	\$30,000,000	\$1.040	\$1,139,339	\$0	\$1,139,339	\$455,736	\$683,604
VL3	2022-23	\$133,722,000	\$30,000,000	\$1.040	\$1,078,865	\$0	\$1,078,865	\$431,546	\$647,319
VL4	2023-24	\$127,908,000	\$30,000,000	\$1.040	\$1,018,391	\$0	\$1,018,391	\$407,356	\$611,034
VL5	2024-25	\$122,094,000	\$30,000,000	\$1.040	\$957,916	\$0	\$957,916	\$383,167	\$574,750
VL6	2025-26	\$116,280,000	\$30,000,000	\$1.040	\$897,442	\$0	\$897,442	\$358,977	\$538,465
VL7	2026-27	\$110,466,000	\$30,000,000	\$1.040	\$836,968	\$0	\$836,968	\$334,787	\$502,181
VL8	2027-28	\$104,652,000	\$30,000,000	\$1.040	\$776,493	\$0	\$776,493	\$310,597	\$465,896
VL9	2028-29	\$98,838,000	\$30,000,000	\$1.040	\$716,019	\$0	\$716,019	\$286,408	\$429,611
VL10	2029-30	\$93,024,000	\$30,000,000	\$1.040	\$655,545	\$0	\$655,545	\$262,218	\$393,327
VP1	2030-31	\$87,210,000	\$87,210,000	\$1.040	\$0	\$0	\$0	\$0	\$0
VP2	2031-32	\$81,396,000	\$81,396,000	\$1.040	\$0	\$0	\$0	\$0	\$0
VP3	2032-33	\$75,582,000	\$75,582,000	\$1.040	\$0	\$0	\$0	\$0	\$0
VP4	2033-34	\$69,768,000	\$69,768,000	\$1.040	\$0	\$0	\$0	\$0	\$0
VP5	2034-35	\$63,954,000	\$63,954,000	\$1.040	\$0	\$0	\$0	\$0	\$0
					\$9,276,792	-\$1,471,390	\$7,805,402	\$3,230,791	\$4,574,611

QTP = Qualifying Time Period
 VL = Value Limitation
 VP = Viable Presence

Fully Taxable for I&S

Loss of M&O taxes plus Tier II state aid would have earned

Future legislative action on school funding could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this table.

EXHIBIT G

Comptroller's Certification and Economic Impact Analysis



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

February 7, 2019

Dr. Marshall Scott III
Superintendent
Bay City Independent School District
520 7th Street
Bay City, TX 77414

Re: Certificate for Limitation on Appraised Value of Property for School District
Maintenance and Operations taxes by and between Bay City Independent School
District and Peyton Creek Wind Farm, LLC, Application 1307

Dear Superintendent Scott:

On November 28, 2018, the Comptroller issued written notice that Peyton Creek Wind Farm, LLC (applicant) submitted a completed application (Application 1307) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on October 15, 2018, to the Bay City Independent School District (school district) by the applicant.

This presents the results of the Comptroller's review of the application and determinations required:

- 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 issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

Sec. 313.024(a)	Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b)	Applicant is proposing to use the property for an eligible project.

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

Sec. 313.024(d) Applicant has requested a waiver to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.

Sec. 313.024(d-2) Not applicable to Application 1307.

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem tax* revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state, see Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement by December 31, 2019.

Note that any building or improvement existing as of the application review start date of November 28, 2018, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at will.counihan@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,



Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Peyton Creek Wind Farm, LLC (project) applying to Bay City Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Peyton Creek Wind Farm, LLC.

Applicant	Peyton Creek Wind Farm, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation - Wind
School District	Bay City ISD
2017-2018 Average Daily Attendance	3,229
County	Matagorda
Proposed Total Investment in District	\$145,350,000
Proposed Qualified Investment	\$145,350,000
Limitation Amount	\$30,000,000
Qualifying Time Period (Full Years)	2020-2021
Number of new qualifying jobs committed to by applicant	5*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,274
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,274
Minimum annual wage committed to by applicant for qualified jobs	\$66,222
Minimum weekly wage required for non-qualifying jobs	\$1,054
Minimum annual wage required for non-qualifying jobs	\$54,809
Investment per Qualifying Job	\$29,070,000
Estimated M&O levy without any limit (15 years)	\$19,811,613
Estimated M&O levy with Limitation (15 years)	\$9,578,920
Estimated gross M&O tax benefit (15 years)	\$10,232,692

* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).

Table 2 is the estimated statewide economic impact of Peyton Creek Wind Farm, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2019	100	144	244	\$6,622,220	\$12,377,780	\$19,000,000
2020	5	23	28	\$331,111	\$2,668,889	\$3,000,000
2021	5	21	26	\$331,111	\$2,668,889	\$3,000,000
2022	5	15	20	\$331,111	\$1,668,889	\$2,000,000
2023	5	12	17	\$331,111	\$1,668,889	\$2,000,000
2024	5	10	15	\$331,111	\$1,668,889	\$2,000,000
2025	5	10	15	\$331,111	\$1,668,889	\$2,000,000
2026	5	10	15	\$331,111	\$1,668,889	\$2,000,000
2027	5	10	15	\$331,111	\$1,668,889	\$2,000,000
2028	5	10	15	\$331,111	\$1,668,889	\$2,000,000
2029	5	11	16	\$331,111	\$1,668,889	\$2,000,000
2030	5	10	15	\$331,111	\$1,668,889	\$2,000,000
2031	5	9	14	\$331,111	\$1,668,889	\$2,000,000
2032	5	9	14	\$331,111	\$1,668,889	\$2,000,000
2033	5	9	14	\$331,111	\$1,668,889	\$2,000,000
2034	5	9	14	\$331,111	\$1,668,889	\$2,000,000
2035	5	9	14	\$331,111	\$1,668,889	\$2,000,000

Source: CPA REMI, Peyton Creek Wind Farm, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Bay City ISD I&S Tax Levy	Bay City ISD M&O Tax Levy	Matagorda M&O and I&S Tax Levies	Matagorda County Tax Levy	Matagorda County Hospital District Tax Levy	Drainage District #1 Tax Levy	Costal Plains GW District Tax Levy	Bport of Bay City Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2897	1.1473		0.4190	0.3210	0.0514	0.0083	0.0507	
2020	\$145,350,000	\$145,350,000		\$421,050	\$1,667,644	\$2,088,694	\$608,987	\$466,515	\$74,681	\$12,064	\$73,722	\$3,324,663
2021	\$139,536,000	\$139,536,000		\$404,208	\$1,600,938	\$2,005,146	\$584,628	\$447,855	\$71,694	\$11,581	\$70,773	\$3,191,677
2022	\$133,722,000	\$133,722,000		\$387,366	\$1,534,233	\$1,921,599	\$560,268	\$429,194	\$68,706	\$11,099	\$67,824	\$3,058,690
2023	\$127,908,000	\$127,908,000		\$370,524	\$1,467,527	\$1,838,051	\$535,909	\$410,534	\$65,719	\$10,616	\$64,875	\$2,925,704
2024	\$122,094,000	\$122,094,000		\$353,682	\$1,400,821	\$1,754,503	\$511,549	\$391,873	\$62,732	\$10,134	\$61,926	\$2,792,717
2025	\$116,280,000	\$116,280,000		\$336,840	\$1,334,115	\$1,670,955	\$487,190	\$373,212	\$59,745	\$9,651	\$58,977	\$2,659,731
2026	\$110,466,000	\$110,466,000		\$319,998	\$1,267,410	\$1,587,407	\$462,830	\$354,552	\$56,757	\$9,169	\$56,028	\$2,526,744
2027	\$104,652,000	\$104,652,000		\$303,156	\$1,200,704	\$1,503,860	\$438,471	\$335,891	\$53,770	\$8,686	\$53,079	\$2,393,758
2028	\$98,838,000	\$98,838,000		\$286,314	\$1,133,998	\$1,420,312	\$414,111	\$317,230	\$50,783	\$8,204	\$50,131	\$2,260,771
2029	\$93,024,000	\$93,024,000		\$269,472	\$1,067,292	\$1,336,764	\$389,752	\$298,570	\$47,796	\$7,721	\$47,182	\$2,127,784
2030	\$87,210,000	\$87,210,000		\$252,630	\$1,000,586	\$1,253,216	\$365,392	\$279,909	\$44,808	\$7,238	\$44,233	\$1,994,798
2031	\$81,396,000	\$81,396,000		\$235,788	\$933,881	\$1,169,669	\$341,033	\$261,249	\$41,821	\$6,756	\$41,284	\$1,861,811
2032	\$75,582,000	\$75,582,000		\$218,946	\$867,175	\$1,086,121	\$316,673	\$242,588	\$38,834	\$6,273	\$38,335	\$1,728,825
2033	\$69,768,000	\$69,768,000		\$202,104	\$800,469	\$1,002,573	\$292,314	\$223,927	\$35,847	\$5,791	\$35,386	\$1,595,838
2034	\$63,954,000	\$63,954,000		\$185,262	\$733,763	\$919,025	\$267,954	\$205,267	\$32,860	\$5,308	\$32,437	\$1,462,852
2035	\$58,140,000	\$58,140,000		\$168,420	\$667,058	\$835,478	\$243,595	\$186,606	\$29,872	\$4,826	\$29,489	\$1,329,865
2036	\$52,326,000	\$52,326,000		\$151,578	\$600,352	\$751,930	\$219,235	\$167,946	\$26,885	\$4,343	\$26,540	\$1,196,879
2037	\$46,512,000	\$46,512,000		\$134,736	\$533,646	\$668,382	\$194,876	\$149,285	\$23,898	\$3,860	\$23,591	\$1,063,892
			Total	\$5,002,073	\$19,811,613	\$24,813,685	\$7,234,771	\$5,542,202	\$887,208	\$143,321	\$875,812	\$39,496,999

Source: CPA, Peyton Creek Wind Farm, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Matagorda County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Bay City ISD I&S Tax Levy	Bay City ISD M&O Tax Levy	Matagorda M&O and I&S Tax Levies	Matagorda County Tax Levy	Matagorda County Hospital District Tax Levy	Drainage District #1 Tax Levy	Costal Plains GW District Tax Levy	Bport of Bay City Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2897	1.1473		0.4190	0.3210	0.0514	0.0083	0.0507	
2020	\$145,350,000	\$30,000,000		\$421,050	\$344,199	\$765,249	\$152,247	\$163,280	\$74,681	\$12,064	\$73,722	\$1,080,776
2021	\$139,536,000	\$30,000,000		\$404,208	\$344,199	\$748,407	\$146,157	\$156,749	\$71,694	\$11,581	\$70,773	\$1,051,313
2022	\$133,722,000	\$30,000,000		\$387,366	\$344,199	\$731,565	\$140,067	\$150,218	\$68,706	\$11,099	\$67,824	\$1,021,850
2023	\$127,908,000	\$30,000,000		\$370,524	\$344,199	\$714,723	\$133,977	\$143,687	\$65,719	\$10,616	\$64,875	\$992,387
2024	\$122,094,000	\$30,000,000		\$353,682	\$344,199	\$697,881	\$127,887	\$137,156	\$62,732	\$10,134	\$61,926	\$962,924
2025	\$116,280,000	\$30,000,000		\$336,840	\$344,199	\$681,039	\$121,797	\$130,624	\$59,745	\$9,651	\$58,977	\$933,461
2026	\$110,466,000	\$30,000,000		\$319,998	\$344,199	\$664,197	\$115,708	\$124,093	\$56,757	\$9,169	\$56,028	\$903,998
2027	\$104,652,000	\$30,000,000		\$303,156	\$344,199	\$647,355	\$109,618	\$117,562	\$53,770	\$8,686	\$53,079	\$874,535
2028	\$98,838,000	\$30,000,000		\$286,314	\$344,199	\$630,513	\$103,528	\$111,031	\$50,783	\$8,204	\$50,131	\$845,071
2029	\$93,024,000	\$30,000,000		\$269,472	\$344,199	\$613,671	\$97,438	\$104,499	\$47,796	\$7,721	\$47,182	\$815,608
2030	\$87,210,000	\$87,210,000		\$252,630	\$1,000,586	\$1,253,216	\$365,392	\$279,909	\$44,808	\$7,238	\$44,233	\$1,898,518
2031	\$81,396,000	\$81,396,000		\$235,788	\$933,881	\$1,169,669	\$341,033	\$261,249	\$41,821	\$6,756	\$41,284	\$1,771,950
2032	\$75,582,000	\$75,582,000		\$218,946	\$867,175	\$1,086,121	\$316,673	\$242,588	\$38,834	\$6,273	\$38,335	\$1,645,382
2033	\$69,768,000	\$69,768,000		\$202,104	\$800,469	\$1,002,573	\$292,314	\$223,927	\$35,847	\$5,791	\$35,386	\$1,518,814
2034	\$63,954,000	\$63,954,000		\$185,262	\$733,763	\$919,025	\$267,954	\$205,267	\$32,860	\$5,308	\$32,437	\$1,392,247
2035	\$58,140,000	\$58,140,000		\$168,420	\$667,058	\$835,478	\$243,595	\$186,606	\$29,872	\$4,826	\$29,489	\$1,265,679
2036	\$52,326,000	\$52,326,000		\$151,578	\$600,352	\$751,930	\$219,235	\$167,946	\$26,885	\$4,343	\$26,540	\$1,139,111
2037	\$46,512,000	\$46,512,000		\$134,736	\$533,646	\$668,382	\$194,876	\$149,285	\$23,898	\$3,860	\$23,591	\$1,012,543
			Total	\$5,002,073	\$9,578,920	\$14,580,993	\$3,489,498	\$3,055,676	\$887,208	\$143,321	\$875,812	\$21,126,167
			Diff	\$0	\$10,232,692	\$10,232,692	\$3,745,273	\$2,486,527	\$0	\$0	\$0	\$18,370,832

Source: CPA, Peyton Creek Wind Farm, LLC

*Tax Rate per \$100 Valuation

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.

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller's determination that Peyton Creek Wind Farm, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2017	\$0	\$0	\$0	\$0
	2018	\$0	\$0	\$0	\$0
	2019	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2020	\$344,199	\$344,199	\$1,323,445	\$1,323,445
	2021	\$344,199	\$688,398	\$1,256,739	\$2,580,185
	2022	\$344,199	\$1,032,597	\$1,190,034	\$3,770,218
	2023	\$344,199	\$1,376,796	\$1,123,328	\$4,893,546
	2024	\$344,199	\$1,720,995	\$1,056,622	\$5,950,168
	2025	\$344,199	\$2,065,194	\$989,916	\$6,940,084
	2026	\$344,199	\$2,409,393	\$923,211	\$7,863,295
	2027	\$344,199	\$2,753,592	\$856,505	\$8,719,800
	2028	\$344,199	\$3,097,791	\$789,799	\$9,509,599
	2029	\$344,199	\$3,441,990	\$723,093	\$10,232,692
Maintain Viable Presence (5 Years)	2030	\$1,000,586	\$4,442,576	\$0	\$10,232,692
	2031	\$933,881	\$5,376,457	\$0	\$10,232,692
	2032	\$867,175	\$6,243,632	\$0	\$10,232,692
	2033	\$800,469	\$7,044,101	\$0	\$10,232,692
	2034	\$733,763	\$7,777,865	\$0	\$10,232,692
Additional Years as Required by 313.026(c)(1) (10 Years)	2035	\$667,058	\$8,444,922	\$0	\$10,232,692
	2036	\$600,352	\$9,045,274	\$0	\$10,232,692
	2037	\$533,646	\$9,578,920	\$0	\$10,232,692
	2038	\$466,940	\$10,045,861	\$0	\$10,232,692
	2039	\$416,911	\$10,462,772	\$0	\$10,232,692
	2040	\$416,911	\$10,879,683	\$0	\$10,232,692
	2041	\$416,911	\$11,296,594	\$0	\$10,232,692
	2042	\$416,911	\$11,713,505	\$0	\$10,232,692
	2043	\$416,911	\$12,130,416	\$0	\$10,232,692
	2044	\$416,911	\$12,547,327	\$0	\$10,232,692

\$12,547,327

is greater than

\$10,232,692

Analysis Summary	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	Yes

Source: CPA, Peyton Creek Wind Farm, LLC

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.

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that “the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state.” This represents the basis for the Comptroller’s determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller **has determined** that the limitation on appraised value is a determining factor in the Peyton Creek Wind Farm, LLC’s decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Peyton Creek Wind Farm, LLC (an affiliate of EON Climate & Renewables) in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “The company is currently considering several other projects in Texas (Val Verde County, Jack County, Kenedy County, Willacy County, Hardeman County, San Patricio County and several others), Oklahoma (Vici complex, Major), Kansas (four project sites), Indiana, Illinois, plus Canada. The Company has received tax incentives on several of these projects which significantly improve the financial viability of the investment.”
 - B. “EON has not built a project in Texas that did not have a Chapter 313 agreement, as it is crucial to exceeding the company financial hurdle. EON recently sold a project that was unable to get a Chapter 313 agreement, as it was unable to meet the minimum financial hurdle. Without a Chapter 313 agreement, this Project would probably not be built.”
- According to the Bay City Tribune news release dated October 17, 2018, “Michael Ferdinand, executive director for the Matagorda County EDC, said the approval of the project would fair well for the county. They said they would employ 10 and when you add in all of our modifiers and multipliers to that you talking about the addition of 26 jobs to the county, Ferdinand said. This is going to have an incredible impact to our schools as well.”
- August 3, 2017, Bay City Sentinel, article state that “Peyton Creek will hire from the local community for the construction phase and for the fulltime positions, Sanders said. The wind farm has a 30-year life that would provide a long-term, stable tax base for Matagorda County and for the Bay City and Van Vleck school districts. Saunders told commissioners. Acreage for the wind farm straddles both districts, he explained. Peyton Creek is seeking a 10-year, 75 percent tax abatement to provide a steady cash flow for the wind farm and, replying to a question from Precinct w Commissioner Kent Pollard, Saunders said he contacted both Bay City and Van Vleck school officials to outline the

proposal. This would mean the wind farms estimated market value of \$184 million would go on the tax rolls at \$46 million, or 25 percent of value, if the tax abatement agreements are approved."

- According to the Bay City Tribune, September 26, 2018, "We have some specific concerns with the location of this wind farm," U.S. Fish and Wildlife Service biologist Gretchen Nareff said. We generally try to discourage companies from building in this area. The iconic endangered species of Texas, the whooping crane, have barely 450 individuals left in this population."
- Supplemental information provided by applicant stated the following
 - A. Is the Peyton Creek Wind Farm, LLC currently known by any other project names? The Peyton Creek Wind project has not been known by a different name.
 - B. Has this project applied to ERCOT at this time? If so, please provide the project's IGNR number and when it was assigned. Tab 4 already indicates our ERCOT fully executed interconnection agreement, which is ERCOT # 181NR001, assigned 12/22/2015.
 - C. Please also list any other names by which this project may have been known in the past in media reports, investor presentations, or any listings with any federal or state agency. The other name associated with this project is EON Climate & Renewables, the current sole owner of Peyton Creek Wind Farm, LLC.

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
- c) Additional information provided by the Applicant or located by the Comptroller

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.

Supporting Information

Section 8 of the Application for
a Limitation on Appraised Value

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

1. In Tab 4, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:
- ☒ Land has no existing improvements ☐ Land has existing improvements (complete Section 13)
- ☐ Expansion of existing operation on the land (complete Section 13) ☐ Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

For more information, visit our website: comptroller.texas.gov/economy/local/ch313/

Supporting Information

Attachments provided in Tab 5
of the Application for a
Limitation on Appraised Value

Peyton Creek Wind Farm, LLC
Application for Appraised Value Limitations on Qualified Property

Tab 5

Section 8 — Limitation as Determining Factor

- 1) N/A
- 2) Peyton Creek Wind Farm, LLC has entered into contracts for work for preliminary land work.
- 3) N/A
- 4) N/A
- 5) N/A
- 6) No.
- 7) The Company is currently considering several other projects in Texas (Val Verde County, Jack County, Kenedy County, Willacy County, Hardeman County, San Patricio County and several others), Oklahoma (Vici complex, Major), Kansas (four project sites), Indiana, Illinois, plus Canada. The Company has received tax incentives on several of these projects which significantly improve the financial viability of the investment. EON has not built a project in Texas that did not have a Chapter 313 agreement, as it is crucial to exceeding the company financial hurdle. EON recently sold a project that was unable to get a Chapter 313 agreement, as it was unable to meet the minimum financial hurdle. Without a Chapter 313 agreement, this Project would probably not be built.
- 8) N/A
- 9) N/A
- 10) N/A

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

http://baycitytribune.com/community/article_937c0a48-d213-11e8-9b8c-db34cc196873.html

BCISD agrees to tax abatement

Oct 17, 2018

BCISD agrees to tax abatement

Following the lead of the county, the Bay City ISD Board of Trustees approved two separate applications for appraised value limitations for the Peyton Creek Wind Farm, LLC and Air Liquide Large Industries U.S. for the purpose of tax abatements.

The wind farm project received passage from the county commissioners last week to begin negotiations on the project and need the agreement from Bay City ISD as well.

This clears the first two steps needed by E.On, the wind farm owner, with the second step being working out the terms of the Chapter 312 property redevelopment and tax abatement agreement with Bay City ISD.

The reinvestment zone will allow E.On to operate the wind farm on the tract of land in the Bay City ISD school boundaries. The formation of the reinvestment zone now allows E.On to begin negotiations with Matagorda County on the wind farm. The project was tabled a year ago and brought back to the table after the reinvestment zone was scaled down to the parcel of land that will be used during this phase of the proposed project.

Richard Saunders of E.On spoke on behalf of the company looking to locate the smaller scaled wind farm in the reinvestment zone.

"This agreements work very well for school districts and the Texas Comptroller's Office has evaluated this project and has valued this at \$42 million for Texas and more importantly \$20 million for the county and the school district which would be Bay City ISD," Saunders said.

Michael Ferdinand, executive director for the Matagorda County EDC, said the approval of the project would fair well for the county.

"They said they would employ 10 and when you add in all of our modifiers and multipliers to that you talking about the addition of 26 jobs to the county," Ferdinand said. "This is going to have an incredible impact to our schools as well."

In other board action, trustees approved the construction documents for the new Bay City High School football stadium, which is slated to open by next year's football season. Francis Zordilla said during the meeting that the firm will present documents to the board in November for a guaranteed maximum price on the project.

Trustees also received a construction update on Bay City Junior High and Tenie Holmes Elementary. The Bay City Junior High is ahead of schedule according to Zordilla but the Tenie Holmes Elementary project is running "about two weeks behind of schedule because of all of the rain."

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"County begins review of wind farm" by: Mike Reddell

Submitted by Baycity1 on Thu, 08/03/2017 - 11:37am

Contributed photo

From left, Precinct 4 Constable Pete Medina, Precinct 4 Commissioner Bubba Frick and Precinct 6 Bill Orton, are in front of the Crown Victoria patrol car that was transferred from Orton to Medina by commissioners court Monday.



The proposed \$184 million Peyton Creek Wind Farm in southern Matagorda County was presented to commissioners court at its regular meeting Monday.

The court unanimously agreed to begin the review process for Peyton Creek's tax abatement application and to accept the \$1,000 application fee.

Several prominent Matagorda County land owners attended Monday's session to hear about the plan to place 44 to 75 wind turbines on 12,000 to 15,000 leased acres south of Bay City now used primarily for cattle and grazing.

Peyton Creek Wind Farm LLC is part of E.ON, one of the world's largest owners and operators of onshore and offshore wind farms.

Matagorda County Economic Development Corporation's (MCEDC) board of directors voted to support the project as green energy development at its June 30 regular meeting.

The project proposes a late 2018 start date and 10 to 14-month construction process – hiring as many as 300 workers – with a late 2019 completion.

An estimated 10 fulltime, high-paying, technical and mechanical jobs would be created, said Richard Saunders, a senior development manager with E.ON, who was introduced at Monday's meeting by MCEDC Executive Director Mike Ferdinand.

Peyton Creek will hire from the local community for the construction phase and for the fulltime positions, Saunders said.

The wind farm has a 30-year life that would provide a long-term, stable tax base for Matagorda County and for the Bay City and Van Vleck school districts, Saunders told commissioners. Acreage for the wind farm straddles both districts, he explained.

Peyton Creek is seeking a 10-year, 75 percent tax abatement to provide a steady cash flow for the wind farm and, replying to a question from Precinct 2 Commissioner Kent Pollard, Saunders said he contacted both Bay City and Van Vleck school officials to outline the proposal.

That would mean the wind farm's estimated market value of \$184 million would go on the tax rolls at \$46 million, or 25 percent of value, if the tax abatement agreements are approved.

Peyton Creek would enter into a state Chapter 313 value limitation agreement with the school districts, and a Chapter 312 property redevelopment and tax abatement agreement with the county.

That pact would require the county to create a tax reinvestment zone that would encompass the Wind Farm's borders.

E.ON has not built a project in Texas that did not have a Chapter 313 agreement, as it is crucial to exceeding the company's financial hurdle, Saunders pointed out.

Saunders told commissions that wind energy is not exposed to fluctuations that exist in other energy markets such as nuclear, coal and natural gas.

"It's cheaper to produce new wind energy than any other new sources," Saunders remarked at Monday's meeting.

Wind energy is cost efficient and an energy hedge, he explained during a slideshow presentation.

To read more, please log in or subscribe to our digital edition. (<http://www.etype.services.com/Bay%20City%20SentinelID538/>)

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Bay City, TX

Weather

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Mostly Sunny

NNE Wind
3.4mph

44 °F

66 °F

47 62

THU

57 67

FRI

43 66

SAT

42 57

SUN

5:52 PM Wed Jan 9

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Public hearing for wind farm project set

By Jimmy Galvan | The Bay City Tribune | September 26, 2018 | baycitytribune.com

For the second time this year, Matagorda County Commissioners will once again revisit an ordinance for the establishment of a reinvestment zone for tax abatement upon request of Peyton Creek Wind farm. The public hearing has been set for Monday, Oct. 8 at 9:45 a.m.

Back in July of this year, the proposed \$184 million wind farm was presented to the court. The plan was to place 44 to 75 wind turbines on 12,000 to 15,000 leased acres south of Bay City that is used now for cattle and grazing.

According to Matagorda County Attorney Denise Fortenberry, the last time this project was presented to commissioners it was deemed too large of an area and this time the plan is to present a smaller, more focused area.

Commissioners tabled the agenda item July 16 of this year after a long public hearing. At that meeting, a packed courtroom heard from residents concerned that the wind farm would have an impact on migratory and raptor bird fly zones and the environment.

"We have some specific concerns with the location of this wind farm," U.S. Fish and Wildlife Service biologist Gretchen Nareff said. "We generally try to discourage companies from building in this area. The iconic endangered species of Texas, the whooping crane, have barely 450 individuals left in this population."

Bay City Tourism manager Heidi Martinez said during the July meeting that the windmills would have a bad effect on birding and tourism in the area.

"We wanted you to know that we are highly concerned with how these windmills will affect birding and tourism in the area," Bay City Tourism manager Heidi Martinez said. "We are a huge birding destination... something we are very proud of. Because of our central location for migratory birds, we have concerns about the specific location these windmills are to be placed."

Christian Ryan, representing south Texas agriculture aviators in the area, also brought up about economic impact on the area and if the 10 permanent jobs that it's expected to bring will be done by people from Matagorda County.

"The affect it will have on farming is pretty dramatic. There are times, especially in rice, these planes are needed. It will only be accessible by helicopter, which will cost four times as much," Ryan said. "They haven't reached out to us all to see how it would affect us."

Detractors of the project said the county needs to consider the cost to resident and the benefit they will receive in return. Chapter 312 of the Texas Tax Code was enacted to bring jobs to Texas, which allows taxpayers incentivize development via their local governments, the development brings jobs, and taxpayers benefit with employment opportunities and increased tax revenue.

URL to article: **<https://www.wind-watch.org/news/2018/09/27/public-hearing-for-wind-farm-project-set/>**

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)

Bay City ISD –Peyton Creek Wind Farm, LLC – App. #1307

Comptroller Questions (via email November 7, 2018):

1. Is the Peyton Creek Wind Farm, LLC currently known by any other project names?
2. Has this project applied to ERCOT at this time? If so, please provide the project's IGNR number and when was it assigned.
3. Please also list any other names by which this project may have been known in the past in media reports, investor presentations, or any listings with any federal or state agency.

Applicant Response (via email on November 9, 2018 and January 10, 2019):

1. The Peyton Creek Wind project has not been known by a different name.
2. Yes. The IGNR# is 181NR0018, and it was assigned 12/22/2015.
3. The only other name associated with this project is EON Climate & Renewables, the current sole owner of Peyton Creek Wind Farm, LLC.

EXHIBIT H

Comptroller's Approval of Agreement



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

July 29, 2019

Dr. Marshall Scott III
Superintendent
Bay City Independent School District
520 7th Street
Bay City, TX 77414

Re: Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Bay City Independent School District and Peyton Creek Wind Farm, LLC, Application 1307

Dear Superintendent Scott:

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 Bay City Independent School District and Peyton Creek Wind Farm, LLC (Agreement). As requested, the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1).

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

Should you have any questions, please contact Annette Holmes with our office. She can be reached by email at annette.holmes@cpa.texas.gov or by phone at 1-800-531-5441, ext. 5-3792, or at 512-475-3792.

Sincerely,

Will Counihan
Director
Data Analysis & Transparency Division

cc: Oscar Trevino, Walsh Gallegos Trevino & Kyle P.C.
Paul Bowman, EC&R Development, LLC
Richard Saunders, EC&R Development, LLC

EXHIBIT I

Applicant's Taxable Entity Status



Franchise Tax Account Status

As of : 08/02/2019 13:09:30

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

PEYTON CREEK WIND FARM, LLC

Texas Taxpayer Number 32061984046

Mailing Address 353 N CLARK ST # 30 CHICAGO, IL 60654-4704

? Right to Transact Business in Texas ACTIVE

State of Formation DE

Effective SOS Registration Date 11/02/2016

Texas SOS File Number 0802575793

Registered Agent Name C T CORPORATION SYSTEM

Registered Office Street Address 1999 BRYAN ST., STE. 900 DALLAS, TX 75201