

# O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE  
AUSTIN, TEXAS 78701  
TELEPHONE: (512) 494-9949  
FACSIMILE: (512) 494-9919

January 24, 2019

Local Government Assistance & Economic Analysis  
Texas Comptroller of Public Accounts  
P.O. Box 13528  
Austin, Texas 78711-3528

RE: Application to the Borden County Independent School District from IP Juno, LLC

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Borden County Independent School District is notifying IP Juno, LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. Please prepare the economic impact report.

The Applicant submitted the Application to the school district on January 21, 2019. The Board voted to accept the application on January 21, 2019. The application has been determined complete as of January 24, 2019. The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered.

A copy of the application will be submitted to the Borden County Appraisal District.

Sincerely,



Kevin O'Hanlon  
School District Consultant

Cc: Borden County Appraisal District  
IP Juno, LLC

**IP JUNO, LLC**

**CHAPTER 313 APPLICATION  
FOR APPRAISED VALUE LIMITATION  
TO BORDEN COUNTY ISD**

*Comptroller Copy*

## 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  | <p>Maps that clearly show:</p> <ul style="list-style-type: none"> <li>a) Project vicinity</li> <li>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</li> <li>c) Qualified property including location of new buildings or new improvements</li> <li>d) Existing property</li> <li>e) Land location within vicinity map</li> <li>f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size</li> </ul> <p><b>Note:</b> Electronic maps should be high resolution files. Include map legends/markers.</p> |
| 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  | <p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> <li>a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office</li> <li>b) legal description of reinvestment zone*</li> <li>c) order, resolution or ordinance establishing the reinvestment zone*</li> <li>d) guidelines and criteria for creating the zone*</li> </ul> <p><b>* To be submitted with application or before date of final application approval by school board</b></p>                                                                                                                                                                                |
| 17  | Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

**TAB 1**

*Pages 1 through 9 of application.*

## Application for Appraised Value Limitation on Qualified Property

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

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

January 21, 2019

Date Application Received by District

Billy

First Name

Collins

Last Name

Superintendent

Title

Borden County ISD

School District Name

240 W. Kincaid Avenue

Street Address

P.O. Box 95

Mailing Address

Gail

City

806-756-4313

Phone Number

Texas

State

806-756-4310

Fax Number

bcollins@bcisd.net

Email Address

79738

ZIP

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)*

|                                 |                      |
|---------------------------------|----------------------|
| Dan                             | Casey                |
| First Name                      | Last Name            |
| Partner                         |                      |
| Title                           |                      |
| Moak, Casey & Associates, LLP   |                      |
| Firm Name                       |                      |
| 512-485-7878                    | 512-485-7888         |
| Phone Number                    | Fax Number           |
|                                 | dcasey@moakcasey.com |
|                                 | Email Address        |
| Mobile Number <i>(optional)</i> |                      |

4. On what date did the district determine this application complete? ..... January 24, 2019

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)*

|                                                          |                             |
|----------------------------------------------------------|-----------------------------|
| Lucas                                                    | Dunnington                  |
| First Name                                               | Last Name                   |
| Chief Operating Officer                                  | IP Juno, LLC                |
| Title                                                    | Organization                |
| 2 Embarcadero Center, 7th Floor, San Francisco, CA 94111 |                             |
| Street Address                                           |                             |
| 548 Market Street, PMB 68743                             |                             |
| Mailing Address                                          |                             |
| San Francisco                                            | CA 94104                    |
| City                                                     | State ZIP                   |
| 510-260-2192                                             | Applicant has no fax number |
| Phone Number                                             | Fax Number                  |
|                                                          | luke@intersectpower.com     |
| Mobile Number <i>(optional)</i>                          | 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.

|                                                          |                             |
|----------------------------------------------------------|-----------------------------|
| Marisa                                                   | Mitchell                    |
| First Name                                               | Last Name                   |
| Principal                                                | Intersect Power             |
| Title                                                    | Organization                |
| 2 Embarcadero Center, 7th Floor, San Francisco, CA 94111 |                             |
| Street Address                                           |                             |
| 548 Market Street, PMB 68743                             |                             |
| Mailing Address                                          |                             |
| San Francisco                                            | CA 94104                    |
| City                                                     | State ZIP                   |
| 510-260-2192                                             | Applicant has no fax number |
| Phone Number                                             | Fax Number                  |
|                                                          | marisa@intersectpower.com   |
| Mobile Number <i>(optional)</i>                          | Business Email Address      |

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)

|                        |              |
|------------------------|--------------|
| Dale                   | Cummings     |
| First Name             | Last Name    |
| Founding Partner       |              |
| Title                  |              |
| Cummings Westlake, LLC |              |
| Firm Name              |              |
| 713-266-4456           | 713-266-2333 |
| Phone Number           | Fax Number   |
| dcummings@cwlp.net     |              |
| Business Email Address |              |

## SECTION 3: Fees and Payments

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

The total fee shall be paid at 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? IP Juno, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32068063315
3. List the NAICS code 221114
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

## 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 ..... August 2019
2. Commencement of construction ..... First quarter 2020
3. Beginning of qualifying time period ..... January 1, 2020
4. First year of limitation ..... January 1, 2022
5. Begin hiring new employees ..... Fourth quarter 2020
6. Commencement of commercial operations ..... Second quarter 2021
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? ..... Second quarter 2021

## SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located ..... Borden
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property ..... Borden
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: Borden, \$.75875, 100% City: Not applicable  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
 Hospital District: Not applicable Water District: Not applicable  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
 Other (describe): Not applicable Other (describe): Not applicable  
(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/](http://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

## 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? March 2019

## 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.

## 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? ..... 2
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 ..... 735.00
- b. 110% of the average weekly wage for manufacturing jobs in the county is ..... No Data Available
- c. 110% of the average weekly wage for manufacturing jobs in the region is ..... 1,154.49
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? ..... 60,033.60
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 60,033.60
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**.

**TAB 2**

*Proof of Payment of Application Fee*

Please find on the following page, copy of the check for the \$75,000 application fee to Borden County Independent School District.

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

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

**TAB 3**

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

\*Note – The attached is the most recent report filed and IP Juno, LLC had not been formed during the reporting time period of the 2018 report. IP Juno, LLC will be reported on the 2019 Report for IP Portfolio I, LLC.

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

**TAB 4**

## Detailed Description of the Project

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

IP Juno, LLC ("IP Juno") is requesting an appraised value limitation from Borden County Independent School District ("ISD") for the IP Juno Project (the "Project"). IP Juno proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant in Borden County Independent School District. The proposed Project will be constructed within a Reinvestment Zone that will be created by Borden County Commissioners Court. Maps showing the location of the Project are attached in Tab 11.

The Project will be constructed on approximately 4,000 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Borden County Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 400 MW-AC in size;
- Photovoltaic (PV) modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to a transmission line not owned by the Project;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

IP Juno requests a value limitation for all real property and tangible personal property installed for the Project, including but not limited to: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in the first quarter of 2020 with anticipated project completion by the second quarter of 2021.

The ERCOT GINR is 21INR0026 and the project is not known by any other name.



**TAB 5****Documentation to assist in determining if limitation is a determining factor.**

IP Renewable Energy Holdings, LLC, the parent of IP Juno, LLC, is a national solar developer with project opportunities across the United States. The ability to enter into a value limitation agreement with Borden County ISD is a determining factor for constructing the project in Borden County, Texas, as opposed to building and investing in another county, state or region. IP Renewable Energy Holdings LLC is considering investing in California and Colorado.

IP Renewable Energy Holdings, LLC is actively developing and constructing other projects throughout the US. The applicant requires this value limitation agreement in order to move forward with constructing this project in Texas. Specifically, without the available property tax incentives, the economics of the project become unappealing to investors and the likelihood of constructing the project becomes unlikely. The property tax liability of a project without tax incentives in Texas, including a value limitation agreement with Borden County ISD, lowers the return to investors and financiers to an unacceptable level at current contracted power rates under a power purchase agreement. As such, the applicant would not be able to finance and build its project without the property tax incentives. We want to avoid a situation where the applicant would be forced to have its development capital and prospective investment funds spent in other states where the rate of return is higher on a project basis.

However, the proposed site in Borden County is a desirable business location and can provide electricity at a price that is competitive with other projects in Borden County and elsewhere in Texas, assuming that the expected tax incentives, including a value limitation agreement, are obtained. Electric utilities and other wholesale electricity buyers are focused on providing low-cost energy to their customers, and contracting for the sale of solar electricity is highly competitive. Receiving a value limitation agreement from Borden County ISD is vital to ensuring the economics justify building the project and placing it into commercial operation in Borden County.

**About IP Renewable Energy Holdings LLC**

The IP Renewable Energy Holdings, LLC team has the collective experience in all phases of development across 60+ projects, and 2GWp of operating solar power with a total value of over \$6 billion. Our team has been involved in almost \$9B of successful debt and long-term equity financing for mid to late stage development projects. Our team has been successful together throughout the evolution of clean infrastructure, from the early days of kW scale solar, to pioneering 5-20MW projects and on to increasingly sophisticated and complex transactions of 100-500MW projects.

**TAB 6**

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

| <b>Taxing Entity</b> | <b>% of Project</b> | <b>2017 Tax Rate<br/>Per \$100</b> |
|----------------------|---------------------|------------------------------------|
| Borden County        | 100%                | \$.75875                           |
| Borden County ISD    | 100%                | \$1.32000                          |

---

**TAB 7***Description of Qualified Investment*

The Project will be constructed on approximately 4,000 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Borden County Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 400 MW-AC in size;
- Photovoltaic (PV) modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to a transmission line not owned by the Project;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

IP Juno requests a value limitation for all real property and tangible personal property installed for the Project, including but not limited to: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in the first quarter of 2020 with anticipated project completion by the second quarter of 2021.

*NOTE* - The map in TAB 11 shows the preliminary panel and inverter locations outlined with gold lines. The exact placement of these panels and inverters is subject to ongoing planning, soil studies, and engineering and will be finally determined before construction begins. The proposed location of the Project operations and maintenance building is shown with a black circle and identified with the letter "A". The Project substation is shown with a black circle and is identified with the letter "B".

**TAB 8***Description of Qualified Property*

The Project will be constructed on approximately 4,000 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Borden County Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 400 MW-AC in size;
- Photovoltaic (PV) modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications and SCADA control equipment, and all necessary equipment needed to connect the Project to the substation and subsequently to a transmission line not owned by the Project;
- Operations and maintenance (O&M) building including telecommunications and computing equipment;
- Meteorological equipment to measure solar irradiance and other weather conditions; and
- Associated equipment to safely operate, maintain, and deliver electricity to the grid.

IP Juno requests a value limitation for all real property and tangible personal property installed for the Project, including but not limited to: solar modules/panels, racking and mounting structures, inverters, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in the first quarter of 2020 with anticipated project completion by the second quarter of 2021.

**TAB 9***Description of Land*

**Reinvestment Zone Legal Description  
Borden County, Texas**

| <b>Description</b> | <b>Block</b> | <b>Section</b>                                                              |
|--------------------|--------------|-----------------------------------------------------------------------------|
| T-5-N              | 32           | 4                                                                           |
| T-5-N              | 32           | 5                                                                           |
| T-5-N              | 32           | 6                                                                           |
| T-5-N              | 32           | 7                                                                           |
| T-5-N              | 32           | 8                                                                           |
| T-5-N              | 32           | 9                                                                           |
| T-5-N              | 32           | 15                                                                          |
| T-5-N              | 32           | 16                                                                          |
| T-5-N              | 32           | 17                                                                          |
| T-5-N              | 32           | 18                                                                          |
| T-5-N              | 32           | 22                                                                          |
| T-5-N              | 32           | 27                                                                          |
| T-5-N              | 32           | 34                                                                          |
| T-5-N              | 32           | 39                                                                          |
| T-5-N              | 32           | 43                                                                          |
| T-5-N              | 32           | S/2 41                                                                      |
| T-5-N              | 32           | S/2 42                                                                      |
| T-5-N              | 32           | 44                                                                          |
| T-5-N              | 32           | 45                                                                          |
| T-5-N              | 32           | 46                                                                          |
| T-5-N              | 32           | All that part of Section 20 north<br>of the centerline of US Highway<br>180 |
| T-5-N              | 32           | All that part of Section 21 north<br>of the centerline of US Highway<br>180 |

**TAB 10***Description of all property not eligible to become qualified property (if applicable)*

There is no solar energy-related property owned by the Applicant on the land. There is no existing property in the reinvestment zone or project area that would qualify for a Chapter 313 agreement. More specifically, **none** of the following property that would be eligible for a Chapter 313 agreement presently exists in the reinvestment zone or project area:

1. manufacturing
2. research and development
3. a clean coal project as defined by Section 5.001, Water Code
4. an advanced clean energy project, as defined by Section 382.003, Health and Safety Code
5. renewable energy electric generation
6. electric power generation using integrated gasification combined cycle technology
7. nuclear electric power generation
8. a computer center that is used as an integrated part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7)
9. a Texas Priority Project, as described by 313.024(e)(7) and TAC 9.1051.

IP Juno, LLC will lease the land where the Project improvements will be located.

**TAB 11**

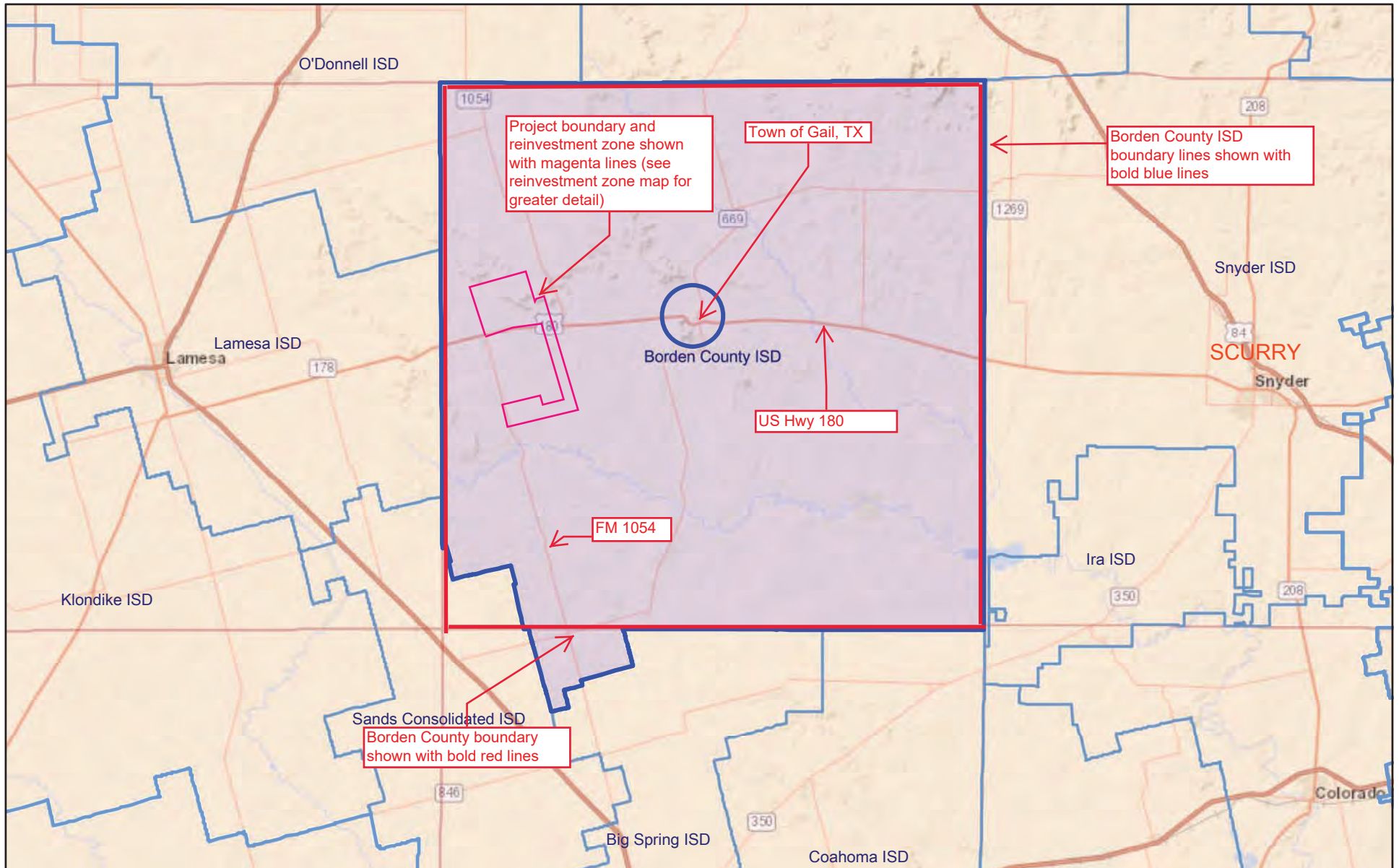
Maps that clearly show:

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

See attached maps.



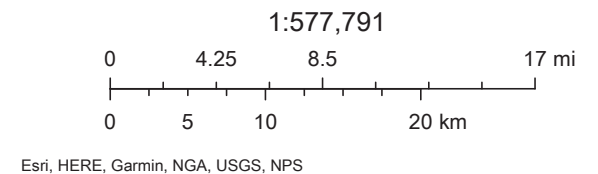
# Borden County ISD Vicinity Map



January 4, 2019

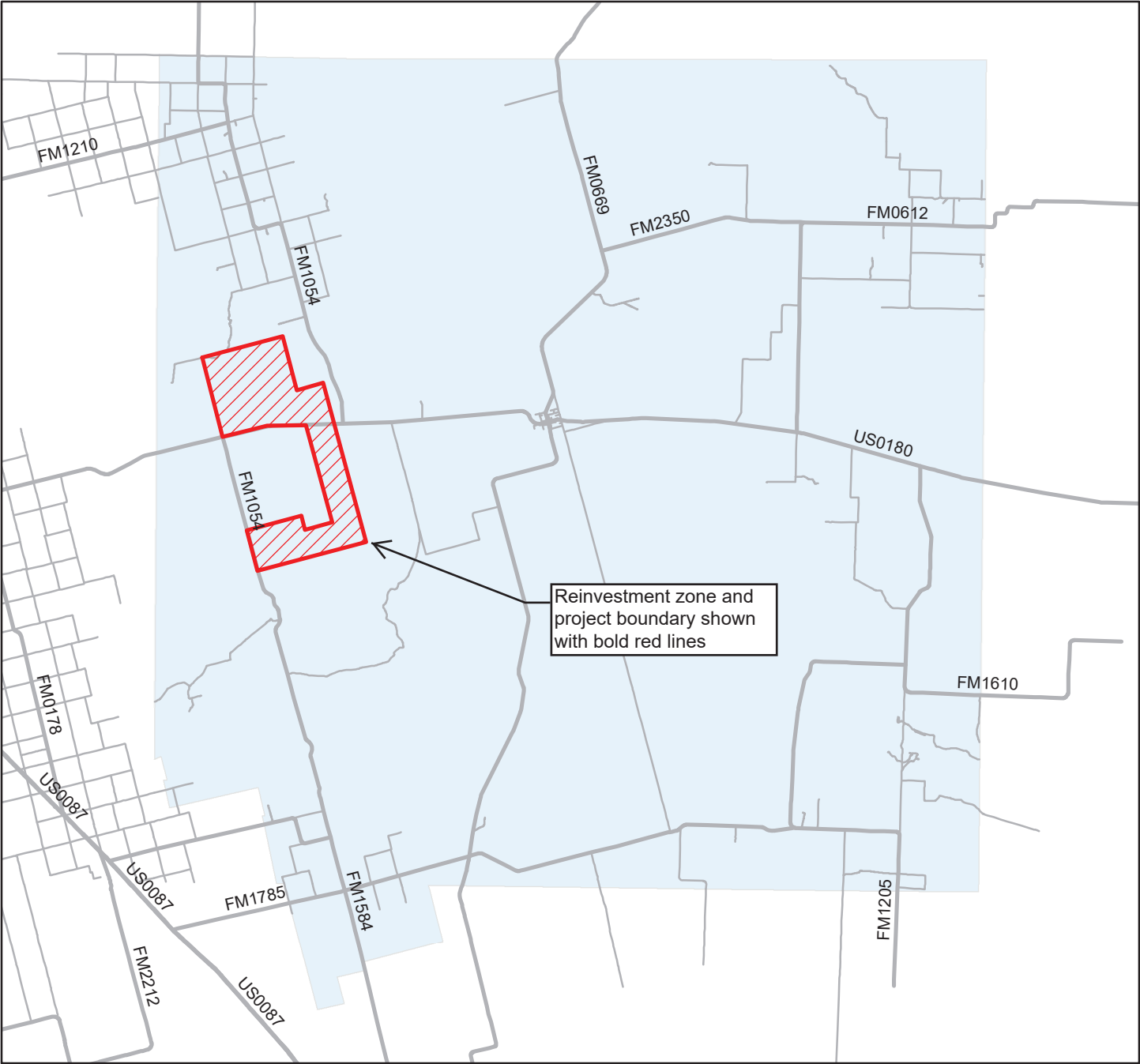
- Texas\_Outline
- Counties
- Current\_Districts

All qualified investment and qualified property are wholly within the boundary of Borden County and Borden County ISD





# PROJECT VICINTY MAP



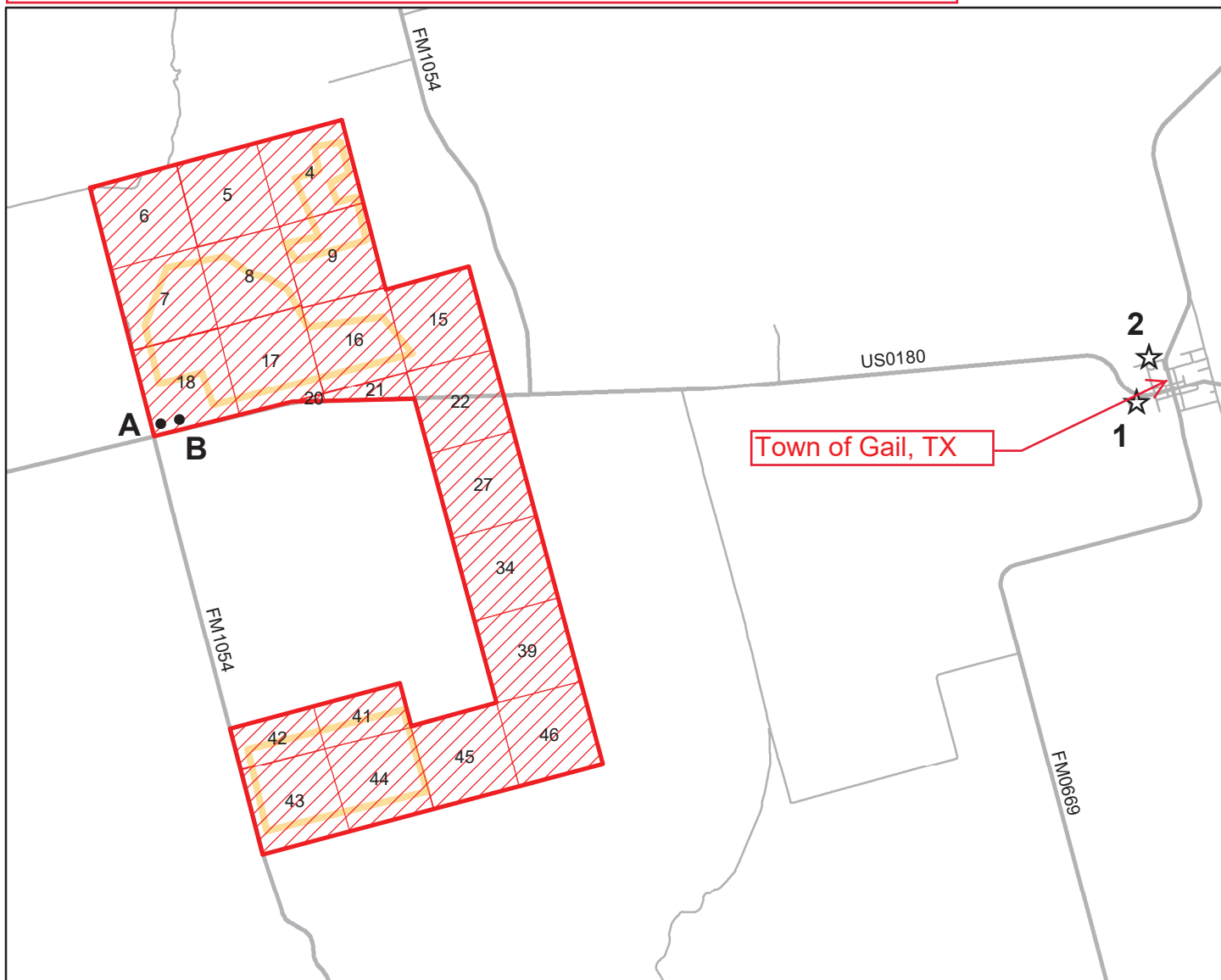
-  Reinvestment Zone
-  Borden County Independent School District

## Roads

-  Highways
-  County Roads



**REINVESTMENT ZONE AND PROJECT BOUNDARY - ALL QUALIFIED INVESTMENT AND QUALIFIED PROPERTY IS WHOLLY WITHIN THE REINVESTMENT ZONE**



Reinvestment Zone

Public Land Survey System section number (all parcels are Block 32 T5N)



Solar Development Footprint Area

- A. Approximate location of O&M Building
- B. Approximate location of Project Substation

☆ 1. Borden County Judge's Office

☆ 2. Borden County School

## Roads

— Highways

— County Roads

0 2 4 Miles



**TAB 12**

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

See attached.



January 21, 2019

Mr. Billy Collins  
Superintendent  
Borden County Independent School District  
240 W. Kincaid Avenue  
Gail, TX 79738

**Re: Chapter 313 Job Waiver Request**

Dear Mr. Collins,

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

IP Juno, LLC requests that the Borden County 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, IP Juno, LLC has committed to create 2 total jobs for the project, which will be in Borden County Independent School District.

Solar projects create a large number of full and part-time, but temporary jobs during the construction phase of the project but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences. A number of our solar clients have advised that the industry standard for staffing new solar projects is one employee for every 200 megawatts AC of capacity.

The number of jobs specified in this application is in line with the industry standards for a solar farm of this scope and size. This is evidenced by previously filed limitation agreement applications by solar developers who also requested a

waiver of the job requirements. In addition, there is publicly available educational material and other documentation that also suggest that IP Juno has the appropriate number of jobs for this project.

Sincerely,

A handwritten signature in blue ink that reads "D. Dale Cummings". The signature is written in a cursive style with a small "D." at the beginning and a small "s" at the end.

D. Dale Cummings

**TAB 13**

*Calculation of three possible wage requirements with TWC documentation*

- Borden County average weekly wage for all jobs (all industries)
- Borden County average weekly wage for all jobs (manufacturing) – there are no TWC data for manufacturing jobs in Borden County
- See attached Council of Governments Regional Wage Calculation and Documentation

## TAB 13 TO CHAPTER 313 APPLICATION

### BORDEN COUNTY ISD - BORDEN COUNTY CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

| QUARTER | YEAR    | AVG WEEKLY WAGES* |        | ANNUALIZED   |
|---------|---------|-------------------|--------|--------------|
| THIRD   | 2017    | \$                | 677.00 | \$ 35,204.00 |
| FOURTH  | 2017    | \$                | 776.00 | \$ 40,352.00 |
| FIRST   | 2018    | \$                | 739.00 | \$ 38,428.00 |
| SECOND  | 2018    | \$                | 748.00 | \$ 38,896.00 |
|         | AVERAGE | \$                | 735.00 | \$ 38,220.00 |

### BORDEN COUNTY ISD - BORDEN COUNTY CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

| QUARTER | YEAR    | AVG WEEKLY WAGES*     |  | ANNUALIZED            |
|---------|---------|-----------------------|--|-----------------------|
| THIRD   | 2017    | <i>Not applicable</i> |  | <i>Not applicable</i> |
| FOURTH  | 2017    | <i>Not applicable</i> |  | <i>Not applicable</i> |
| FIRST   | 2018    | <i>Not applicable</i> |  | <i>Not applicable</i> |
| SECOND  | 2018    | <i>Not applicable</i> |  | <i>Not applicable</i> |
|         | AVERAGE | <i>Not applicable</i> |  | <i>Not applicable</i> |
|         | X       | 110%                  |  | 110%                  |
|         |         | <i>Not applicable</i> |  | <i>Not applicable</i> |

### CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

| REGION        | YEAR | AVG WEEKLY WAGES* |          | ANNUALIZED   |
|---------------|------|-------------------|----------|--------------|
| Permian Basin | 2017 | \$                | 1,049.54 | \$ 54,576.00 |
|               | X    | 110%              |          | 110%         |
|               |      | \$                | 1,154.49 | \$ 60,033.60 |

\* SEE ATTACHED TWC DOCUMENTATION

# Quarterly Employment and Wages (QCEW)

Back

D.PERIODYEAR

Page 1 of 1 (40 results/page)

|  Year |  Period |  Area |  Ownership |  Division |  Level |  Ind Code |  Industry |  Avg Weekly Wages |
|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| 2018                                                                                   | 1st Qtr                                                                                  | Borden County                                                                          | Total All                                                                                   | 00                                                                                         | 0                                                                                       | 10                                                                                         | Total, all industries                                                                       | \$739                                                                                                |
| 2018                                                                                   | 2nd Qtr                                                                                  | Borden County                                                                          | Total All                                                                                   | 00                                                                                         | 0                                                                                       | 10                                                                                         | Total, all industries                                                                       | \$748                                                                                                |
| 2017                                                                                   | 3rd Qtr                                                                                  | Borden County                                                                          | Total All                                                                                   | 00                                                                                         | 0                                                                                       | 10                                                                                         | Total, all industries                                                                       | \$677                                                                                                |
| 2017                                                                                   | 4th Qtr                                                                                  | Borden County                                                                          | Total All                                                                                   | 00                                                                                         | 0                                                                                       | 10                                                                                         | Total, all industries                                                                       | \$776                                                                                                |



## 2017 Manufacturing Average Wages by Council of Government Region

### Wages for All Occupations

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

Source: Texas Occupational Employment and Wages

Data published: July 2018

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

**\$54,576 x 110% =  
\$60,033.60**

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**

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

See attached Schedules A1, A2, B, C and D

Date 21-Jan-19  
Applicant Name IP Juno, LLC  
ISD Name Borden County ISD

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

Form 50-296A  
Revised May 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<br>(YYYY-YYYY)                                                                                                                      | Tax Year<br>(Fill in actual tax<br>year below)<br>YYYY | New investment (original cost) in <b>tangible<br/>personal property</b> placed in service during this<br>year that will become Qualified Property | New investment made during this year in<br><b>buildings or permanent nonremovable<br/>components of buildings</b> that will become<br>Qualified Property | Other new investment made during this year<br>that will <u>not</u> become Qualified Property<br>[SEE NOTE] | Other new investment made during this year<br>that may become Qualified Property<br>[SEE NOTE]                                      | <b>Total Investment</b><br>(Sum of Columns A+B+C+D) |
| Investment made before filing complete<br>application with district                                                                    | --   | Year preceding<br>the first complete<br>tax year of the<br>qualifying time<br>period (assuming<br>no deferrals of<br>qualifying time<br>period) |                                                        | Not eligible to become Qualified Property                                                                                                         |                                                                                                                                                          |                                                                                                            | [The only other investment made before filing<br>complete application with district that may<br>become Qualified Property is land.] |                                                     |
| Investment made after filing complete<br>application with district, but before final board<br>approval of application                  |      |                                                                                                                                                 |                                                        |                                                                                                                                                   |                                                                                                                                                          |                                                                                                            |                                                                                                                                     |                                                     |
| Investment made after final board approval of<br>application and before Jan. 1 of first complete<br>tax year of qualifying time period |      | 2019-2020                                                                                                                                       | 2019                                                   | \$ -                                                                                                                                              | \$ -                                                                                                                                                     | \$ -                                                                                                       | \$ -                                                                                                                                | \$ -                                                |
| Complete tax years of qualifying time period                                                                                           | QTP1 | 2020-2021                                                                                                                                       | 2020                                                   | \$ 260,000,000                                                                                                                                    | \$ -                                                                                                                                                     | \$ -                                                                                                       | \$ -                                                                                                                                | \$ 260,000,000.00                                   |
|                                                                                                                                        | QTP2 | 2021-2022                                                                                                                                       | 2021                                                   | \$ 134,800,000                                                                                                                                    | \$ 200,000                                                                                                                                               | \$ -                                                                                                       | \$ -                                                                                                                                | \$ 135,000,000.00                                   |
| Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]                                                        |      |                                                                                                                                                 |                                                        | \$ 394,800,000                                                                                                                                    | \$ 200,000                                                                                                                                               | \$ -                                                                                                       | \$ -                                                                                                                                | \$ 395,000,000                                      |
| Total Qualified Investment (sum of green cells)                                                                                        |      |                                                                                                                                                 |                                                        | \$ 395,000,000                                                                                                                                    | 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; 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.

Date 21-Jan-19  
Applicant Name IP Juno, LLC  
ISD Name Borden County ISD

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

Form 50-296A  
Revised May 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<br>(YYYY-YYYY) | Tax Year<br>(Fill in actual tax<br>year below)<br>YYYY | New investment (original cost) in <b>tangible<br/>personal property</b> placed in service<br>during this year that will become Qualified<br>Property | New investment made during this year in<br><b>buildings or permanent nonremovable<br/>components of buildings</b> that will become<br>Qualified Property | Other investment made during this year<br>that will <u>not</u> become Qualified Property<br>[SEE NOTE] | Other investment made during this year<br>that will become Qualified Property [SEE<br>NOTE] | Total Investment<br>(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                                                                                         |                                                                                                                                                          |                                                                                                        |                                                                                             |                               |
|                                                                                                  |      |                            |                                                        | \$ 394,800,000                                                                                                                                       | \$ 200,000                                                                                                                                               | \$ -                                                                                                   | \$ -                                                                                        | \$ 395,000,000                |
| Each year prior to start of value limitation period**<br><i>Insert as many rows as necessary</i> |      | 2019-2020                  | 2019                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ -                                                                                                   | \$ -                                                                                        | \$ -                          |
|                                                                                                  |      | 2020-2021                  | 2020                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ -                                                                                                   | \$ -                                                                                        | \$ -                          |
| Each year prior to start of value limitation period**<br><i>Insert as many rows as necessary</i> | 0    | 2021-2022                  | 2021                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ -                                                                                                   | \$ -                                                                                        | \$ -                          |
| Value limitation period***                                                                       | 1    | 2022-2023                  | 2022                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ 30,555                                                                                              | \$ -                                                                                        | \$ 30,555                     |
|                                                                                                  | 2    | 2023-2024                  | 2023                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ 69,959                                                                                              | \$ -                                                                                        | \$ 69,959                     |
|                                                                                                  | 3    | 2024-2025                  | 2024                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ 59,932                                                                                              | \$ -                                                                                        | \$ 59,932                     |
|                                                                                                  | 4    | 2025-2026                  | 2025                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ 69,038                                                                                              | \$ -                                                                                        | \$ 69,038                     |
|                                                                                                  | 5    | 2026-2027                  | 2026                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ 75,489                                                                                              | \$ -                                                                                        | \$ 75,489                     |
|                                                                                                  | 6    | 2027-2028                  | 2027                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ 266,362                                                                                             | \$ -                                                                                        | \$ 266,362                    |
|                                                                                                  | 7    | 2028-2029                  | 2028                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ 271,358                                                                                             | \$ -                                                                                        | \$ 271,358                    |
|                                                                                                  | 8    | 2029-2030                  | 2029                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ 278,338                                                                                             | \$ -                                                                                        | \$ 278,338                    |
|                                                                                                  | 9    | 2030-2031                  | 2030                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ 281,795                                                                                             | \$ -                                                                                        | \$ 281,795                    |
|                                                                                                  | 10   | 2031-2032                  | 2031                                                   | \$ -                                                                                                                                                 | \$ -                                                                                                                                                     | \$ 297,553                                                                                             | \$ -                                                                                        | \$ 297,553                    |
| Total Investment made through limitation                                                         |      |                            |                                                        | \$ 394,800,000                                                                                                                                       | \$ 200,000                                                                                                                                               | \$ 1,700,380                                                                                           | \$ -                                                                                        | \$ 396,700,380                |
| Continue to maintain viable presence                                                             | 11   | 2032-2033                  | 2032                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 310,865                                                                                             |                                                                                             | \$ 310,865                    |
|                                                                                                  | 12   | 2033-2034                  | 2033                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 299,838                                                                                             |                                                                                             | \$ 299,838                    |
|                                                                                                  | 13   | 2034-2035                  | 2034                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 325,719                                                                                             |                                                                                             | \$ 325,719                    |
|                                                                                                  | 14   | 2035-2036                  | 2035                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 329,664                                                                                             |                                                                                             | \$ 329,664                    |
|                                                                                                  | 15   | 2036-2037                  | 2036                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 329,268                                                                                             |                                                                                             | \$ 329,268                    |
| Additional years for 25 year economic impact as required by<br>313.026(c)(1)                     | 16   | 2037-2038                  | 2037                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 333,264                                                                                             |                                                                                             | \$ 333,264                    |
|                                                                                                  | 17   | 2038-2039                  | 2038                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 336,325                                                                                             |                                                                                             | \$ 336,325                    |
|                                                                                                  | 18   | 2039-2040                  | 2039                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 350,040                                                                                             |                                                                                             | \$ 350,040                    |
|                                                                                                  | 19   | 2040-2041                  | 2040                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 362,523                                                                                             |                                                                                             | \$ 362,523                    |
|                                                                                                  | 20   | 2041-2042                  | 2041                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 379,681                                                                                             |                                                                                             | \$ 379,681                    |
|                                                                                                  | 21   | 2042-2043                  | 2042                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 380,611                                                                                             |                                                                                             | \$ 380,611                    |
|                                                                                                  | 22   | 2043-2044                  | 2043                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 390,617                                                                                             |                                                                                             | \$ 390,617                    |
|                                                                                                  | 23   | 2044-2045                  | 2044                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 408,908                                                                                             |                                                                                             | \$ 408,908                    |
|                                                                                                  | 24   | 2045-2046                  | 2045                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 408,908                                                                                             |                                                                                             | \$ 408,908                    |
|                                                                                                  | 25   | 2046-2047                  | 2046                                                   |                                                                                                                                                      |                                                                                                                                                          | \$ 408,908                                                                                             |                                                                                             | \$ 408,908                    |

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

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

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

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

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

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

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

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

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

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

Date

1/21/2019

Applicant Name

IP Juno, LLC

Form 50-296A

ISD Name

Borden County ISD

Revised May 2014

|                                                                                                |      |                         |                                            | Qualified Property             |                                                                         |                                                                                                                    | Estimated Taxable Value                                                            |                                                  |                                                  |
|------------------------------------------------------------------------------------------------|------|-------------------------|--------------------------------------------|--------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------|--------------------------------------------------|
|                                                                                                | Year | School Year (YYYY-YYYY) | Tax Year<br>(Fill in actual tax year) YYYY | Estimated Market Value of Land | Estimated Total Market Value of new buildings or other new improvements | Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements" | Market Value less any exemptions (such as pollution control) and before limitation | Final taxable value for I&S after all reductions | Final taxable value for M&O after all reductions |
| Each year prior to start of Value Limitation Period<br><i>Insert as many rows as necessary</i> | 0    | 2019-2020               | 2019                                       | \$ -                           | \$ -                                                                    | \$ -                                                                                                               | \$ -                                                                               | \$ -                                             | \$ -                                             |
| Each year prior to start of Value Limitation Period<br><i>Insert as many rows as necessary</i> |      | 2020-2021               | 2020                                       | \$ -                           | \$ -                                                                    | \$ -                                                                                                               | \$ -                                                                               | \$ -                                             | \$ -                                             |
| Each year prior to start of Value Limitation Period<br><i>Insert as many rows as necessary</i> |      | 2021-2022               | 2021                                       |                                |                                                                         | \$ 91,904,800                                                                                                      | \$ 91,904,800                                                                      | \$ 91,904,800                                    | \$ 91,904,800                                    |
| Value Limitation Period                                                                        | 1    | 2022-2023               | 2022                                       | \$ -                           | \$ 200,000                                                              | \$ 270,200,200                                                                                                     | \$ 270,400,200                                                                     | \$ 270,400,200                                   | \$ 30,000,000                                    |
|                                                                                                | 2    | 2023-2024               | 2023                                       | \$ -                           | \$ 197,000                                                              | \$ 226,968,200                                                                                                     | \$ 227,165,200                                                                     | \$ 227,165,200                                   | \$ 30,000,000                                    |
|                                                                                                | 3    | 2024-2025               | 2024                                       | \$ -                           | \$ 194,000                                                              | \$ 202,650,200                                                                                                     | \$ 202,844,200                                                                     | \$ 202,844,200                                   | \$ 30,000,000                                    |
|                                                                                                | 4    | 2025-2026               | 2025                                       | \$ -                           | \$ 191,100                                                              | \$ 178,332,100                                                                                                     | \$ 178,523,200                                                                     | \$ 178,523,200                                   | \$ 30,000,000                                    |
|                                                                                                | 5    | 2026-2027               | 2026                                       | \$ -                           | \$ 188,200                                                              | \$ 154,014,100                                                                                                     | \$ 154,202,300                                                                     | \$ 154,202,300                                   | \$ 30,000,000                                    |
|                                                                                                | 6    | 2027-2028               | 2027                                       | \$ -                           | \$ 185,400                                                              | \$ 126,994,100                                                                                                     | \$ 127,179,500                                                                     | \$ 127,179,500                                   | \$ 30,000,000                                    |
|                                                                                                | 7    | 2028-2029               | 2028                                       | \$ -                           | \$ 182,600                                                              | \$ 102,676,100                                                                                                     | \$ 102,858,700                                                                     | \$ 102,858,700                                   | \$ 30,000,000                                    |
|                                                                                                | 8    | 2029-2030               | 2029                                       | \$ -                           | \$ 179,900                                                              | \$ 86,464,100                                                                                                      | \$ 86,644,000                                                                      | \$ 86,644,000                                    | \$ 30,000,000                                    |
|                                                                                                | 9    | 2030-2031               | 2030                                       | \$ -                           | \$ 177,200                                                              | \$ 78,358,100                                                                                                      | \$ 78,535,300                                                                      | \$ 78,535,300                                    | \$ 30,000,000                                    |
|                                                                                                | 10   | 2031-2032               | 2031                                       | \$ -                           | \$ 174,500                                                              | \$ 67,550,100                                                                                                      | \$ 67,724,600                                                                      | \$ 67,724,600                                    | \$ 30,000,000                                    |
| Continue to maintain viable presence                                                           | 11   | 2032-2033               | 2032                                       | \$ -                           | \$ 171,900                                                              | \$ 54,040,000                                                                                                      | \$ 54,211,900                                                                      | \$ 54,211,900                                    | \$ 54,211,900                                    |
|                                                                                                | 12   | 2033-2034               | 2033                                       | \$ -                           | \$ 169,300                                                              | \$ 54,040,000                                                                                                      | \$ 54,209,300                                                                      | \$ 54,209,300                                    | \$ 54,209,300                                    |
|                                                                                                | 13   | 2034-2035               | 2034                                       | \$ -                           | \$ 166,800                                                              | \$ 54,040,000                                                                                                      | \$ 54,206,800                                                                      | \$ 54,206,800                                    | \$ 54,206,800                                    |
|                                                                                                | 14   | 2035-2036               | 2035                                       | \$ -                           | \$ 164,300                                                              | \$ 54,040,000                                                                                                      | \$ 54,204,300                                                                      | \$ 54,204,300                                    | \$ 54,204,300                                    |
|                                                                                                | 15   | 2036-2037               | 2036                                       | \$ -                           | \$ 161,800                                                              | \$ 54,040,000                                                                                                      | \$ 54,201,800                                                                      | \$ 54,201,800                                    | \$ 54,201,800                                    |
| Additional years for 25 year economic impact as required by 313.026(c)(1)                      | 16   | 2037-2038               | 2037                                       | \$ -                           | \$ 159,400                                                              | \$ 54,040,000                                                                                                      | \$ 54,199,400                                                                      | \$ 54,199,400                                    | \$ 54,199,400                                    |
|                                                                                                | 17   | 2038-2039               | 2038                                       | \$ -                           | \$ 157,000                                                              | \$ 54,040,000                                                                                                      | \$ 54,197,000                                                                      | \$ 54,197,000                                    | \$ 54,197,000                                    |
|                                                                                                | 18   | 2039-2040               | 2039                                       | \$ -                           | \$ 154,600                                                              | \$ 54,040,000                                                                                                      | \$ 54,194,600                                                                      | \$ 54,194,600                                    | \$ 54,194,600                                    |
|                                                                                                | 19   | 2040-2041               | 2040                                       | \$ -                           | \$ 152,300                                                              | \$ 54,040,000                                                                                                      | \$ 54,192,300                                                                      | \$ 54,192,300                                    | \$ 54,192,300                                    |
|                                                                                                | 20   | 2041-2042               | 2041                                       | \$ -                           | \$ 150,000                                                              | \$ 54,040,000                                                                                                      | \$ 54,190,000                                                                      | \$ 54,190,000                                    | \$ 54,190,000                                    |
|                                                                                                | 21   | 2042-2043               | 2042                                       | \$ -                           | \$ 147,800                                                              | \$ 54,040,000                                                                                                      | \$ 54,187,800                                                                      | \$ 54,187,800                                    | \$ 54,187,800                                    |
|                                                                                                | 22   | 2043-2044               | 2043                                       | \$ -                           | \$ 145,600                                                              | \$ 54,040,000                                                                                                      | \$ 54,185,600                                                                      | \$ 54,185,600                                    | \$ 54,185,600                                    |
|                                                                                                | 23   | 2044-2045               | 2044                                       | \$ -                           | \$ 143,400                                                              | \$ 54,040,000                                                                                                      | \$ 54,183,400                                                                      | \$ 54,183,400                                    | \$ 54,183,400                                    |
|                                                                                                | 24   | 2045-2046               | 2045                                       | \$ -                           | \$ 141,200                                                              | \$ 54,040,000                                                                                                      | \$ 54,181,200                                                                      | \$ 54,181,200                                    | \$ 54,181,200                                    |
|                                                                                                | 25   | 2046-2047               | 2046                                       | \$ -                           | \$ 141,200                                                              | \$ 54,040,000                                                                                                      | \$ 54,181,200                                                                      | \$ 54,181,200                                    | \$ 54,181,200                                    |

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.

Date 1/21/2019  
Applicant Name IP Juno, LLC  
ISD Name Borden County ISD

Schedule C: Employment Information

Form 50-296A  
Revised May 2014

|                                                                                                             |                     |                            |                                       | Construction                                           |                                                       | Non-Qualifying Jobs                                                                 | Qualifying Jobs                                                                                                         |                                               |
|-------------------------------------------------------------------------------------------------------------|---------------------|----------------------------|---------------------------------------|--------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
|                                                                                                             |                     |                            |                                       | Column A                                               | Column B                                              | Column C                                                                            | Column D                                                                                                                | Column E                                      |
|                                                                                                             | Year                | School Year<br>(YYYY-YYYY) | Tax Year<br>(Actual tax year)<br>YYYY | Number of Construction<br>FTE's or man-hours (specify) | Average annual wage rates<br>for construction workers | Number of non-qualifying<br>jobs applicant estimates it<br>will create (cumulative) | Number of new qualifying<br>jobs applicant commits to<br>create meeting all criteria of<br>Sec. 313.021(3) (cumulative) | Average annual wage of<br>new qualifying jobs |
| Each year prior to start of<br>Value Limitation Period<br><i>Insert as many rows as necessary</i>           | 0                   | 2019-2020                  | 2019                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 0                                                                                                                       | 0                                             |
| Each year prior to start of<br>Value Limitation Period<br><i>Insert as many rows as necessary</i>           | 0                   | 2020-2021                  | 2020                                  | 400 FTE                                                | \$ 100,000                                            | 0                                                                                   | 0                                                                                                                       | 0                                             |
| Each year prior to start of<br>Value Limitation Period<br><i>Insert as many rows as necessary</i>           | 0                   | 2021-2022                  | 2021                                  | 400 FTE                                                | \$ 100,000                                            | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
| Value Limitation Period<br><i>The qualifying time period could overlap the<br/>value limitation period.</i> | 1                   | 2022-2023                  | 2022                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
|                                                                                                             | 2                   | 2023-2024                  | 2023                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
|                                                                                                             | 3                   | 2024-2025                  | 2024                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
|                                                                                                             | 4                   | 2025-2026                  | 2025                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
|                                                                                                             | 5                   | 2026-2027                  | 2026                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
|                                                                                                             | 6                   | 2027-2028                  | 2027                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
|                                                                                                             | 7                   | 2028-2029                  | 2028                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
|                                                                                                             | 8                   | 2029-2030                  | 2029                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
|                                                                                                             | 9                   | 2030-2031                  | 2030                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
|                                                                                                             | 10                  | 2031-2032                  | 2031                                  | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |
| Years Following<br>Value Limitation Period                                                                  | 11<br>through<br>25 | 2032-2047                  | 2032-2046                             | 0                                                      | \$ -                                                  | 0                                                                                   | 2                                                                                                                       | \$ 60,033.60                                  |

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:

x

Yes

No
- C1a.

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

x

Yes

No
- C1b.

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

Yes

x

No

**Schedule D: Other Incentives (Estimated)**

Date

1/21/2019

Applicant Name

IP Juno, LLC

Form 50-296A

ISD Name

Borden County ISD

Revised May 2014

| State and Local Incentives for which the Applicant intends to apply (Estimated) |                                             |                              |                     |                                      |                     |                     |
|---------------------------------------------------------------------------------|---------------------------------------------|------------------------------|---------------------|--------------------------------------|---------------------|---------------------|
| Incentive Description                                                           | Taxing Entity<br>(as applicable)            | Beginning Year of<br>Benefit | Duration of Benefit | Annual Tax Levy<br>without Incentive | Annual Incentive    | Annual Net Tax Levy |
| Tax Code Chapter 311                                                            | County: Borden                              | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
|                                                                                 | City: Not applicable                        | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
|                                                                                 | Other: Not applicable                       | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
| Tax Code Chapter 312                                                            | County: Borden <i>(total over 25 years)</i> | 2022                         | 10 years            | \$ 18,185,053                        | \$ 9,177,298        | \$ 9,007,755        |
|                                                                                 | City: Not applicable                        | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
|                                                                                 | Other: Not applicable                       | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
| Local Government Code Chapters<br>380/381                                       | County: Borden                              | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
|                                                                                 | City: Not applicable                        | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
|                                                                                 | Other: Not applicable                       | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
| Freeport Exemptions                                                             | Not applicable                              | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
| Non-Annexation Agreements                                                       | Not applicable                              | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
| Enterprise Zone/Project                                                         | Not applicable                              | Not applicable               | Not applicable      | Not applicable                       | Not applicable      | Not applicable      |
| Economic Development Corporation                                                | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| Texas Enterprise Fund                                                           | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| Employee Recruitment                                                            | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| Skills Development Fund                                                         | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| Training Facility Space and Equipment                                           | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| Infrastructure Incentives                                                       | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| Permitting Assistance                                                           | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| Other:                                                                          | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| Other:                                                                          | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| Other:                                                                          | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| Other:                                                                          | Not applicable                              | Not applicable               | Not applicable      |                                      | Not applicable      |                     |
| <b>TOTAL</b>                                                                    |                                             |                              |                     | <b>\$ 18,185,053</b>                 | <b>\$ 9,177,298</b> | <b>\$ 9,007,755</b> |

Additional information on incentives for this project:

Applicant expects to execute a Chapter 312 agreement with Borden County on terms similar to another solar energy facility in the county. Applicant has had preliminary discussions with the county but no application for tax abatement has been filed as of the date this application was submitted to Borden County ISD.

**TAB 15**

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

None



**TAB 16**

*Description of Reinvestment Zone or Enterprise Zone, including:*

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

**16 a)** Not applicable.

**16 b)** See legal description below:

**Reinvestment Zone Legal Description  
Borden County, Texas**

| <b>Description</b> | <b>Block</b> | <b>Section</b>                                                              |
|--------------------|--------------|-----------------------------------------------------------------------------|
| T-5-N              | 32           | 4                                                                           |
| T-5-N              | 32           | 5                                                                           |
| T-5-N              | 32           | 6                                                                           |
| T-5-N              | 32           | 7                                                                           |
| T-5-N              | 32           | 8                                                                           |
| T-5-N              | 32           | 9                                                                           |
| T-5-N              | 32           | 15                                                                          |
| T-5-N              | 32           | 16                                                                          |
| T-5-N              | 32           | 17                                                                          |
| T-5-N              | 32           | 18                                                                          |
| T-5-N              | 32           | 22                                                                          |
| T-5-N              | 32           | 27                                                                          |
| T-5-N              | 32           | 34                                                                          |
| T-5-N              | 32           | 39                                                                          |
| T-5-N              | 32           | 43                                                                          |
| T-5-N              | 32           | S/2 41                                                                      |
| T-5-N              | 32           | S/2 42                                                                      |
| T-5-N              | 32           | 44                                                                          |
| T-5-N              | 32           | 45                                                                          |
| T-5-N              | 32           | 46                                                                          |
| T-5-N              | 32           | All that part of Section 20 north<br>of the centerline of US Highway<br>180 |

|       |    |                                                                             |
|-------|----|-----------------------------------------------------------------------------|
| T-5-N | 32 | All that part of Section 21 north<br>of the centerline of US Highway<br>180 |
|-------|----|-----------------------------------------------------------------------------|

**16 c)** Borden County Commissioners Court will create the reinvestment zone at a later date.

**16 d)** See attached Borden County Tax Abatement Guidelines and Criteria that were adopted on January 8, 2019.

# **Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones**

## **Borden County, Texas**

### **Preamble**

Pursuant to Chapter 312 of the Texas Tax Code, Borden County may consider an application for tax abatement, designate a reinvestment zone and enter into a tax abatement agreement as provided for in these Guidelines and Criteria.

### **I. Abatement Application Procedure**

- a. Who may apply. Any present or potential owner or lessee of taxable property in Borden County may submit an application for tax abatement conforming to the requirements outlined herein.
- b. Eligible property. Abatement may only be granted for the following property constructed or otherwise put in place after the effective date of the tax abatement agreement: new, expanded or modernized buildings and structures, fixed machinery and equipment; site improvements; related fixed improvements; other tangible items necessary to the operation and administration of the project or facility; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code.
- c. Application provisions. The application shall consist of a completed Borden County Tax Abatement Application form, which shall contain the following:
  1. Information showing how the project meets the requirements of the criteria outlined in Section II below;
  2. a map and description of the property;
  3. a time schedule for completing the planned improvements;
  4. the estimated taxable value or range of values of the project or facility; and
  5. basic financial information about the principles sufficient to enable evaluation of the applicant's financial capacity.
  6. Application shall be accompanied by an application fee of \$1,000.00 payable to Borden County.
- d. Procedure for Application Consideration. The procedure for consideration by the County of a Tax Abatement Application is as follows.
  1. An applicant may request a Tax Abatement Application from the County Judge's Office.
  2. After an applicant completes the Tax Abatement Application, applicant provides a copy to each member of the Borden County Commissioners Court and the County Judge's Administrative Assistant.
  3. Upon receipt of an application, the Commissioners Court determines, within forty-five (45) days, how to proceed with the application. The Commissioners Court shall choose either to deny the application, consider the application, or consider the application on an expedited basis.
    - A. Denial of application. If the Commissioners Court chooses to deny the application, it shall make a finding by majority vote at a regularly scheduled meeting that the application does not meet the requirements of the criteria provided below in Section II.

- B. Consideration of application. If the Commissioners Court determines that the application should be further considered, the County Judge shall schedule a hearing to obtain public input on the application. At least seven (7) days prior to the hearing, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of the hearing time, place, and subject in the local newspaper. At the hearing, the Commissioners Court evaluates the application against the criteria in Section II and decides whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the application fails, although it may be amended and resubmitted. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then arrange to consider for approval of the tax abatement agreement between the applicant and the County at its next regularly scheduled meeting. At least seven (7) days prior to entering into a tax abatement agreement, the county must give written notice of its intent to do so to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the county.
- C. Expedited consideration of application. If the County determines that the application should receive expedited consideration, the County Judge shall schedule an opportunity to obtain public input on the application at the Commissioners Court next meeting. At least seven (7) days prior to the meeting, the County must send written notice to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought and must publish notice of hearing time, place and subject in the local newspaper. Also at this time, the County must give written notice of its intent to enter into a tax abatement agreement to the presiding officers of all taxing units with jurisdiction over the property for which an abatement is sought, along with a copy of the proposed tax abatement agreement. During the regularly scheduled meeting, the Commissioners Court evaluates the application against the criteria in Section II and decides whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the Commissioners Court shall pass an order to that effect and may then immediately consider for approval the tax abatement agreement between the applicant and the County. After consideration, The Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.
- e. Confidentiality. As required by Section 312.003 of the Texas Tax code, information that is provided to Borden County in connection with an application or request for tax abatement under this chapter and that describes the specific processes or business activities to be conducted or the equipment or the property to be located on the property for which tax abatement is sought is confidential and not subject to public disclosure until the tax abatement agreement is executed.

## **II. Criteria for Designating a Reinvestment Zone**

- a. Minimum requirement. To be designated a reinvestment zone, County Commissioners must find by majority vote that:
1. the property for which the abatement is sought will be reasonably likely as a result the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the County, or meet one or more of the other requirements provide in Section 312.202 of the Texas Tax Code; and
  2. that the improvements sought are feasible and practical and would be a benefit to the land to be included in the zone and to the County after expiration of the tax abatement agreement.
- b. Criteria. In determining whether to designate a reinvestment zone and whether to enter into a tax abatement agreement, the Commissioners Court shall consider the following factors, among others determined appropriate by the Court:
1. value of land and existing improvements, if any;
  2. type and value of proposed improvements;
  3. productive life of proposed improvements;
  4. number of existing jobs to be retained by proposed improvements;
  5. number and type of new jobs, if any, to be created by proposed improvements;
  6. costs to be incurred by Borden County, if any, to provide facilities or services directly resulting from the new improvements;
  7. types and values of public improvements, if any, to be made by applicant seeking abatement;
  8. the amount of ad valorem property tax to be paid to Borden County after expiration of the abatement agreement;
  9. the impact on the business opportunities of existing businesses and the attraction of new business to the area, if any; and
  10. the overall compatibility with the zoning ordinances and comprehensive plan, if any, for the area.

## **III. Format for Tax Abatement Agreement**

- a. Required provisions. If the Borden County Commissioners Court designates a reinvestment zone, it may consider and execute a tax abatement agreement with the owner of the designated property and lessee, as appropriate, as outlined above. Any tax abatement agreement shall include at least the following:
1. the kind, number and location of all proposed improvements of the property;
  2. provisions allowing for reasonable access to the property for initial and intermittent inspection purposes by County employees or designated representatives to ensure improvements are made in compliance with the agreement;
  3. provisions limiting the use of the property consistent with the general purpose of encouraging development or redevelopment of the area during the period of abatement;
  4. provisions 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 in the agreement;
  5. each term agreed to by the recipient of the abatement;



6. a requirement that the abatement recipient certify its compliance with the agreement annually to the County; and
  7. provisions allowing the County to cancel or modify the agreement if the recipient is out of compliance with the agreement.
- b. Optional provisions. The tax abatement agreement may also contain any or all of the following items, in addition to any others deemed appropriate by the contracting parties;
1. the estimated taxable value to be abated each year;
  2. percent of value to be abated each year;
  3. the commencement and termination dates of the abatement ;
  4. proposed use of the property;
  5. nature of the construction, time schedule, map and property description;
  6. contractual obligations in the event of default or violation of terms or conditions;
  7. size of investment and number of temporary and permanent jobs involved, if any;
  8. provisions for dispute resolution.
- c. Duration and portion of abatement. A tax abatement agreement granted by Borden County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100% in portion of ad valorem property taxes abated.
- d. Time limit. Such agreement shall be executed within thirty (30) days after passage of the resolution approving the agreement, unless the County and the applicant mutually agree otherwise.

#### **IV. Administration of Tax Abatement Agreement**

- a. Inspections. County employees or their designated representatives shall have reasonable access to the property for initial and intermittent inspection purposes in order to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement.
- b. Cure provisions. Should Borden County determine that the company or individual receiving the abatement is in default of the tax abatement agreement, it shall notify the company or individual of such default in writing at the address specified in the agreement, and if such is not cured within sixty (60) days of notice, the agreement may be terminated by the County.
- c. Modification and termination. At any time before the expiration of a tax abatement agreement, an agreement may be modified by the parties to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. The modification must be made by the same procedure by which the original agreement was made. An agreement may also be terminated by the mutual consent of the parties in the same way the agreement was made, or by other means as agreed by the parties according to the provisions of the agreement.

## V. Assignment

An abatement granted by Borden County may be transferred and assigned by the holder to a new owner or lessee of the same property, upon the approval by resolution of Borden County, subject to the financial capacity of the assignee and provided that all conditions and obligations in the tax abatement agreement with Borden County are fulfilled. Approval shall not be unreasonably withheld by Borden County.

## VI. Sunset and Amendment of Guidelines and Criteria

These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two (2) years, unless amended by three-fourths (3/4) vote of the Borden County Commissioners Court.

Passed and approved at a regular meeting of the Borden County Commissioners Court, at which a quorum was present on the 8<sup>th</sup> day of January, 2019.



Ross D. Sharp  
County Judge

\_\_\_\_\_  
Monte Smith  
Commissioner Precinct 1



Randy Adcock  
Commissioner Precinct 2

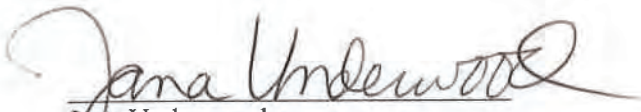


Ernest Reyes  
Commissioner Precinct 3



Greg Stansell  
Commissioner Precinct 4

ATTEST:



Jana Underwood  
County Clerk

**TAB 17**

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

See attached



## SECTION 16: Authorized Signatures and Applicant Certification

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

## 1. Authorized School District Representative Signature

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

print  
here

Billy Collins

Print Name (Authorized School District Representative)

Superintendent

Title

sign  
here

Signature (Authorized School District Representative)

Date

1/21/2019

## 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

Lucas Dunnington

Print Name (Authorized Company Representative (Applicant))

COO

Title

sign  
here

Signature (Authorized Company Representative (Applicant))

Date

1/16/2019

GIVEN under my hand and seal of office this, the

\_\_\_\_\_ day of \_\_\_\_\_,

SEE ATTACHED

Notary Public in and for the State of Texas

(Notary Seal)

My Commission expires: \_\_\_\_\_

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

## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of \_\_\_\_\_)

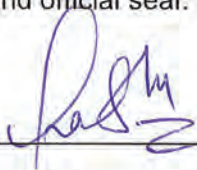
On 01/16/2019 before me, \_\_\_\_\_  
(insert name and title of the officer)

personally appeared LUCAS DUNNINGTON,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_



(Seal)

