

FINDINGS
OF THE
PEARSALL INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE APPLICATION FOR APPRAISED VALUE LIMITATION
SUBMITTED BY
HORIZON SOLAR, LLC
(TEXAS TAXPAYER ID: # 32070351229)
(APPLICATION #1388)

MARCH 25, 2020

FINDINGS
OF THE
PEARSALL INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT

STATE OF TEXAS §

COUNTY OF FRIO §

PREAMBLE

On the 25th day of March 2020, a public meeting of the Board of Trustees (“Board”) of the Pearsall Independent School District (“District”) was held. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board took up and considered the Application (as amended, the “Application”) of Horizon Solar, LLC (“Applicant”) for a limitation on appraised value on qualified property, pursuant to Chapter 313 of the Texas Tax Code. The Board heard presentations from the District’s administrative staff to advise the Board in this matter.

The Board considered the presentations made at the meeting, the Comptroller's recommendation and the economic impact evaluation and makes the following findings with respect to the Application in accordance with the Texas Economic Development Act, Texas Tax Code Chapter 313, and the Administrative regulations promulgated by the Texas Comptroller of Public Accounts published at 34 Texas Administrative Code Part 1, Chapter 9, Subchapter F:

1. On June 19, 2019 the District received an application for appraised value limitation on qualified property (“Application”) on the form prescribed by the Comptroller from Applicant pursuant to Chapter 313 of the Texas Tax Code. A copy of the Application is attached hereto as Exhibit A.
2. The Board acknowledged receipt of the Application, along with the requisite application fee, as established pursuant to Texas Tax Code Section 313.025(a)(1).
3. The Board elected to consider the Application.
4. The Application was delivered to the Texas Comptroller of Public Accounts (“Comptroller”) for review pursuant to Texas Tax Code Section 313.025(b).
5. Pursuant to a request received from the Comptroller, Application amendments were submitted to the Comptroller on August 1, 2020.

6. The Application (as amended) was reviewed by the Comptroller pursuant to Texas Tax Code Sections 313.025 and 313.026. After review, the Comptroller's Office, by letter dated November 5, 2019, recommended that the Board approve the Application. A copy of the Comptroller's letter is attached to these findings as Exhibit B.

7. The Texas Comptroller's Office performed an economic impact evaluation pursuant to Texas Tax Code Section 313.025(b). The Board has considered such evaluation. A copy of the economic impact evaluation is attached to these findings as Exhibit C.

8. After receipt of the Application, the District entered into negotiations with Applicant over the specific language to be included in an Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes ("Agreement"), pursuant to Chapter 313 of the Texas Tax Code, including appropriate revenue protection provisions for the District. The proposed Agreement is attached to these findings as Exhibit D.

9. The Agreement was reviewed by the Comptroller. After review, the Comptroller's office, in a letter dated February 20, 2020, approved the Agreement.

FINDINGS

Findings as to each of the criterion listed in Texas Tax Code Section 313.025 and Texas Administrative Code Title 34, §9.1054. Based in the representation of Applicant set out in the Application attached as Exhibit A, the Comptroller's approval attached as Exhibit B, the Comptroller's Economic Impact Analysis attached as Exhibit C and the Franchise Tax Account Status attached as Exhibit E, the Board of Trustees finds:

1. That the Comptroller recommends approval of the Application.
2. That there is a strong and positive relationship between the Applicant's industry and the types of qualifying jobs to be created by the Applicant and the long-term economic growth plans of the State.
3. That, based on the representations in the Application, the Applicant could locate or relocate the Project to another state or another region of this state.
4. That the Project will result in revenue gains by the school district and that the economic effects on the local and regional tax base are that the tax base will increase as a result of the Project and additional employment.
5. That there exists a small but undetermined possibility that the Project could have an impact on enrollment from families that might temporarily relocate during the construction phase, but that any impact during the operation phase can be absorbed by current facilities.
6. That the projected market value of the qualified property of the Applicant as determined by the Comptroller is \$213,913,000.
7. That the proposed limitation on appraised value for the qualified property of the Applicant is \$30,000,000.00.

8. That the projected dollar amount of District maintenance and operation taxes that would be imposed on the qualified property, for each year of the Agreement, if the property does not receive a limitation on appraised value is \$12,444,806 as shown on Exhibit C, Attachment A, Table 3.

9. That the projected dollar amount of the taxes that would be imposed on the qualified property, for each tax year of the Agreement, if the property receives a limitation on appraised value is \$5,774,165 as shown on Exhibit C, Attachment A, Table 4.

10. That the total amount of taxes projected to be lost or gained by the District over the life of the Agreement computed by subtracting the projected taxes if the property receives a tax limitation from the projected taxes if the property does not receive a tax limitation is \$6,670,641, as shown on Exhibit C, Attachment A, Table 4.

11. The Applicant is eligible for the limitation on the appraised value of the Applicant's qualified property. Applicant's qualified property is eligible for a limitation on appraised value under Texas Tax Code § 313.024 as a renewable energy electric generation project.

12. The Project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period.

13. The limitation of appraised value is a determining factor in the Applicant's decision to invest capital and construct the Project in this state.

14. The job creation requirement of ten (10) new jobs exceeds the industry standard for the number of employees reasonably necessary for the operation of the Project described in the Application. Pursuant to Texas tax Code Section 313.025(f-1), the Board waives the new job creation requirement in Tax Code Section 313.051(b).

15. Applicant will create one (1) new qualifying jobs, and Applicant has confirmed that such jobs will meet all of the requirements of Texas tax Code § 313.021(3).

16. That the Project will be located within an area designated as a reinvestment zone pursuant to Texas Tax Code Chapter 312.

17. The information in the Application submitted by Applicant is true and correct.

18. The proposed Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes ("Agreement"), attached hereto as Exhibit D, meets all of the requirements set out in Texas Tax Code § 313.027, including adequate and appropriate revenue protection provisions for the District.

19. The proposed Agreement is in the form of the template Texas Economic Development Act Agreement adopted by the Comptroller as of January 24, 2016, and the Comptroller has verified

that the agreement complies with the provisions of Chapter 313 of the Texas Tax Code and 34 Texas Administrative Code Chapter 9, Subchapter F.

20. Considering the purpose and effect of the law and the terms of the Agreement, granting the Application and entering the Agreement are in the best interest of the District and the State.

21. The Applicant, Horizon Solar, LLC (Tex. Taxpayer ID #32070351229) is an entity subject to Chapter 171, Texas Tax Code and is certified to be in good standing with the Texas Comptroller of Public Accounts. A copy of the Comptroller's Franchise Tax Account Status is attached as Exhibit E.

22. There are no conflicts of interest on the Board at the time of its consideration of the Agreement.

23. It is hereby found, determined and declared that sufficient written notice of the date, time, place and subject of the meeting of the Board of Trustees at which these Findings were made was posted at a place convenient and readily accessible at all times to the general public for the time required by law preceding this meeting, as required by chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which these Findings were made and the subject matter thereof has been discussed, considered and formally acted upon. The Board of Trustees further ratifies, approves and confirms such written notice and posting thereof.

[Remainder of this page left intentionally blank]

[Orders and signatures follow]

It is therefore **ORDERED** that:

1. The Findings above, including the recitals set out in the Preamble, are adopted and approved by the Board of Trustees.
2. The Application of Horizon Solar, LLC for a limitation on the appraised value for school district maintenance and operations ad valorem tax purposes of qualified property is approved.
3. The Agreement attached hereto as Exhibit D is approved and the Board President is designated and directed to sign the Agreement on behalf of the District.
4. These findings and the Exhibits referred to herein be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the District.

Dated the 25th day of March 2020.

PEARSALL INDEPENDENT SCHOOL DISTRICT

By: 
Tommy Navarro, President

ATTEST:
By: 
Sandra Waldrum, Secretary

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between PEARSALL INDEPENDENT SCHOOL
DISTRICT and HORIZON SOLAR, LLC

EXHIBIT A

Application for Appraised Value Limitation on Qualified Property



WALSH GALLEGOS
TREVINO RUSSO & KYLE P.C.

June 28, 2019

Mr. John Villarreal
Senior Research Analyst
Economic Development & Local Government
Data Analysis & Transparency Division
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

***VIA FEDERAL EXPRESS
AND VIA E-MAIL DELIVERY:***
john.villarreal@cpa.texas.gov

Re: Pearsall Independent School District ("District") / Tax Limitation Agreement:
Horizon Solar, LLC ("Applicant")

Dear Mr. Villarreal:

The Pearsall Independent School District Board of Trustees accepted the enclosed application for Limitation on Appraised Value of Property at a duly called board meeting held on June 19, 2019. The Application was determined to be complete on June 26, 2019. Pursuant to Tax Code §313.025(b) and 34 TAC Rules §9.1053(a)(2) and 9.1054(c), attached are the following:

1. One (1) copy of the Application for Appraised Value Limitation on Qualified Property ("Application") submitted to the Pearsall Independent District by Horizon Solar, LLC.
2. One (1) electronically digitized copy of the Application, including schedules in Excel format.

The District requests that the Comptroller provide an economic impact evaluation. By copy of this letter, we are notifying the Applicant that the District has submitted the Application to the Comptroller and to the Frio County Appraisal District.

Please call if you have any questions.

Sincerely,

EDDY HERNANDEZ PEREZ

EHP/paw
Enclosures

Mr. John Villarreal

June 28, 2019

Page 2

cc: Dr. Nobert Rodriguez, Superintendent of Schools, Pearsall Independent School District
(Via Certified Mail No. 7018 1130 0002 1891 1872; Return Receipt Requested; with enclosures)

Daniel T. Casey, Moak Casey
(Via Certified Mail No. 7018 1130 0002 1891 1889; Return Receipt Requested; with enclosures)

Karl Pierce, Horizon Solar, LLC
(Via Certified Mail No. 7018 1130 0002 1891 1896; Return Receipt Requested; with enclosures)

Frio County Appraisal District *(Via U.S. Postal Service Delivery; with enclosures)*
815 S Oak Street
Pearsall, Texas 78061

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/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

Date Application Received by District

First Name

Last Name

Title

School District Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

Email Address

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)*

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Mobile Number *(optional)*

Email Address

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

5. Has the district determined that the electronic copy and hard copy are identical? ☐ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

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.

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

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)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Business Email Address

SECTION 3: Fees and Payments

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

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

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

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

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

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? _____
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) _____
3. List the NAICS code _____
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) _____
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 (<i>complete Section 13</i>)
☐ Expansion of existing operation on the land (<i>complete Section 13</i>)	☐ 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
2. Commencement of construction
3. Beginning of qualifying time period
4. First year of limitation
5. Begin hiring new employees
6. Commencement of commercial operations
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?

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property
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: (Name, tax rate and percent of project) City: (Name, tax rate and percent of project)
Hospital District: (Name, tax rate and percent of project) Water District: (Name, tax rate and percent of project)
Other (describe): (Name, tax rate and percent of project) Other (describe): (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? ☐ Yes ☐ No
5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ☐ Yes ☐ No
6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

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

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

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

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)?
2. What is the last complete calendar quarter before application review start date:
☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of _____
(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)?
- Note:** For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create?
5. What is the number of new non-qualifying jobs you are estimating you will create?
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
- b. 110% of the average weekly wage for manufacturing jobs in the county is
- c. 110% of the average weekly wage for manufacturing jobs in the region is
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?
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property?
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☐ Yes ☐ No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☐ No
- 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☐ No
- 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

**print
here**

Dr. Nobert Rodriguez

Print Name (Authorized School District Representative)

Superintendent

Title

**sign
here**

Signature (Authorized School District Representative)

Date

6/19/19

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**

Karl Pierce

Print Name (Authorized Company Representative (Applicant))

Authorized Representative

Title

**sign
here**

Signature (Authorized Company Representative (Applicant))

Date

6/18/19



(Notary Seal)

KATHRYN A. YATES
Notary Public, State of Ohio
My Commission Expires
6/7/22

GIVEN under my hand and seal of office this, the

18th day of June, 2019

Kathryn A Yates

Notary Public in and for the State of Texas Ohio

My Commission expires: 6/7/22

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.

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print
here ➡

Dr. Nobert Rodriguez

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here ➡

Signature (Authorized School District Representative)

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print
here ➡

Karl Pierce

Print Name (Authorized Company Representative (Applicant))

Authorized Representative

Title

sign
here ➡

Signature (Authorized Company Representative (Applicant))

Date



(Notary Seal)

KATHRYN A. YATES
Notary Public, State of Ohio
My Commission Expires
6/7/22

GIVEN under my hand and seal of office this, the

18th day of June, 2019

Kathryn A Yates

Notary Public in and for the State of Ohio

My Commission expires: 6/7/22

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

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

TAB 2

Proof of Payment of Application Fee

Please find on the following page, copy of the check for the \$75,000 application fee to Pearsall 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)

Horizon Solar, LLC is part of a combined group. Horizon Solar, LLC was formed in 2019 and will appear on the next franchise tax filing of the combined group. Please see attached documentation.



Franchise Tax Account Status

As of : 05/16/2019 14:58:48

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

HORIZON SOLAR, LLC	
Texas Taxpayer Number	32070351229
Mailing Address	1999 BRYAN ST STE 900 DALLAS, TX 75201-3140
Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	04/09/2019
Texas SOS File Number	0803288428
Registered Agent Name	C T CORPORATION SYSTEM
Registered Office Street Address	1999 BRYAN ST., STE. 900 DALLAS, TX 75201

**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.

Horizon Solar, LLC (“Horizon Solar”) is requesting an appraised value limitation from Pearsall Independent School District (“ISD”) for the Horizon Solar Project (the “Project”). Horizon Solar proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant in Pearsall Independent School District. The proposed Project will be constructed within a Reinvestment Zone that will be created by the Board of Trustees of Pearsall ISD or Frio County Commissioners Court at a future date. Maps showing the location of the Project are attached in Tab 11.

The Project will be constructed on approximately 1,650 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Pearsall Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 200 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.

Horizon Solar 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 substation, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in the fourth quarter of 2021 with anticipated project completion by the fourth quarter of 2022.

The ERCOT GINR is 21INR0261 which was issued on February 14, 2019. The Project is not known by any other name.

TAB 5

Documentation to assist in determining if limitation is a determining factor.

First Solar Development, LLC (“First Solar”), the parent of Horizon Solar, LLC, is a national solar developer with project opportunities across the United States, including California, Arizona, Georgia and elsewhere. The ability to enter into a value limitation agreement with Pearsall ISD is a determining factor for constructing the project in Frio County, Texas, as opposed to building and investing in another county, state or region. First Solar is considering investing in Alabama, Arkansas, Georgia, Florida, North Carolina, Ohio, South Carolina, Tennessee, and Virginia.

First Solar is actively developing and constructing other projects throughout the US and internationally through its affiliates. 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 liabilities of a project without tax incentives in Texas, including a value limitation agreement with Pearsall ISD, lower 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 Frio County is a desirable business location and can provide electricity at a price that is competitive with other potential projects in Frio 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 Pearsall ISD is vital to ensuring the economics justify building the project and placing it into commercial operation in Frio County.

About First Solar

Through its affiliates, First Solar is the leading global provider of comprehensive photovoltaic (PV) solar energy solutions. With vertically integrated capabilities improving every aspect of the solar value chain, the company delivers power plant solutions that maximize value and mitigate risk for customers worldwide.

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)

Taxing Entity	% of Project	2018 Tax Rate Per \$100
Frio County	100%	\$.596800
Pearsall ISD	100%	\$1.31748
Frio County Hospital	100%	\$.234880
Emergency Services #1	100%	\$.030000

FRIO COUNTY APPRAISAL DISTRICT

P. O. BOX 1129

PEARSALL, TEXAS 78061

PH #830-334-4163 FAX #830-334-5568

EMAIL: friocad@yahoo.com

2018 TAX RATES

FRIO COUNTY	0.553500
LATERAL ROAD	0.043300
EMER SERV DIST #1	0.030000
EUWC	<u>0.006500</u>
	0.633300
CITY OF PEARSALL	0.891000
FRIO HOSPITAL DIST	0.234880
PEARSALL ISD	1.317480
CITY OF DILLEY	0.802301
DILLEY ISD	1.633900
DEVINE ISD	1.335000
CHARLOTTE ISD	0.000000
HONDO ISD	1.375000

TAB 7

Description of Qualified Investment

The Project will be constructed on approximately 1,650 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Pearsall Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 200 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.

Horizon Solar 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 substation, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in the fourth quarter of 2021 with anticipated project completion by the fourth quarter of 2022.

NOTE - The map in TAB 11 shows the preliminary panel and inverter locations outlined with red boxes. 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 light blue circle. The proposed location of the Project substation is shown with an orange box.

TAB 8

Description of Qualified Property

The Project will be constructed on approximately 1,650 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Pearsall Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 200 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.

Horizon Solar 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 substation, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in the fourth quarter of 2021 with anticipated project completion by the fourth quarter of 2022.

TAB 9

Description of Land

**Horizon Solar Reinvestment Zone Legal Description
Frio County, Texas**

Parcel ID	County	Abstract Label	Survey
6223	Frio	A-870	B L CROUCH
6221	Frio	A-862	E J BURDEN
6219	Frio	A-98	BEATY SEALE AND FORWOOD
6227	Frio	A-90	BEATY SEALE AND FORWOOD
5470	Frio	A-90	BEATY SEALE AND FORWOOD
6220	Frio	A-99	BEATY SEALE AND FORWOOD
23252	Frio	A-99	BEATY SEALE AND FORWOOD
6222	Frio	A-863	E J BURDEN
6228	Frio	A-331	DOLORES GARCIA
6224	Frio	A-872	B L CROUCH
6218	Frio	A-96	BEATY SEALE AND FORWOOD
3343	Frio	A-96	BEATY SEALE AND FORWOOD
1227	Frio	A-96	BEATY SEALE AND FORWOOD
6225	Frio	A-877	B J GILMAN
1366	Frio	A-872	B L CROUCH
1361	Frio	A-96	BEATY SEALE AND FORWOOD
22792	Frio	A-872	B L CROUCH

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 currently on the land. There is approximately 0.9 miles of existing electric transmission line owned by South Texas Electric Coop ("STEC") in the reinvestment zone. The Project will tie into this existing transmission line as shown on the maps in Tab 11. The 0.9 miles of transmission line in the reinvestment zone was valued at \$13,500 by Frio County Appraisal District in 2018, the latest tax year for which certified taxable values are known, at the time this application is filed.

There are several residences and agriculture-related structures in the reinvestment zone and the 2018 assessed value for these is as follows:

CAD Parcel 1227 -	\$11,610
CAD Parcel 6220 -	\$21,160
CAD Parcel 6228 -	<u>\$79,950</u>
Total	\$112,720

When added to the value of the STEC transmission line noted in the first paragraph the total value of existing improvements in the reinvestment zone is \$126,220.

None of the existing property in the reinvestment zone is owned by the Applicant and none is eligible to become qualified investment or qualified property.

Horizon Solar, LLC plans to lease the land where the Project improvements will be located.

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



Mineral Property Information

[New Property Search](#)
[Go To Previous Page](#)

Legal Information:

125.8 MILES TRANSMISSION

PERSONAL

LINE

69KV

Account Number:

0705403-0-9900027

Operator:

Owner Information:

SOUTH TEXAS ELECTRIC COOP INC

%PROPERTY TAX DEPARTMENT

PO BOX 119

NURSERY TX 77976 0119

Lease Information:

RRC#:

Category Code:

J3

Interest Type:

RA

Owner Interest:

0

Under 500:

No

Market Value:

1,887,000

Taxable Value:

1,887,000

All Mineral Values Are 2018 CERTIFIED Values.

Last Update: 05/20/2019

Jur Code	Description	Total Market	Total Exemption	Taxable
00	FRIO COUNTY APPR DIST	1,887,000	0	1,887,000
01	FRIO COUNTY	1,887,000	0	1,887,000
01R	LATERAL ROAD	1,887,000	0	1,887,000
34	PEARSALL ISD	1,887,000	0	1,887,000
34IS	PEARSALL ISD I&S	1,887,000	0	1,887,000
60	FRIO HOSPITAL DISTRICT	1,887,000	0	1,887,000
63	FRIO CO EMER SERV DIST	1,887,000	0	1,887,000
65	EVERGREEN UNDGRND WTR	1,887,000	0	1,887,000

\$1,887,000 divided by 125.8 miles equals \$15,000 per mile. 0.90 miles of this transmission line is in the reinvestment zone thus the value of this line in the reinvestment zone is \$13,500.

[New Property Search](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	6223
--------------	------

Property Legal Description:
870 8 CROUCH B L
J H O RANCH

Property Location:
FM 140

Owner Information:
OPPENHEIMER JESSE D TRUSTEE
CHILDREN TRUST OF 1974
2301 BROADWAY ST
SAN ANTONIO TX 78215

Previous Owner:

[View Previous Owner Information](#)

Account / Geo Number:
00300-00870-00300-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	0
Page:	0
File Number:	
Deed Date:	1/1/1900

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	11.920
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	1420
Land Market Value:	19,670
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	6221
--------------	------

Property Legal Description:
862 6 BURDEN E J
J H O RANCH

Property Location:
FM 140

Owner Information:
OPPENHEIMER JESSE D TRUSTEE
CHILDREN TRUST OF 1974
2301 BROADWAY ST
SAN ANTONIO TX 78215

Previous Owner:

[View Previous Owner Information](#)

Account / Geo Number:
00300-00862-00200-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	0
Page:	0
File Number:	
Deed Date:	1/1/1900

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	158.340
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	18060
Land Market Value:	261,260
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	6219
--------------	------

Property Legal Description:
98 5 BEATY SEALE AND FORWOOD
J H O RANCH

Property Location:
FM 140

Owner Information:
OPPENHEIMER JESSE D TRUSTEE
CHILDREN TRUST OF 1974
2301 BROADWAY ST
SAN ANTONIO TX 78215

Previous Owner:
OPPENHEIMER JESSE D

[View Previous Owner Information](#)

Account / Geo Number:
00300-00098-00300-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	0
Page:	0
File Number:	
Deed Date:	1/1/1900

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	154.430
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	15770
Land Market Value:	254,810
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)

[Go To Previous Page](#)

Property ID: 6227

Property Legal Description:
90 7 BEATY SEALE AND FORWOOD
J H O RANCH

Property Location:
HWY 140

Owner Information:
OPPENHEIMER JESSE D TRUSTEE
CHILDREN TRUST OF 1974
2301 BROADWAY ST
SAN ANTONIO TX 78215

Previous Owner:
OPPENHEIMER JESSE D

[View Previous Owner Information](#)

Account / Geo Number:
00300-00090-00200-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)

[View Land Detail Information](#)

Deed Information:

Volume:	0
Page:	0
File Number:	
Deed Date:	1/1/1900

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	345.400
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	41070
Land Market Value:	569,910
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

* [View Property Tax Information](#)

* [View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	5470
--------------	------

Property Legal Description:
90 7 BEATY SEALE AND FORWOOD

Property Location:
HWY 140

Owner Information:
SOUTH TEXAS ELECTRIC COOP
P.O.BOX 119
NURSERY TX 77976

Previous Owner:
MEDINA ELECTRIC COOP INC

[View Previous Owner Information](#)

Property Detail:

Agent:	206
--------	-----

DUFF & PHELPS

Property Exempt:	
Category/SPTB Code:	J3
Total Acres:	2.025
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	0

Account / Geo Number:
00300-00090-00300-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	0
Page:	0
File Number:	
Deed Date:	1/1/1900

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Land Market Value:	17,820
Improvement Value:	0
Property Market Value:	17,820

Jur Code	Description	Market Value	Homestead	Total Exemption	Taxable
01	FRIO COUNTY	17,820		0	17,820
01R	LATERAL ROAD	17,820		0	17,820
34	PEARSALL ISD	17,820		0	17,820
34IS	PEARSALL ISD I&S	17,820		0	17,820
60	FRIO HOSPITAL DISTRICT	17,820		0	17,820
63	FRIO CO EMER SERV DIST	17,820		0	17,820
65	EVERGREEN UNDGRND WTR	17,820		0	17,820

* Where supporting website data is available.

[New Property Search](#)

[Go To Previous Page](#)

[Home](#) | [Contact Us](#) | [Location](#) | [Forms](#) | [Disclaimer](#)

Real Estate Appraisal Information is the 2019 PRELIMINARY Appraisal Values. © Frio County Appraisal District | Last Data Update: 05/20/2019



©2019 Pritchard & Abbott, Inc. - All rights reserved.
Version 3.2.1

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	6220
--------------	------

Property Legal Description:
99 3 BEATY SEALE AND FORWOOD
J H O RANCH

Property Location:
134 FM 140

Owner Information:
OPPENHEIMER JESSE D TRUSTEE
CHILDREN TRUST OF 1974
2301 BROADWAY ST
SAN ANTONIO TX 78215

Previous Owner:
OPPENHEIMER JESSE D

[View Previous Owner Information](#)

Account / Geo Number:
00300-00099-00100-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	0
Page:	0
File Number:	
Deed Date:	1/1/1900

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	E2
Total Acres:	1.000
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	0
Land Market Value:	1,650
Improvement Value:	21,160

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	23252
--------------	-------

Property Legal Description:
99 3 BEATY SEALE AND FORWOOD
J H O RANCH

Property Location:
134 FM 140

Owner Information:
OPPENHEIMER JESSE D TRUSTEE
CHILDREN TRUST OF 1974
2301 BROADWAY ST
SAN ANTONIO TX 78215

Previous Owner:

[View Previous Owner Information](#)

Account / Geo Number:
00300-00099-00120-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	
Page:	
File Number:	
Deed Date:	

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	640.130
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	73360
Land Market Value:	1,056,220
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	6222
--------------	------

Property Legal Description:
863 4 BURDEN E J
J H O RANCH

Property Location:
FM 140

Owner Information:
OPPENHEIMER JESSE D TRUSTEE
CHILDREN TRUST OF 1974
2301 BROADWAY ST
SAN ANTONIO TX 78215

Previous Owner:

[View Previous Owner Information](#)

Account / Geo Number:
00300-00863-00100-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	0
Page:	0
File Number:	
Deed Date:	1/1/1900

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	650.640
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	79330
Land Market Value:	1,073,560
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	6228
--------------	------

Property Legal Description:
331 1408 GARCIA DOLORES

Property Location:
IH 35

Owner Information:
EL RANCHO BUCK CREEK LP
325 TERRELL ROAD
SAN ANTONIO TX 78209

Previous Owner:
GREENVILLE SPANKY

[View Previous Owner Information](#)

Account / Geo Number:
00300-00331-00700-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	29
Page:	677
File Number:	0118055
Deed Date:	12/26/2006

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	814.096
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	96790
Land Market Value:	2,028,630
Improvement Value:	79,950

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	6224
--------------	------

Property Legal Description:
872 10 CROUCH B L
J H O RANCH

Property Location:
FM 140

Owner Information:
OPPENHEIMER JESSE D TRUSTEE
CHILDREN TRUST OF 1974
2301 BROADWAY ST
SAN ANTONIO TX 78215

Previous Owner:

[View Previous Owner Information](#)

Account / Geo Number:
00300-00872-00300-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	0
Page:	0
File Number:	
Deed Date:	1/1/1900

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	80.370
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	10130
Land Market Value:	132,610
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	6218
--------------	------

Property Legal Description:
96 1 BEATY SEALE AND FORWOOD
J H O RANCH

Property Location:
IH 35

Owner Information:
OPPENHEIMER JESSE D TRUSTEE
CHILDREN TRUST OF 1974
2301 BROADWAY ST
SAN ANTONIO TX 78215

Previous Owner:
OPPENHEIMER JESSE D

[View Previous Owner Information](#)

Account / Geo Number:
00300-00096-00400-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	0
Page:	0
File Number:	
Deed Date:	1/1/1900

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	437.060
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	49840
Land Market Value:	788,530
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	3343
--------------	------

Property Legal Description:
96 1 BEATY SEALE AND FORWOOD
NORTH OF 140
HALFF BROTHERS RANCH

Property Location:
IH 35

Owner Information:
HALFF BROTHERS RANCH LTD
A TEXAS LIMITED PARTNERSHIP
336 TUXEDO AVENUE
SAN ANTONIO TX 78209

Previous Owner:

[View Previous Owner Information](#)

Account / Geo Number:
00300-00096-00100-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	493
Page:	164
File Number:	
Deed Date:	12/3/1982

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	14.100
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	6490
Land Market Value:	50,930
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	1227
--------------	------

Property Legal Description:
96 1 BEATY SEALE AND FORWOOD
DBA BUSES BY DAN
PP@9089-1998-300

Property Location:
707 N IH 35
PEARSALL TX 78061

Owner Information:
HANSON DAN
707 N IH 35
PEARSALL TX 78061

Previous Owner:

[View Previous Owner Information](#)

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	E1
Total Acres:	4.768
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	0
Land Market Value:	62,940
Improvement Value:	11,610

Account / Geo Number:
00300-00096-00700-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	14
Page:	34
File Number:	115442
Deed Date:	11/30/2005

[Map It With Google](#)

The Google map link above is in no way affiliated with this website. It is a 3rd party link to provide a visual location only.

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	6225
--------------	------

Property Legal Description:
877 2 GILMAN B J
J H O RANCH

Property Location:
IH 35

Owner Information:
OPPENHEIMER JESSE D TRUSTEE
CHILDREN TRUST OF 1974
2301 BROADWAY ST
SAN ANTONIO TX 78215

Previous Owner:

[View Previous Owner Information](#)

Account / Geo Number:
00300-00877-01700-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	0
Page:	0
File Number:	
Deed Date:	1/1/1900

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	112.570
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	13380
Land Market Value:	255,040
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	1366
--------------	------

Property Legal Description:
872 10 CROUCH B L
LOT 3 AND 14 AND PT OF 4 AND 15 OF
BLK 2 AND 15.45 OF LOT 1 ALL OF
LOT 2, 3 AND PT OF 4 OF BLK 3

Property Location:
HWY 140

Owner Information:
HALFF BROTHERS RANCH LTD
A TEXAS LIMITED PARTNERSHIP
336 TUXEDO AVENUE
SAN ANTONIO TX 78209

Previous Owner:
MENDENHALL C & HERBER MANDY

[View Previous Owner Information](#)

Account / Geo Number:
00300-00872-00100-000000

Survey / Sub Division Abstract:
PEARSALL CITRUS FARM

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	219
Page:	98
File Number:	148473
Deed Date:	3/8/2018

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	56.300
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	25900
Land Market Value:	185,790
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	1361
--------------	------

Property Legal Description:
96 1 BEATY SEALE AND FORWOOD
PT OF LOT 4 AND 15 OF BLK 2 AND
PT OF LOT 4 OF BLK 3 PEARSALL
CITRUS FARM TRACTS

Property Location:
FM 140

Owner Information:
HALFF BROTHERS RANCH LTD
A TEXAS LIMITED PARTNERSHIP
336 TUXEDO AVENUE
SAN ANTONIO TX 78209

Previous Owner:
MENDENHALL C & HERBER MANDY

[View Previous Owner Information](#)

Account / Geo Number:
00300-00096-00200-000000

Survey / Sub Division Abstract:

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	219
Page:	98
File Number:	148473
Deed Date:	3/8/2018

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	53.300
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	24520
Land Market Value:	175,890
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

Frio County Appraisal District



Official Website

Hosted By Pritchard & Abbott, Inc.



General Real Estate Property Information

[New Property Search](#)
[Go To Previous Page](#)

Property ID:	22792
--------------	-------

Property Legal Description:
872 10 CROUCH B L
NORTH OF 140

Property Location:
HWY 140
PEARSALL TX 78061

Owner Information:
HALFF BROTHERS RANCH LTD
A TEXAS LIMITED PARTNERSHIP
336 TUXEDO AVENUE
SAN ANTONIO TX 78209

Previous Owner:

[View Previous Owner Information](#)

Account / Geo Number:
00300-00872-00250-000000

Survey / Sub Division Abstract:
10 CROUCH B L
872

Block:

Section / Lot:

[View Building Detail Information](#)
[View Land Detail Information](#)

Deed Information:

Volume:	493
Page:	164
File Number:	
Deed Date:	12/3/1982

Property Detail:

Agent:	None
Property Exempt:	
Category/SPTB Code:	D1
Total Acres:	79.350
Total Living Sqft:	See Detail
Owner Interest:	1.000000
Homestead Exemption:	
Homestead Cap Value:	0
Land Ag/Timber Value:	36500
Land Market Value:	261,860
Improvement Value:	0

[Printer Friendly Version](#)

Click the button above for a printable version of this record with all available details.

[* View Property Tax Information](#)
[* View 5 Year Value History](#)

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.

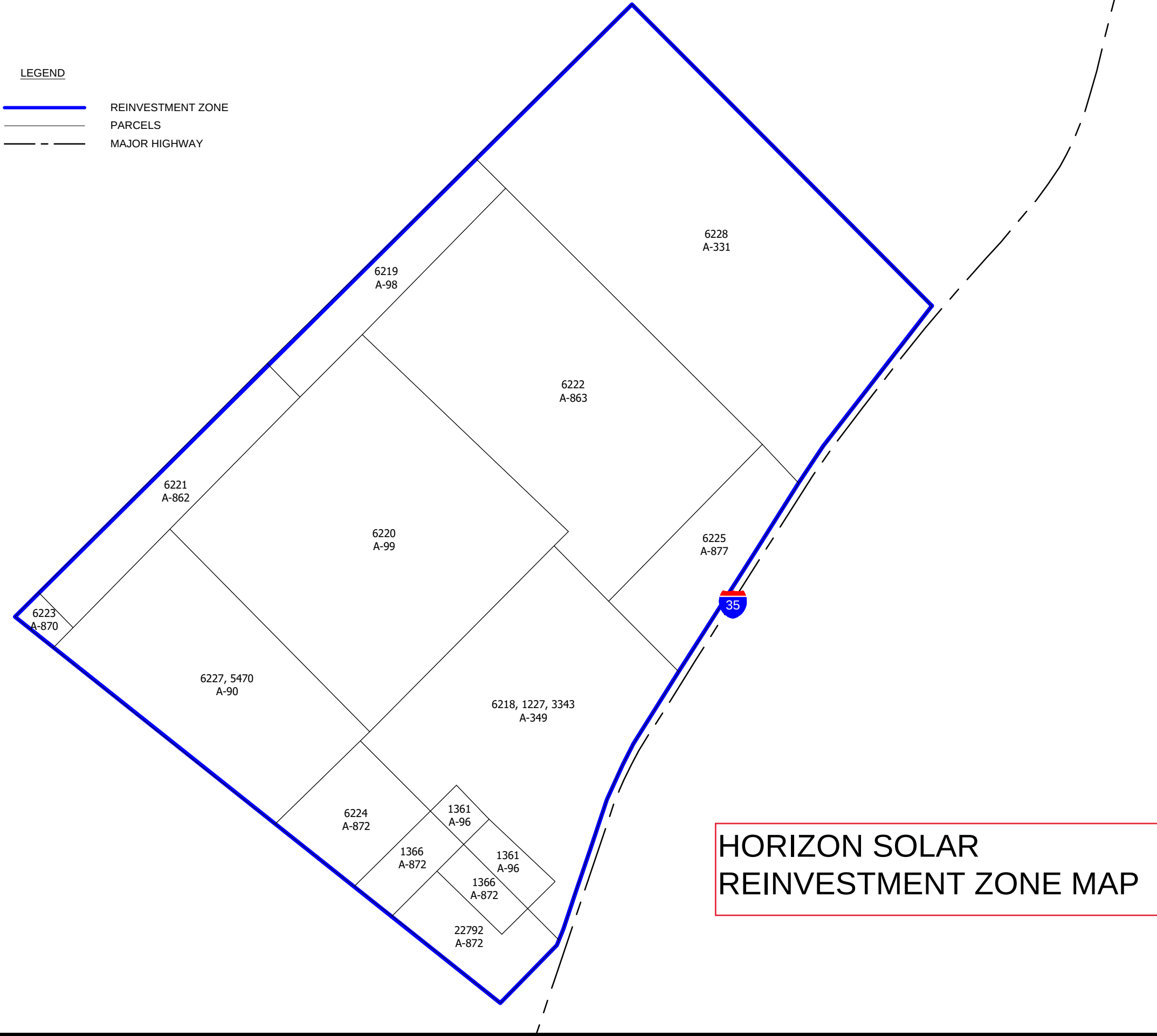
C:\Users\FS104849\Horizon\Horizon Reinvestment Zone Map.dwg FS104849 Jun 04, 2019 - 11:00am

LEGEND

REINVESTMENT ZONE

PARCELS

MAJOR HIGHWAY



HORIZON SOLAR
FRIO COUNTY
TEXAS

REV	DATE	REVISION DESCRIPTION	BY	CHK	APP

FS JOB #:
PROJ. DEVT. ENGR: R. RAYFORD
PROJ. MGR:
SCALE: 1"=2000' @ 11"x17" SHEET
COPYRIGHT BY: FIRST SOLAR, INC.

SHEET TITLE

PROJECT MAP
(6/4/19)

[illegible]

SHEET TITLE

VICINITY MAP
(6/4/19)



C:\Users\FS104849\Horizon\Horizon Reinvestment Zone Map.dwg FS104849 Jun 04, 2019 - 11:00am

Horizon Solar LLC Reinvestment Zone and Project Boundary Map - All Qualified Investment and Qualified Property is wholly within the reinvestment zone and wholly within Pearsall ISD and Frio County.

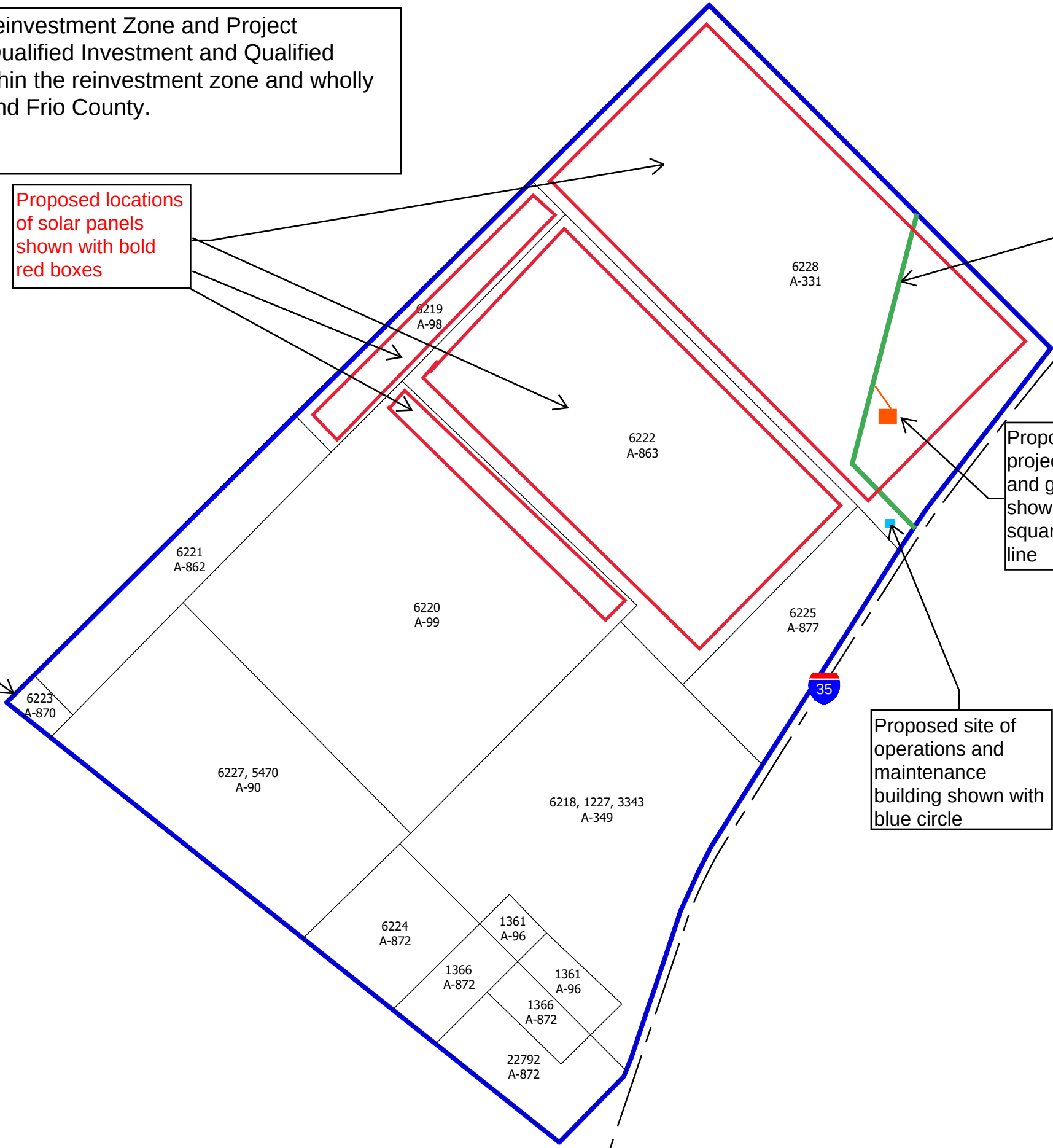
Proposed locations of solar panels shown with bold red boxes

Reinvestment Zone and Project Boundary shown with bold blue line

Existing 0.9 mile transmission line owned by South Texas Electric Coop shown with bold green line. Ineligible to be qualified investment or qualified property.

Proposed site of project substation and gen tie line shown with orange square and orange line

Proposed site of operations and maintenance building shown with blue circle



HORIZON SOLAR
FRIO COUNTY
TEXAS

REV	DATE	REVISION DESCRIPTION	BY	CHK	APP

FS JOB #:
PROJ. DEVT. ENGR: R. RAYFORD
PROJ. MGR:
SCALE: 1"=2000' @ 11"x17" SHEET
COPYRIGHT BY: FIRST SOLAR, INC.

SHEET TITLE

PROJECT MAP
(6/4/19)

TAB 12

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

See attached.



June 19, 2019

Dr. Nobert Rodriguez
Superintendent
Pearsall Independent School District
318 Berry Ranch Road
Pearsall, TX 78061

Re: Chapter 313 Job Waiver Request

Dear Dr. Rodriguez,

Horizon Solar, LLC requests that the Pearsall 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.

Horizon Solar, LLC requests that the Pearsall 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, Horizon Solar, LLC has committed to create 1 total job for the project, which will be in Pearsall 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 Horizon Solar 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 large, stylized "D" and "C".

D. Dale Cummings

TAB 13

Calculation of three possible wage requirements with TWC documentation

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

TAB 13 TO CHAPTER 313 APPLICATION

PEARSALL ISD - FRIO COUNTY CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2018	\$ 1,028	\$ 53,456.00
SECOND	2018	\$ 999	\$ 51,948.00
THIRD	2018	\$ 960	\$ 49,920.00
FOURTH	2018	\$ 1,028	\$ 53,456.00
	AVERAGE	\$ 1,003.75	\$ 52,195.00

PEARSALL ISD - FRIO COUNTY CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2018	\$ 1,288.00	\$ 66,976.00
SECOND	2018	\$ 1,163.00	\$ 60,476.00
THIRD	2018	\$ 1,298.00	\$ 67,496.00
FOURTH	2018	\$ 943.00	\$ 49,036.00
	AVERAGE	\$ 1,173.00	\$ 60,996.00
	X	110%	110%
		\$ 1,290.30	\$ 67,095.60

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

REGION	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
Alamo Area	2017	\$ 882.10	\$ 45,869.00
	X	110%	110%
		\$ 970.31	\$ 50,455.90

* SEE ATTACHED TWC DOCUMENTATION

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2018	01	Frio	Total All	Total, All Industries	1028
2018	02	Frio	Total All	Total, All Industries	999
2018	03	Frio	Total All	Total, All Industries	960
2018	04	Frio	Total All	Total, All Industries	1028

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	01	Frio	Private	31-33	Manufacturing	\$1,288
2018	02	Frio	Private	31-33	Manufacturing	\$1,163
2018	03	Frio	Private	31-33	Manufacturing	\$1,298
2018	04	Frio	Private	31-33	Manufacturing	\$943

2017 Manufacturing Average Wages by Council of Government Region

Wages for All Occupations

COG	Wages	
	Hourly	Annual
Texas	\$26.24	\$54,587
1. Panhandle Regional Planning Commission	\$23.65	\$49,190
2. South Plains Association of Governments	\$19.36	\$40,262
3. NORTEX Regional Planning Commission	\$23.46	\$48,789
4. North Central Texas Council of Governments	\$26.80	\$55,747
5. Ark-Tex Council of Governments	\$18.59	\$38,663
6. East Texas Council of Governments	\$21.07	\$43,827
7. West Central Texas Council of Governments	\$21.24	\$44,178
8. Rio Grande Council of Governments	\$18.44	\$38,351
9. Permian Basin Regional Planning Commission	\$26.24	\$54,576
10. Concho Valley Council of Governments	\$19.67	\$40,924
11. Heart of Texas Council of Governments	\$21.53	\$44,781
12. Capital Area Council of Governments	\$31.49	\$65,497
13. Brazos Valley Council of Governments	\$17.76	\$36,931
14. Deep East Texas Council of Governments	\$17.99	\$37,428
15. South East Texas Regional Planning Commission	\$34.98	\$72,755
16. Houston-Galveston Area Council	\$28.94	\$60,202
17. Golden Crescent Regional Planning Commission	\$26.94	\$56,042
18. Alamo Area Council of Governments	\$22.05	\$45,869
19. South Texas Development Council	\$15.07	\$31,343
20. Coastal Bend Council of Governments	\$28.98	\$60,276
21. Lower Rio Grande Valley Development Council	\$17.86	\$37,152
22. Texoma Council of Governments	\$21.18	\$44,060
23. Central Texas Council of Governments	\$19.30	\$40,146
24. Middle Rio Grande Development Council	\$24.07	\$50,058

Source: Texas Occupational Employment and Wages

Data published: July 2018

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

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

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

Data intended for TAC 313 purposes only.

$\$45,869 \times 110\% =$
\$50,445.90

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

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)		Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application	0	2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	0	2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	0	2020-2021	2020	\$ -	\$ -	\$ -	\$ -	\$ -
Complete tax years of qualifying time period	QTP1	2021-2022	2021	\$ -	\$ -	\$ -		\$ -
	QTP2	2022-2023	2022	\$ 213,663,000	\$ 250,000	\$ -	\$ -	\$ 213,913,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]								
				\$ 213,663,000	\$ 250,000	\$ -	\$ -	\$ 213,913,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$ 213,913,000				

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.

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property (SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		Enter amounts from TOTAL row in Schedule A1 in the row below				
				\$213,663,000	\$250,000	\$-	\$-	\$213,913,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2019-2020	2019	\$-	\$-	\$-	\$-	\$-
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2020-2021	2020	\$-	\$-	\$-	\$-	\$-
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2021-2022	2021	\$-	\$-	\$-	\$-	\$-
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2022-2023	2022	\$-	\$-	\$-	\$-	\$-
Value limitation period***	1	2023-2024	2023	\$-	\$-	\$30,555	\$-	\$30,555
	2	2024-2025	2024	\$-	\$-	\$69,959	\$-	\$69,959
	3	2025-2026	2025	\$-	\$-	\$59,932	\$-	\$59,932
	4	2026-2027	2026	\$-	\$-	\$69,038	\$-	\$69,038
	5	2027-2028	2027	\$-	\$-	\$75,489	\$-	\$75,489
	6	2028-2029	2028	\$-	\$-	\$266,362	\$-	\$266,362
	7	2029-2030	2029	\$-	\$-	\$271,358	\$-	\$271,358
	8	2030-2031	2030	\$-	\$-	\$278,338	\$-	\$278,338
	9	2031-2032	2031	\$-	\$-	\$281,795	\$-	\$281,795
	10	2032-2033	2032	\$-	\$-	\$297,553	\$-	\$297,553
Total Investment made through limitation				\$213,663,000	\$250,000	\$1,700,380	\$-	\$215,613,380
Continue to maintain viable presence	11	2033-2034	2033			\$310,865		
	12	2034-2035	2034			\$299,838		
	13	2035-2036	2035			\$325,719		
	14	2036-2037	2036			\$329,664		
	15	2037-2038	2037			\$329,268		
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2038-2039	2038			\$333,264		
	17	2039-2040	2039			\$336,325		
	18	2040-2041	2040			\$350,040		
	19	2041-2042	2041			\$362,523		
	20	2042-2043	2042			\$379,681		
	21	2043-2044	2043			\$380,611		
	22	2044-2045	2044			\$390,617		
	23	2045-2046	2045			\$408,908		
	24	2046-2047	2046			\$408,908		
	25	2047-2048	2047			\$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

6/19/2019

Applicant Name

Horizon Solar, LLC

Form 50-296A

ISD Name

Pearsall ISD

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021						
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2022-2023	2022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Value Limitation Period	1	2023-2024	2023	\$ -	\$ 250,000	\$ 150,477,500	\$ 150,727,500	\$ 150,727,500	\$ 30,000,000
	2	2024-2025	2024	\$ -	\$ 246,300	\$ 138,439,300	\$ 138,685,600	\$ 138,685,600	\$ 30,000,000
	3	2025-2026	2025	\$ -	\$ 242,600	\$ 126,401,100	\$ 126,643,700	\$ 126,643,700	\$ 30,000,000
	4	2026-2027	2026	\$ -	\$ 239,000	\$ 112,858,100	\$ 113,097,100	\$ 113,097,100	\$ 30,000,000
	5	2027-2028	2027	\$ -	\$ 235,400	\$ 99,315,200	\$ 99,550,600	\$ 99,550,600	\$ 30,000,000
	6	2028-2029	2028	\$ -	\$ 231,900	\$ 85,772,200	\$ 86,004,100	\$ 86,004,100	\$ 30,000,000
	7	2029-2030	2029	\$ -	\$ 228,400	\$ 70,724,400	\$ 70,952,800	\$ 70,952,800	\$ 30,000,000
	8	2030-2031	2030	\$ -	\$ 225,000	\$ 57,181,500	\$ 57,406,500	\$ 57,406,500	\$ 30,000,000
	9	2031-2032	2031	\$ -	\$ 221,600	\$ 48,152,800	\$ 48,374,400	\$ 48,374,400	\$ 30,000,000
	10	2032-2033	2032	\$ -	\$ 218,300	\$ 43,638,500	\$ 43,856,800	\$ 43,856,800	\$ 30,000,000
Continue to maintain viable presence	11	2033-2034	2033	\$ -	\$ 215,000	\$ 37,619,400	\$ 37,834,400	\$ 37,834,400	\$ 37,834,400
	12	2034-2035	2034	\$ -	\$ 211,800	\$ 30,095,500	\$ 30,307,300	\$ 30,307,300	\$ 30,307,300
	13	2035-2036	2035	\$ -	\$ 208,600	\$ 30,095,500	\$ 30,304,100	\$ 30,304,100	\$ 30,304,100
	14	2036-2037	2036	\$ -	\$ 205,500	\$ 30,095,500	\$ 30,301,000	\$ 30,301,000	\$ 30,301,000
	15	2037-2038	2037	\$ -	\$ 202,400	\$ 30,095,500	\$ 30,297,900	\$ 30,297,900	\$ 30,297,900
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2038-2039	2038	\$ -	\$ 199,400	\$ 30,095,500	\$ 30,294,900	\$ 30,294,900	\$ 30,294,900
	17	2039-2040	2039	\$ -	\$ 196,400	\$ 30,095,500	\$ 30,291,900	\$ 30,291,900	\$ 30,291,900
	18	2040-2041	2040	\$ -	\$ 193,500	\$ 30,095,500	\$ 30,289,000	\$ 30,289,000	\$ 30,289,000
	19	2041-2042	2041	\$ -	\$ 190,600	\$ 30,095,500	\$ 30,286,100	\$ 30,286,100	\$ 30,286,100
	20	2042-2043	2042	\$ -	\$ 187,700	\$ 30,095,500	\$ 30,283,200	\$ 30,283,200	\$ 30,283,200
	21	2043-2044	2043	\$ -	\$ 184,900	\$ 30,095,500	\$ 30,280,400	\$ 30,280,400	\$ 30,280,400
	22	2044-2045	2044	\$ -	\$ 182,100	\$ 30,095,500	\$ 30,277,600	\$ 30,277,600	\$ 30,277,600
	23	2045-2046	2045	\$ -	\$ 179,400	\$ 30,095,500	\$ 30,274,900	\$ 30,274,900	\$ 30,274,900
	24	2046-2047	2046	\$ -	\$ 176,700	\$ 30,095,500	\$ 30,272,200	\$ 30,272,200	\$ 30,272,200
	25	2047-2048	2047	\$ -	\$ 174,000	\$ 30,095,500	\$ 30,269,500	\$ 30,269,500	\$ 30,269,500

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.

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2019-2020	2019	0	\$ -	0	0	0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2020-2021	2020	0	\$ -	0	0	0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021	0	\$ -	0	0	0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2022-2023	2022	450 FTE	\$ 65,000	0	1	\$ 50,455.90
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2023-2024	2023	0	\$ -	0	1	\$ 50,455.90
	2	2024-2025	2024	0	\$ -	0	1	\$ 50,455.90
	3	2025-2026	2025	0	\$ -	0	1	\$ 50,455.90
	4	2026-2027	2026	0	\$ -	0	1	\$ 50,455.90
	5	2027-2028	2027	0	\$ -	0	1	\$ 50,455.90
	6	2028-2029	2028	0	\$ -	0	1	\$ 50,455.90
	7	2029-2030	2029	0	\$ -	0	1	\$ 50,455.90
	8	2030-2031	2030	0	\$ -	0	1	\$ 50,455.90
	9	2031-2032	2031	0	\$ -	0	1	\$ 50,455.90
	10	2032-2033	2032	0	\$ -	0	1	\$ 50,455.90
Years Following Value Limitation Period	11 through 25	2033-2048	2033-2047	0	\$ -	0	1	\$ 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:

C1a.

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

x

YesNo

C1b.

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

Yes

x

No

Schedule D: Other Incentives (Estimated)

Date

6/19/2019

Applicant Name

Horizon Solar, LLC

Form 50-296A

ISD Name

Pearsall ISD

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County: Frio	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: Frio	2023	10 years	Annual Avg = \$558,187	See below	Annual Avg = \$55,819
	Other: Frio County Hospital	2023	10 years	Annual Avg = \$219,683	See below	Annual Avg = \$21,968
	Other: ESD #1	2023	10 years	Annual Avg = \$28,096	See below	Annual Avg = \$2,806
Local Government Code Chapters 380/381	County: Frio	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	
TOTAL				\$ 8,059,290		\$ 806,920

Additional information on incentives for this project:

Applicant expects to apply for a Chapter 312 agreement with Frio County, Frio Hospital District, and Emergency Services District #1. Applicant has had preliminary discussions with the county, hospital district, and ESD #1 but no application for tax abatement has been filed with any of these taxing entities as of the date this application was submitted to Pearsall ISD. The tax benefits shown above are what Applicant proposes.

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 reinvestment zone legal description below:

Parcel ID	County	Abstract Label	Survey
6223	Frio	A-870	B L CROUCH
6221	Frio	A-862	E J BURDEN
6219	Frio	A-98	BEATY SEALE AND FORWOOD
6227	Frio	A-90	BEATY SEALE AND FORWOOD
5470	Frio	A-90	BEATY SEALE AND FORWOOD
6220	Frio	A-99	BEATY SEALE AND FORWOOD
23252	Frio	A-99	BEATY SEALE AND FORWOOD
6222	Frio	A-863	E J BURDEN
6228	Frio	A-331	DOLORES GARCIA
6224	Frio	A-872	B L CROUCH
6218	Frio	A-96	BEATY SEALE AND FORWOOD
3343	Frio	A-96	BEATY SEALE AND FORWOOD
1227	Frio	A-96	BEATY SEALE AND FORWOOD
6225	Frio	A-877	B J GILMAN
1366	Frio	A-872	B L CROUCH
1361	Frio	A-96	BEATY SEALE AND FORWOOD
22792	Frio	A-872	B L CROUCH

16 c) The Board of Trustees of Pearsall ISD or Frio County Commissioners Court will create the reinvestment zone at a later date.

16 d) Frio County Tax Abatement Guidelines and Criteria are in the process of being adopted at the time this application is presented. If the Board of Trustees of Pearsall ISD creates the reinvestment zone, no guidelines and criteria are required.

TAB 17

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

See attached



July 31, 2019

Mr. Eddy Perez
Attorney
Walsh Gallegos Trevino Russo & Kyle, PC
1020 N.E. Loop 410, Suite 450
San Antonio, TX 78209

Re: Amendment to Horizon Solar, LLC Chapter 313 Application to Pearsall ISD

Dear Mr. Perez:

On July 25th, Annette Holmes with the Comptroller's office emailed Horizon Solar a request for additional information. The text of her email is shown below with the company's responses shown in italics.

In reviewing Application 1388, I have noted the following items that will require revision or further clarification. In lieu of sending a deficiency letter, I am requesting to have the following issues resolved per this email. Please review and submit a response by Thursday, August 8, 2019. If these issues are not resolved and I do not receive the information by the date above, then a deficiency letter may be issued.

1. Tab 11: Maps

Please revise/provide the following regarding maps included with the application:

- a. Include a vicinity map with the county, school district boundary and nearby towns/highways/landmarks clearly identified (google map).
- b. Clearly indicate and label all proposed qualified property within a clearly defined and labeled Project Boundary.
- c. Clearly define and label the Reinvestment Zone and Project Boundaries.
- d. Note, if existing property is within the project boundary at the time of application is must be notated and labeled as existing property even if it will be demolished before construction.

Response: Updated maps are included in the amendment package. Per my conversation with Ms. Holmes, item d was not meant to be included in her request for more information and thus has not been addressed.

2. Section 14

- a. Please note that the 2019 Manufacturing Average Wages by Council of Government Region Wage for All Occupations will be updated on July 31, 2019. As such, wages for question 7 (c), 9, 10 and Tab 13 would need to be updated to reflect the July 31, 2019 changes, if the updates are made prior to you receiving a completeness letter.

Response: The regional wage rate has been updated in the amendment package.

3. Tab 16:

Please be advised that if Frio County Commissioners Court create the reinvestment zone, we will need the guidelines and criteria before we will be able to issue the Certificate Package.

Response: I discussed with Ms. Holmes that we are working with Frio County Commissioners Court to establish guidelines and criteria and understand that this must be furnished in order to receive a Certificate Package.

The below questions (1, 2 & 3) may be answered via email and do not require a new signature page:

1. Is the Horizon Solar, LLC currently known by any other project names?

Response: Tab 4 has been updated in the amendment package to show other project names.

If you have questions would you please let me know? A new signature page is attached. Would you please have Dr. Rodriguez sign and forward this amendment package to the Comptroller as soon as possible?

Sincerely,



D. Dale Cummings

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? _____
2. What is the last complete calendar quarter before application review start date:
☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of _____
(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)? _____
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? _____
5. What is the number of new non-qualifying jobs you are estimating you will create? _____
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 _____
 - b. 110% of the average weekly wage for manufacturing jobs in the county is _____
 - c. 110% of the average weekly wage for manufacturing jobs in the region is _____
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? _____
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? _____
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**.

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print
here ▶

Dr. Nobert Rodriguez

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here ▶

Signature (Authorized School District Representative)

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print
here ▶

Karl Pierce

Print Name (Authorized Company Representative (Applicant))

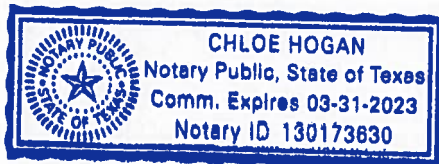
Authorized Representative

Title

sign
here ▶

Signature (Authorized Company Representative (Applicant))

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

29th day of July, 2019Chloe Hogan
Notary Public in and for the State of Texas

My Commission expires: 3.31.2023

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.

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.

Horizon Solar, LLC (“Horizon Solar”) is requesting an appraised value limitation from Pearsall Independent School District (“ISD”) for the Horizon Solar Project (the “Project”). Horizon Solar proposes to develop a utility-scale, grid-connected solar photovoltaic energy (PV) plant in Pearsall Independent School District. The proposed Project will be constructed within a Reinvestment Zone that will be created by the Board of Trustees of Pearsall ISD or Frio County Commissioners Court at a future date. Maps showing the location of the Project are attached in Tab 11.

The Project will be constructed on approximately 1,650 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Pearsall Independent School District. The proposed Project will include, but is not limited to, the following:

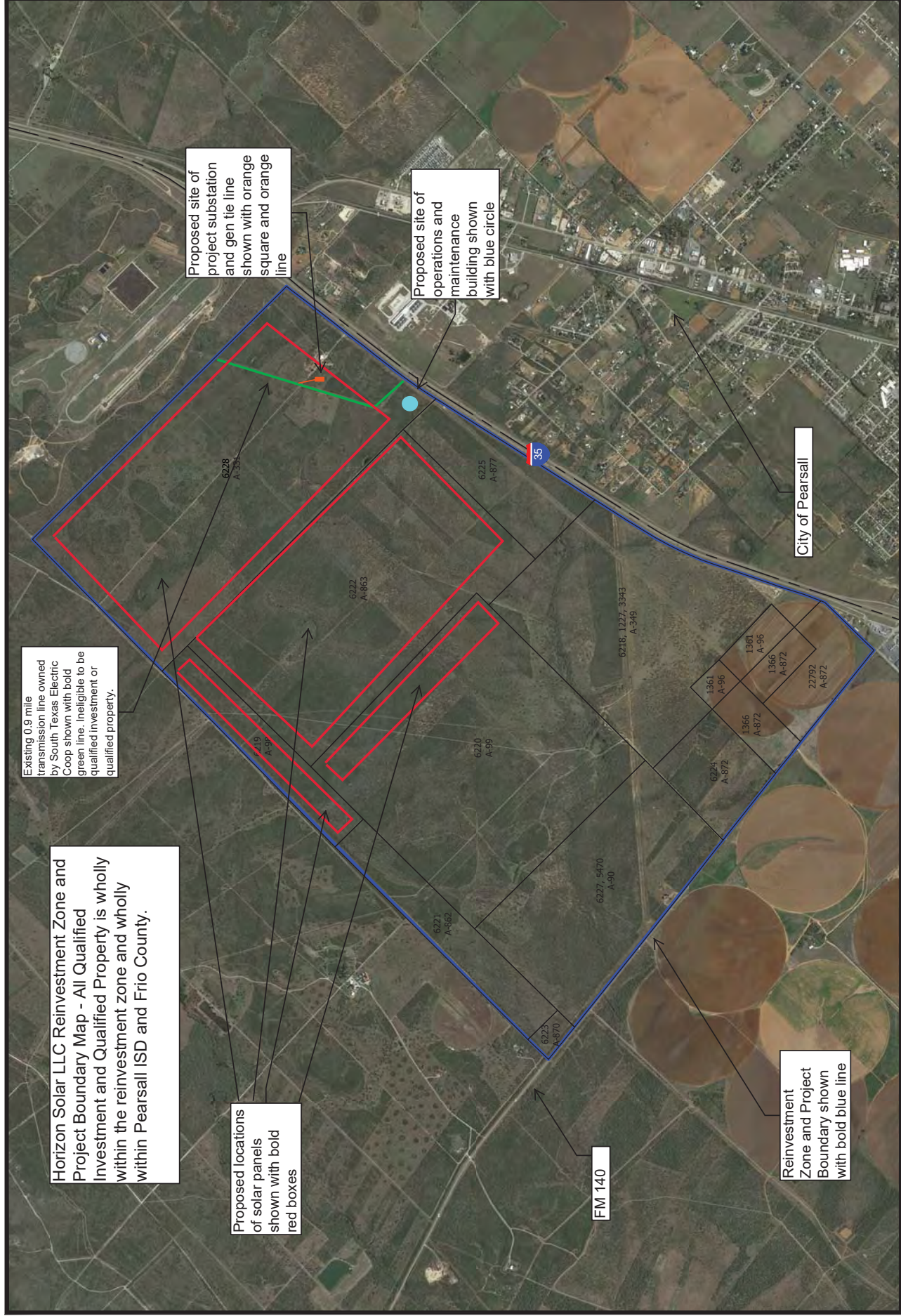
- Planned up to 200 MW-AC in size;
- Photovoltaic (PV) modules;
- DC-to-AC inverters;
- Medium and high-voltage electric cabling;
- Tracker racking system (mounting structures);
- Project substation which will include a high-voltage transformer, switchgear, transmission equipment, telecommunications 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.

Horizon Solar 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 substation, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in the fourth quarter of 2021 with anticipated project completion by the fourth quarter of 2022.

The ERCOT GINR is 21INR0261 which was issued on February 14, 2019. The Project has also been known as Frio Solar and Frio County Solar.





TAB 13 TO CHAPTER 313 APPLICATION

PEARSALL ISD - FRIO COUNTY CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2018	\$ 1,028	\$ 53,456.00
SECOND	2018	\$ 999	\$ 51,948.00
THIRD	2018	\$ 960	\$ 49,920.00
FOURTH	2018	\$ 1,028	\$ 53,456.00
	AVERAGE	\$ 1,003.75	\$ 52,195.00

PEARSALL ISD - FRIO COUNTY CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2018	\$ 1,288.00	\$ 66,976.00
SECOND	2018	\$ 1,163.00	\$ 60,476.00
THIRD	2018	\$ 1,298.00	\$ 67,496.00
FOURTH	2018	\$ 943.00	\$ 49,036.00
	AVERAGE	\$ 1,173.00	\$ 60,996.00
	X	110%	110%
		\$ 1,290.30	\$ 67,095.60

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

REGION	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
Alamo Area	2018	\$ 912.08	\$ 47,428.00
	X	110%	110%
		\$ 1,003.28	\$ 52,170.80

* SEE ATTACHED TWC DOCUMENTATION

2018 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations

COG	COG Number	Wages	
		Hourly	Annual
Texas		\$27.04	\$56,240
<u>Alamo Area Council of Governments</u>	18	\$22.80	\$47,428
<u>Ark-Tex Council of Governments</u>	5	\$18.73	\$38,962
<u>Brazos Valley Council of Governments</u>	13	\$18.16	\$37,783
<u>Capital Area Council of Governments</u>	12	\$32.36	\$67,318
<u>Central Texas Council of Governments</u>	23	\$19.60	\$40,771
<u>Coastal Bend Council of Governments</u>	20	\$28.52	\$59,318
<u>Concho Valley Council of Governments</u>	10	\$21.09	\$43,874
<u>Deep East Texas Council of Governments</u>	14	\$18.28	\$38,021
<u>East Texas Council of Governments</u>	6	\$21.45	\$44,616
<u>Golden Crescent Regional Planning Commission</u>	17	\$28.56	\$59,412
<u>Heart of Texas Council of Governments</u>	11	\$22.71	\$47,245
<u>Houston-Galveston Area Council</u>	16	\$29.76	\$61,909
<u>Lower Rio Grande Valley Development Council</u>	21	\$17.21	\$35,804
<u>Middle Rio Grande Development Council</u>	24	\$20.48	\$42,604
<u>NORTEX Regional Planning Commission</u>	3	\$25.14	\$52,284
<u>North Central Texas Council of Governments</u>	4	\$27.93	\$58,094
<u>Panhandle Regional Planning Commission</u>	1	\$24.19	\$50,314
<u>Permian Basin Regional Planning Commission</u>	9	\$25.90	\$53,882
<u>Rio Grande Council of Governments</u>	8	\$18.51	\$38,493
<u>South East Texas Regional Planning Commission</u>	15	\$36.26	\$75,430
<u>South Plains Association of Governments</u>	2	\$20.04	\$41,691
<u>South Texas Development Council</u>	19	\$17.83	\$37,088
<u>Texoma Council of Governments</u>	22	\$21.73	\$45,198
<u>West Central Texas Council of Governments</u>	7	\$21.84	\$45,431

$\$47,428 \times 110\% =$
\$52,170.80

Calculated by the Texas Workforce Commission Labor Market and Career Information Department.

Data published: July 2019

Data published annually, next update will be July 31, 2020

Annual wage figure assumes a 40-hour work week.

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

Wage data is produced from Texas Occupational Employment Statistics (OES) data,
and is not to be compared to BLS estimates.

Data intended only for use in implementing Chapter 313, Tax Code.

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print
here

Dr. Nobert Rodriguez

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here


Signature (Authorized School District Representative)

8/1/19

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print
here

Karl Pierce

Print Name (Authorized Company Representative (Applicant))

Authorized Representative

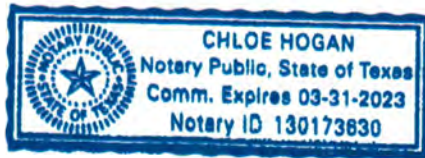
Title

sign
here


Signature (Authorized Company Representative (Applicant))

7/29/19

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

29th day of July, 2019


Notary Public in and for the State of Texas

My Commission expires: 3.31.2023

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.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between PEARSALL INDEPENDENT SCHOOL
DISTRICT and HORIZON SOLAR, LLC

EXHIBIT B

Comptroller's Letter



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

November 5, 2019

Dr. Nobert Rodriguez
Superintendent
Pearsall Independent School District
318 Berry Ranch Rd.
Pearsall, Texas 78061

Re: Certificate for Limitation on Appraised Value of Property for School District
Maintenance and Operations taxes by and between Pearsall Independent School
District and Horizon Solar, LLC, Application 1388

Dear Superintendent Rodriguez:

On August 13, 2019, the Comptroller issued written notice that Horizon Solar, LLC (applicant) submitted a completed application (Application 1388) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on June 19, 2019, to the Pearsall Independent School District (school district) by the applicant.

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

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

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

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

- Sec. 313.024(d) Applicant has requested a waiver to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.
- Sec. 313.024(d-2) Not applicable to Application 1388.

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

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

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

Determination required by 313.026(c)(2)

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

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

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

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement within a year from the date of this letter.

Note that any building or improvement existing as of the application review start date of August 13, 2019, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

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

Sincerely,



Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

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

Table 1 is a summary of investment, employment and tax impact of Horizon Solar, LLC.

Applicant	Horizon Solar, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation
School District	Pearsall ISD
2018-2019 Average Daily Attendance	2,057
County	Frio
Proposed Total Investment in District	\$215,613,380
Proposed Qualified Investment	\$213,913,000
Limitation Amount	\$30,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	1*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$1,003
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$970
Minimum annual wage committed to by applicant for qualified jobs	\$52,171
Minimum weekly wage required for non-qualifying jobs	\$1,004
Minimum annual wage required for non-qualifying jobs	\$52,196
Investment per Qualifying Job	\$215,613,380
Estimated M&O levy without any limit (15 years)	\$12,444,806
Estimated M&O levy with Limitation (15 years)	\$5,774,165
Estimated gross M&O tax benefit (15 years)	\$6,670,641

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

Table 2 is the estimated statewide economic impact of Horizon Solar, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2022	451	581	1032	\$29,300,456	\$55,699,544	\$85,000,000
2023	1	49	50	\$50,456	\$9,949,544	\$10,000,000
2024	1	28	29	\$50,456	\$6,949,544	\$7,000,000
2025	1	(1)	0	\$50,456	\$2,949,544	\$3,000,000
2026	1	(16)	-15	\$50,456	\$949,544	\$1,000,000
2027	1	(20)	-19	\$50,456	-\$50,456	\$0
2028	1	(19)	-18	\$50,456	-\$50,456	\$0
2029	1	(15)	-14	\$50,456	-\$50,456	\$0
2030	1	(10)	-9	\$50,456	-\$50,456	\$0
2031	1	(5)	-4	\$50,456	-\$50,456	\$0
2032	1	(1)	0	\$50,456	\$949,544	\$1,000,000
2033	1	2	3	\$60,034	\$939,966	\$1,000,000
2034	1	5	6	\$60,034	\$939,966	\$1,000,000
2035	1	6	7	\$60,034	\$939,966	\$1,000,000

Source: CPA REMI, Horizon Solar, LLC

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Pearsall I&S Tax Levy	Pearsall ISD M&O Tax Levy	Pearsall M&O and I&S Tax Levies	Frio County Tax Levy	Frio County Hospital District Tax Levy	ESD #1 Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.1475	1.0500		0.5968	0.2349	0.0300	
2023	\$150,727,500	\$150,727,500		\$222,293	\$1,582,639	\$1,804,932	\$899,542	\$354,029	\$45,218	\$3,442,988
2024	\$138,685,600	\$138,685,600		\$204,534	\$1,456,199	\$1,660,732	\$827,676	\$325,745	\$41,606	\$3,167,922
2025	\$126,643,700	\$126,643,700		\$186,774	\$1,329,759	\$1,516,533	\$755,810	\$297,461	\$37,993	\$2,892,855
2026	\$113,097,100	\$113,097,100		\$166,796	\$1,187,520	\$1,354,315	\$674,963	\$265,642	\$33,929	\$2,583,417
2027	\$99,550,600	\$99,550,600		\$146,817	\$1,045,281	\$1,192,099	\$594,118	\$233,824	\$29,865	\$2,273,982
2028	\$86,004,100	\$86,004,100		\$126,839	\$903,043	\$1,029,882	\$513,272	\$202,006	\$25,801	\$1,964,546
2029	\$70,952,800	\$70,952,800		\$104,641	\$745,004	\$849,646	\$423,446	\$166,654	\$21,286	\$1,620,737
2030	\$57,406,500	\$57,406,500		\$84,663	\$602,768	\$687,431	\$342,602	\$134,836	\$17,222	\$1,311,306
2031	\$48,374,400	\$48,374,400		\$71,343	\$507,931	\$579,274	\$288,698	\$113,622	\$14,512	\$1,104,991
2032	\$43,856,800	\$43,856,800		\$64,680	\$460,496	\$525,176	\$261,737	\$103,011	\$13,157	\$1,001,798
2033	\$37,834,400	\$37,834,400		\$55,798	\$397,261	\$453,059	\$225,796	\$88,865	\$11,350	\$864,231
2034	\$30,307,300	\$30,307,300		\$44,697	\$318,227	\$362,924	\$180,874	\$71,186	\$9,092	\$692,294
2035	\$30,304,100	\$30,304,100		\$44,692	\$318,193	\$362,886	\$180,855	\$71,178	\$9,091	\$692,220
2036	\$30,301,000	\$30,301,000		\$44,688	\$318,161	\$362,848	\$180,836	\$71,171	\$9,090	\$692,150
2037	\$30,297,900	\$30,297,900		\$44,683	\$318,128	\$362,811	\$180,818	\$71,164	\$9,089	\$692,079
2038	\$30,294,900	\$30,294,900		\$44,679	\$318,096	\$362,775	\$180,800	\$71,157	\$9,088	\$692,010
2039	\$30,291,900	\$30,291,900		\$44,674	\$318,065	\$362,739	\$180,782	\$71,150	\$9,088	\$691,942
2040	\$30,289,000	\$30,289,000		\$44,670	\$318,035	\$362,705	\$180,765	\$71,143	\$9,087	\$691,876
			Total	\$1,747,962	\$12,444,806	\$14,192,768	\$7,073,391	\$2,783,844	\$355,566	\$27,073,343

Source: CPA, Horizon Solar, LLC

*Tax Rate per \$100 Valuation

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

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

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Pearsall I&S Tax Levy	Pearsall ISD M&O Tax Levy	Pearsall M&O and I&S Tax Levies	Frio County Tax Levy	Frio County Hospital District Tax Levy	ESD #1 Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.1475	1.0500		0.5968	0.2349	0.0300	
2023	\$150,727,500	\$30,000,000		\$222,293	\$315,000	\$537,293	\$0	\$0	\$0	\$537,293
2024	\$138,685,600	\$30,000,000		\$204,534	\$315,000	\$519,534	\$0	\$0	\$0	\$519,534
2025	\$126,643,700	\$30,000,000		\$186,774	\$315,000	\$501,774	\$0	\$0	\$0	\$501,774
2026	\$113,097,100	\$30,000,000		\$166,796	\$315,000	\$481,796	\$0	\$0	\$0	\$481,796
2027	\$99,550,600	\$30,000,000		\$146,817	\$315,000	\$461,817	\$0	\$0	\$0	\$461,817
2028	\$86,004,100	\$30,000,000		\$126,839	\$315,000	\$441,839	\$0	\$0	\$0	\$441,839
2029	\$70,952,800	\$30,000,000		\$104,641	\$315,000	\$419,641	\$0	\$0	\$0	\$419,641
2030	\$57,406,500	\$30,000,000		\$84,663	\$315,000	\$399,663	\$0	\$0	\$0	\$399,663
2031	\$48,374,400	\$30,000,000		\$71,343	\$315,000	\$386,343	\$0	\$0	\$0	\$386,343
2032	\$43,856,800	\$30,000,000		\$64,680	\$315,000	\$379,680	\$0	\$0	\$0	\$379,680
2033	\$37,834,400	\$37,834,400		\$55,798	\$397,261	\$453,059	\$225,796	\$88,865	\$11,350	\$767,721
2034	\$30,307,300	\$30,307,300		\$44,697	\$318,227	\$362,924	\$180,874	\$71,186	\$9,092	\$614,984
2035	\$30,304,100	\$30,304,100		\$44,692	\$318,193	\$362,886	\$180,855	\$71,178	\$9,091	\$614,919
2036	\$30,301,000	\$30,301,000		\$44,688	\$318,161	\$362,848	\$180,836	\$71,171	\$9,090	\$614,856
2037	\$30,297,900	\$30,297,900		\$44,683	\$318,128	\$362,811	\$180,818	\$71,164	\$9,089	\$614,793
2038	\$30,294,900	\$30,294,900		\$44,679	\$318,096	\$362,775	\$180,800	\$71,157	\$9,088	\$614,732
2039	\$30,291,900	\$30,291,900		\$44,674	\$318,065	\$362,739	\$180,782	\$71,150	\$9,088	\$614,671
2040	\$30,289,000	\$30,289,000		\$44,670	\$318,035	\$362,705	\$180,765	\$71,143	\$9,087	\$614,612
			Total	\$1,747,962	\$5,774,165	\$7,522,127	\$1,491,526	\$587,013	\$74,976	\$9,600,666
			Diff	\$0	\$6,670,641	\$6,670,641	\$5,581,865	\$2,196,831	\$280,590	\$17,472,677

Source: CPA, Horizon Solar, LLC
 *Tax Rate per \$100 Valuation

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

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

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

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2020	\$0	\$0	\$0	\$0
	2021	\$0	\$0	\$0	\$0
	2022	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2023	\$315,000	\$315,000	\$1,267,639	\$1,267,639
	2024	\$315,000	\$630,000	\$1,141,199	\$2,408,838
	2025	\$315,000	\$945,000	\$1,014,759	\$3,423,596
	2026	\$315,000	\$1,260,000	\$872,520	\$4,296,116
	2027	\$315,000	\$1,575,000	\$730,281	\$5,026,397
	2028	\$315,000	\$1,890,000	\$588,043	\$5,614,440
	2029	\$315,000	\$2,205,000	\$430,004	\$6,044,445
	2030	\$315,000	\$2,520,000	\$287,768	\$6,332,213
	2031	\$315,000	\$2,835,000	\$192,931	\$6,525,144
	2032	\$315,000	\$3,150,000	\$145,496	\$6,670,641
Maintain Viable Presence (5 Years)	2033	\$397,261	\$3,547,261	\$0	\$6,670,641
	2034	\$318,227	\$3,865,488	\$0	\$6,670,641
	2035	\$318,193	\$4,183,681	\$0	\$6,670,641
	2036	\$318,161	\$4,501,841	\$0	\$6,670,641
	2037	\$318,128	\$4,819,969	\$0	\$6,670,641
Additional Years as Required by 313.026(c)(1) (10 Years)	2038	\$318,096	\$5,138,066	\$0	\$6,670,641
	2039	\$318,065	\$5,456,131	\$0	\$6,670,641
	2040	\$318,035	\$5,774,165	\$0	\$6,670,641
	2041	\$318,004	\$6,092,169	\$0	\$6,670,641
	2042	\$317,974	\$6,410,143	\$0	\$6,670,641
	2043	\$317,944	\$6,728,087	\$0	\$6,670,641
	2044	\$317,915	\$7,046,002	\$0	\$6,670,641
	2045	\$317,886	\$7,363,888	\$0	\$6,670,641
	2046	\$317,858	\$7,681,746	\$0	\$6,670,641
	2047	\$317,830	\$7,999,576	\$0	\$6,670,641

\$7,999,576

is greater than

\$6,670,641

Analysis Summary

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

Yes

Source: CPA, Horizon Solar, LLC

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

Attachment C – Limitation as a Determining Factor

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

Methodology

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

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

Determination

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

- Per First Solar Development, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “First Solar Development, LLC (“First Solar”) the parent of Horizon Solar, LLC is a national solar developer with project opportunities across the United States, including California, Arizona, Georgia and elsewhere. The ability to enter into a value limitation agreement with Pearsall ISD is a determining factor for constructing the project in Frio County, Texas as opposed to building and investing in another county, state or region. First Solar is considering investing in Alabama, Arkansas, Georgia, Florida, North Carolina, Ohio, South Carolina, Tennessee, and Virginia.”
 - B. “First Solar is actively developing and constructing other projects throughout the US and internationally through its affiliates. The applicant requires the 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 liabilities of a project without tax incentives in Texas, including a value limitation agreement with Pearsall ISD, lower 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.”

Supporting Information

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

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

Supporting Information

**Section 8 of the Application for
a Limitation on Appraised Value**

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:

☐ Land has no existing improvements
☐ Expansion of existing operation on the land (*complete Section 13*)

☒ Land has existing improvements (*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.

Supporting Information

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

TAB 5

Documentation to assist in determining if limitation is a determining factor.

First Solar Development, LLC ("First Solar"), the parent of Horizon Solar, LLC, is a national solar developer with project opportunities across the United States, including California, Arizona, Georgia and elsewhere. The ability to enter into a value limitation agreement with Pearsall ISD is a determining factor for constructing the project in Frio County, Texas, as opposed to building and investing in another county, state or region. First Solar is considering investing in Alabama, Arkansas, Georgia, Florida, North Carolina, Ohio, South Carolina, Tennessee, and Virginia.

First Solar is actively developing and constructing other projects throughout the US and internationally through its affiliates. 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 liabilities of a project without tax incentives in Texas, including a value limitation agreement with Pearsall ISD, lower 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 Frio County is a desirable business location and can provide electricity at a price that is competitive with other potential projects in Frio 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 Pearsall ISD is vital to ensuring the economics justify building the project and placing it into commercial operation in Frio County.

About First Solar

Through its affiliates, First Solar is the leading global provider of comprehensive photovoltaic (PV) solar energy solutions. With vertically integrated capabilities improving every aspect of the solar value chain, the company delivers power plant solutions that maximize value and mitigate risk for customers worldwide.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)
Pearsall ISD–Horizon Solar, LLC App. #1388

Comptroller Questions (via email on July 25, 2019):

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

Applicant Response (via email on July 25, 2019):

1. *No.*
2. *Yes. GINR# 21INR0261, assigned February 14, 2019.*
3. *Frio County Solar, Frio Solar*

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between PEARSALL INDEPENDENT SCHOOL
DISTRICT and HORIZON SOLAR, LLC

EXHIBIT C

Economic Impact Evaluation

**CHAPTER 313 PROPERTY VALUE LIMITATION
FINANCIAL IMPACT OF THE PROPOSED HORIZON SOLAR,
LLC PROJECT IN THE PEARSALL INDEPENDENT SCHOOL
DISTRICT
(PROJECT # 1388)**

PREPARED BY



OCTOBER 3, 2019

Executive Summary

Horizon Solar, LLC (Company) has requested that the Pearsall Independent School District (PISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to PISD on June 19, 2019 the Company plans to invest \$150.7 million to construct a renewable energy electric generation facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

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

Under the provisions of Chapter 313, PISD may offer a minimum value limitation of \$30 million. This value limitation, under the proposed application, will begin in the 2023-24 school year and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement.

MCA's initial school finance analysis is detailed in this report. This analysis incorporates to the fullest extent possible the changes approved in House Bill 3 as approved in 2019, the most significant school finance revisions in more than 30 years. The overall conclusions are as follows, but please read all of the subsequent details in the report below for more information.

Total Revenue Loss Payment owed to PISD	\$1.4 million
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$5.3 million

Application Process

After the school district has submitted an application to the Comptroller's Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. The Completeness Letter for this project was issued on August 13, 2019.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full review of

the project and provide its certificate for a limitation on appraised value. After the certificate is received, the district has until the 150th day from the receipt of the Completeness Letter to adopt an agreement, although extensions may be requested by the Company and granted by the District

After the Comptroller's certificate is received, Walsh Gallegos will contact the school district to discuss the value limitation agreement and begin negotiations of the supplemental benefit payment with the Company. A final version of the agreement must be submitted to the Comptroller for review 30 days prior to final adoption by the school district's board of trustees.

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

How the 313 Agreement Interacts with Texas School Finance

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

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of two components: Tier I (based on ADA, special student populations and M&O taxes at the compressed tax rate) and Tier II (based on weighted ADA for each penny of tax effort above a specified level). Recapture costs are primarily a Tier I issue, although Tier II also can involve recapture costs for some school districts.

The basic allotment is now set at \$6,160 per weighted ADA (WADA) and is the basis for Tier I calculations. In the case of Tier II, the first eight cents of additional tax effort can be used to generate state aid of up to \$98.56 per WADA for what are known as "golden" pennies. Tax effort for golden pennies is not subject to recapture. Up to an additional nine cents may be levied to generate \$49.28 per WADA for what are known as "copper" pennies (generating half the revenue per WADA of the golden pennies).

Changes in the recapture calculation are an important part of HB 3, for those districts subject to recapture under the new law. Rather than being tied to property wealth exceeding an equalized wealth level per WADA, recapture is now defined as the amount of revenue collected in excess of a district's Tier I allotment, or for Tier II the amount of collections in excess of the entitlement provided for tax effort generating copper-penny level state aid. (Golden pennies are not subject to recapture.) The changes in the recapture methodology may affect the results of revenue protection payments relative to what was calculated when the equalized wealth level was used to determine the amount of recapture owed the state by school districts subject to recapture. It does not appear to be an issue for PISD, based on the calculations shown below.

Another significant school funding change is establishing current-year property values to determine state funding and recapture under the Foundation School Program. The traditional

approach for the last 30 years has been to rely upon prior-year state property values as determined annually under the Comptroller's State Property Value Study (Section 403 of the Government Code). The change in House Bill 3 calls for using current-year property values as determined by the Comptroller's Property Value Study, without an explanation as to how the property value study is to be completed on a real-time basis.

While school district funding will now be determined based on current-year property values, House Bill 3 included language that addressed the property values to be used in determining calculating revenue protection payments under Chapter 313 agreements. This information is contained in Section 48.256(d), Education Code, as shown below:

- d) This subsection applies to a school district in which the board of trustees entered into a written agreement with a property owner under Section 313.027, Tax Code, for the implementation of a limitation on appraised value under Subchapter B or C, Chapter 313, Tax Code. For purposes of determining "DPV" under Subsection (a) for a school district to which this subsection applies, the commissioner shall exclude a portion of the market value of property not otherwise fully taxable by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter. The comptroller shall provide information to the agency necessary for this subsection. **A revenue protection payment required as part of an agreement for a limitation on appraised value shall be based on the district's taxable value of property for the preceding tax year [emphasis added].**

Given the directive regarding the use of preceding-tax-year values to calculate revenue protection payments required under Chapter 313 agreements, the amounts collected are expected to be consistent with the patterns shown since these calculations were first calculated under the standard Chapter 313 agreement language, dating back to 2004. The most significant impact is typically in the first limitation year, although major value increases in project values in later limitation years may also trigger a revenue protection payment. The additional factor that may generate a variance with the traditional pattern of revenue protection amounts is the new methodology in the calculation of recapture, as noted previously.

The calculations shown below are based on the Section 48.256(d), Education Code directive to use preceding-tax-year property values to determine the revenue protection payment, if any, owed to the school district under the terms of the Chapter 313 Agreement between the Applicant and the School District. These calculations are to be made for each of the 10 limitation years under the terms of the Agreement. Chapter 313 will be subject to legislative renewal in 2021 and any changes made may impact these calculations moving forward.

(For more detailed information on the school finance funding system, please review the Texas Education Agency's (TEA) website. [The current information is expected to be updated as the details of House Bill 3 implementation are determined by TEA.](#)

The implementation of recent legislative action on school funding in House Bill 3 could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

Underlying School District Data Assumptions

The agreement between the school district and the applicant calls for a calculation of the revenue impact of the value limitation in years 1-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. The Basic Allotment is now set to \$6,160, the Tier II golden penny yield is set to \$98.56 per WADA for up to eight cents, while the copper penny yield is \$49.28 per WADA for up to nine cents of local tax effort. These are maintained for future years at this time.

Static school district enrollment and property values are used to isolate the effects of the value limitation under the school finance system. Any previously-approved Chapter 313 projects are also factored into the M&O tax bases used.

ADA:	1,926
Local M&O Tax Base	\$1.13 billion
2019-20 M&O Tax Rate:	\$1.0684 per \$100 of Taxable Value
2020-21 Projected M&O Tax Rate:	\$1.0548 per \$100 of Taxable Value
I&S Tax Rate:	\$0.1475 per \$100 of Taxable Value

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

Table 1 – Base District Information with Horizon Solar Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	Sec. 48.256(d) District Revenue Protection District Property Value with Project	Sec. 48.256(d) District Revenue Protection District Property Value with Limitation	DPV Value with Project per WADA	DPV Value with Limitation per WADA
QTP1	2021-22	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,124,313,269	\$1,124,313,269	\$405,035	\$405,035
QTP2	2022-23	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,124,313,269	\$1,124,313,269	\$405,035	\$405,035
VL1	2023-24	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,124,313,269	\$1,124,313,269	\$405,035	\$405,035
VL2	2024-25	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,275,040,769	\$1,154,313,269	\$459,334	\$415,842
VL3	2025-26	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,262,998,869	\$1,154,313,269	\$454,996	\$415,842
VL4	2026-27	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,250,956,969	\$1,154,313,269	\$450,658	\$415,842
VL5	2027-28	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,237,410,369	\$1,154,313,269	\$445,778	\$415,842
VL6	2028-29	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,223,863,869	\$1,154,313,269	\$440,898	\$415,842
VL7	2029-30	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,210,317,369	\$1,154,313,269	\$436,018	\$415,842
VL8	2030-31	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,195,266,069	\$1,154,313,269	\$430,595	\$415,842
VL9	2031-32	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,181,719,769	\$1,154,313,269	\$425,715	\$415,842
VL10	2032-33	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,172,687,669	\$1,154,313,269	\$422,462	\$415,842
VP1	2033-34	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,168,170,069	\$1,154,313,269	\$420,834	\$415,842
VP2	2034-35	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,162,147,669	\$1,162,147,669	\$418,664	\$418,664
VP3	2035-36	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,154,620,569	\$1,154,620,569	\$415,953	\$415,953
VP4	2036-37	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,154,617,369	\$1,154,617,369	\$415,952	\$415,952
VP5	2037-38	1,926.13	2,775.85	\$1.0548	\$0.1475	\$1,154,614,269	\$1,154,614,269	\$415,951	\$415,951

*Basic Allotment: \$6,160; Golden Penny Yield: \$98.56; Copper Penny Yield: \$49.28

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

M&O Impact of the Horizon Solar Project on PISD

A model is established to make a calculation of the “Baseline Revenue Model” (Table 2) by adding the total value of the project to the model, without assuming a value limitation is approved. A separate model is established to make a calculation of the “Value Limitation Revenue Model” (Table 3) by adding the project’s limited value of \$30 million to the model. The difference between the two models (Table 4) indicates there will be a total revenue loss of \$1.4 million over the course of the Agreement, with all the loss reflected in the first limitation year (2023-24).

Table 2– “Baseline Revenue Model” --Project Value Added to DPV with No Value Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
QTP1	2021-22	\$10,276,315	\$7,145,533	\$0	\$1,551,264	\$1,427,814	\$0	-\$14,053	\$20,386,873
QTP2	2022-23	\$10,276,315	\$7,145,533	\$0	\$1,551,264	\$1,427,814	\$0	-\$14,053	\$20,386,873
VL1	2023-24	\$11,652,231	\$7,145,533	\$0	\$1,758,966	\$1,619,252	\$0	-\$15,935	\$22,160,047
VL2	2024-25	\$11,541,868	\$5,764,118	\$0	\$1,742,305	\$1,207,566	\$0	-\$15,784	\$20,240,073
VL3	2025-26	\$11,431,504	\$5,874,481	\$0	\$1,725,646	\$1,224,015	\$0	-\$15,634	\$20,240,012
VL4	2026-27	\$11,307,349	\$5,984,845	\$0	\$1,706,904	\$1,238,862	\$0	-\$15,465	\$20,222,495
VL5	2027-28	\$11,183,196	\$6,109,000	\$0	\$1,688,162	\$1,257,339	\$0	-\$15,296	\$20,222,401
VL6	2028-29	\$11,059,043	\$6,233,153	\$0	\$1,669,421	\$1,275,816	\$0	-\$15,127	\$20,222,306
VL7	2029-30	\$10,921,098	\$6,357,306	\$0	\$1,648,597	\$1,292,612	\$0	-\$14,939	\$20,204,674
VL8	2030-31	\$10,796,946	\$6,495,251	\$0	\$1,629,856	\$1,313,283	\$0	-\$14,770	\$20,220,566
VL9	2031-32	\$10,714,167	\$6,619,403	\$0	\$1,617,360	\$1,336,782	\$0	-\$14,657	\$20,273,055
VL10	2032-33	\$10,672,763	\$6,702,182	\$0	\$1,611,110	\$1,354,218	\$0	-\$14,601	\$20,325,672
VP1	2033-34	\$10,616,132	\$6,743,586	\$0	\$1,602,561	\$1,358,853	\$0	-\$14,525	\$20,306,607
VP2	2034-35	\$10,548,526	\$6,798,781	\$0	\$1,592,356	\$1,365,336	\$0	-\$14,431	\$20,290,568
VP3	2035-36	\$10,548,497	\$6,867,767	\$0	\$1,592,351	\$1,384,408	\$0	-\$14,431	\$20,378,592
VP4	2036-37	\$10,548,469	\$6,867,796	\$0	\$1,592,347	\$1,384,413	\$0	-\$14,431	\$20,378,594
VP5	2037-38	\$10,548,441	\$6,867,824	\$0	\$1,592,342	\$1,384,416	\$0	-\$14,431	\$20,378,592

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

M&O Impact on the Taxpayer

Under the assumptions used here, the potential tax savings from the value limitation total \$6.7 million over the life of the agreement. The PISD revenue losses are expected to total approximately \$1.4 million over the course of the agreement. The total potential net tax benefits (after hold-harmless payments are made) are estimated to reach \$5.3 million, prior to any negotiations with Horizon Solar on supplemental payments. (See Table 5.)

It should be noted that a key element in the revenue-loss calculation appears to be linked to the retention of prior-year property values in the calculation of the revenue protection amount for the 2023-24 school year. Under the standard agreement, these calculations are based on whatever school finance and property tax laws are in effect each year. With a legislative session occurring in 2021, there could be changes made to current school finance law. While the District will still be protected against revenue losses, these calculations may be reduced below what we are projecting under what is now current law.

Table 3- "Value Limitation Revenue Model" --Project Value Added to DPV with Value Limitation in Effect

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
QTP1	2021-22	\$10,276,315	\$7,145,533	\$0	\$1,551,264	\$1,427,814	\$0	-\$14,053	\$20,386,873
QTP2	2022-23	\$10,276,315	\$7,145,533	\$0	\$1,551,264	\$1,427,814	\$0	-\$14,053	\$20,386,873
VL1	2023-24	\$10,545,766	\$7,145,533	\$0	\$1,591,939	\$1,465,310	\$0	-\$14,612	\$20,733,936
VL2	2024-25	\$10,545,766	\$6,870,583	\$0	\$1,591,939	\$1,384,832	\$0	-\$14,594	\$20,378,526
VL3	2025-26	\$10,545,766	\$6,870,583	\$0	\$1,591,939	\$1,384,832	\$0	-\$14,576	\$20,378,544
VL4	2026-27	\$10,545,766	\$6,870,583	\$0	\$1,591,939	\$1,384,832	\$0	-\$14,555	\$20,378,565
VL5	2027-28	\$10,545,766	\$6,870,583	\$0	\$1,591,939	\$1,384,832	\$0	-\$14,534	\$20,378,586
VL6	2028-29	\$10,545,766	\$6,870,583	\$0	\$1,591,939	\$1,384,832	\$0	-\$14,513	\$20,378,607
VL7	2029-30	\$10,545,766	\$6,870,583	\$0	\$1,591,939	\$1,384,832	\$0	-\$14,490	\$20,378,630
VL8	2030-31	\$10,545,766	\$6,870,583	\$0	\$1,591,939	\$1,384,832	\$0	-\$14,469	\$20,378,651
VL9	2031-32	\$10,545,766	\$6,870,583	\$0	\$1,591,939	\$1,384,832	\$0	-\$14,456	\$20,378,664
VL10	2032-33	\$10,545,766	\$6,870,583	\$0	\$1,591,939	\$1,384,832	\$0	-\$14,449	\$20,378,671
VP1	2033-34	\$10,616,132	\$6,870,583	\$0	\$1,602,561	\$1,395,175	\$0	-\$14,525	\$20,469,926
VP2	2034-35	\$10,548,526	\$6,798,781	\$0	\$1,592,356	\$1,365,336	\$0	-\$14,431	\$20,290,568
VP3	2035-36	\$10,548,497	\$6,867,767	\$0	\$1,592,351	\$1,384,408	\$0	-\$14,431	\$20,378,592
VP4	2036-37	\$10,548,469	\$6,867,796	\$0	\$1,592,347	\$1,384,413	\$0	-\$14,431	\$20,378,594
VP5	2037-38	\$10,548,442	\$6,867,824	\$0	\$1,592,342	\$1,384,416	\$0	-\$14,431	\$20,378,593

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

Table 4 - Value Limitation Revenue Model Less Baseline Revenue Model with No Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
QTP1	2021-22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP2	2022-23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VL1	2023-24	-\$1,106,465	\$0	\$0	-\$167,027	-\$153,942	\$0	\$1,323	-\$1,426,111
VL2	2024-25	-\$996,102	\$1,106,465	\$0	-\$150,366	\$177,266	\$0	\$1,190	\$138,453
VL3	2025-26	-\$885,738	\$996,102	\$0	-\$133,707	\$160,817	\$0	\$1,058	\$138,532
VL4	2026-27	-\$761,583	\$885,738	\$0	-\$114,965	\$145,970	\$0	\$910	\$156,070
VL5	2027-28	-\$637,430	\$761,583	\$0	-\$96,223	\$127,493	\$0	\$762	\$156,185
VL6	2028-29	-\$513,277	\$637,430	\$0	-\$77,482	\$109,016	\$0	\$614	\$156,301
VL7	2029-30	-\$375,332	\$513,277	\$0	-\$56,658	\$92,220	\$0	\$449	\$173,956
VL8	2030-31	-\$251,180	\$375,332	\$0	-\$37,917	\$71,549	\$0	\$301	\$158,085
VL9	2031-32	-\$168,401	\$251,180	\$0	-\$25,421	\$48,050	\$0	\$201	\$105,609
VL10	2032-33	-\$126,997	\$168,401	\$0	-\$19,171	\$30,614	\$0	\$152	\$52,999
VP1	2033-34	\$0	\$126,997	\$0	\$0	\$36,322	\$0	\$0	\$163,319
VP2	2034-35	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP3	2035-36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP4	2036-37	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP5	2037-38	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$1

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

Table 5 - Estimated Financial Impact of the Horizon Solar Project Property Value Limitation Request Submitted to PISD at \$1.05485 per \$100 M&O Tax Rate

Year of Agreement	School Year	Project Taxable Value for M&O If No Limitation	Project Taxable Value for M&O with Limitation	Assumed M&O Tax Rate	Tax Savings to Company	School District Revenue Protection	Estimated Net Tax Benefits
QTP1	2021-22	\$0	\$0	\$1.05485	\$0	\$0	\$0
QTP2	2022-23	\$0	\$0	\$1.05485	\$0	\$0	\$0
VL1	2023-24	\$150,727,500	\$30,000,000	\$1.05485	\$1,273,492	-\$1,426,111	-\$152,619
VL2	2024-25	\$138,685,600	\$30,000,000	\$1.05485	\$1,146,468	\$0	\$1,146,468
VL3	2025-26	\$126,643,700	\$30,000,000	\$1.05485	\$1,019,445	\$0	\$1,019,445
VL4	2026-27	\$113,097,100	\$30,000,000	\$1.05485	\$876,549	\$0	\$876,549
VL5	2027-28	\$99,550,600	\$30,000,000	\$1.05485	\$733,653	\$0	\$733,653
VL6	2028-29	\$86,004,100	\$30,000,000	\$1.05485	\$590,758	\$0	\$590,758
VL7	2029-30	\$70,952,800	\$30,000,000	\$1.05485	\$431,990	\$0	\$431,990
VL8	2030-31	\$57,406,500	\$30,000,000	\$1.05485	\$289,097	\$0	\$289,097
VL9	2031-32	\$48,374,400	\$30,000,000	\$1.05485	\$193,822	\$0	\$193,822
VL10	2032-33	\$43,856,800	\$30,000,000	\$1.05485	\$146,168	\$0	\$146,168
VP1	2033-34	\$37,834,400	\$37,834,400	\$1.05485	\$0	\$0	\$0
VP2	2034-35	\$30,307,300	\$30,307,300	\$1.05485	\$0	\$0	\$0
VP3	2035-36	\$30,304,100	\$30,304,100	\$1.05485	\$0	\$0	\$0
VP4	2036-37	\$30,301,000	\$30,301,000	\$1.05485	\$0	\$0	\$0
VP5	2037-38	\$30,297,900	\$30,297,900	\$1.05485	\$0	\$0	\$0
					\$6,701,443	-\$1,426,111	\$5,275,332

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

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

- Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations, which could be significant under HB 3.
- Legislative changes addressing property value appraisals and exemptions.
- Year-to-year appraisals of project values and district taxable values.
- Changes in school district tax rates and student enrollment.

I&S Funding Impact on School District

The project remains fully taxable for debt services taxes, with PISD currently levying a \$0.1475 per \$100 I&S rate. As shown in the Table 6 below, local taxpayers could see a modest benefit from the addition of the Horizon Solar project to the local I&S tax roll. Given that PISD does not appear to be eligible for the Instructional Facilities Allotment (IFA) or Existing Debt Allotment (EDA) state aid programs at its current wealth level per ADA, expansion of the I&S tax base does benefit local taxpayers and the District.

The project is not expected to affect school district enrollment and is expected to depreciate over the life of the agreement and beyond. Continued expansion of the project and related development could result in some additional employment in the area and a small increase in the school-age population, but this project is unlikely to have much impact on a stand-alone basis.

Table 6 - Estimated Impact of the Horizon Solar Project Property Value Limitation Request on PISD I&S Tax Rate

Year of Agreement	School Year	I&S Rate w/out Project	Local Value w/out Project	I&S Taxes w/out Project	Project Full Taxable Value	I&S Rate with Project Value	Change in I&S Rate
QTP1	2021-22	\$0.1475	\$1,132,237,260	\$1,669,824	\$0	\$0.147480	\$0.0000
QTP2	2022-23	\$0.1475	\$1,132,237,260	\$1,669,824	\$0	\$0.147480	\$0.0000
VL1	2023-24	\$0.1475	\$1,132,237,260	\$1,669,824	\$150,727,500	\$0.130153	-\$0.0173
VL2	2024-25	\$0.1475	\$1,132,237,260	\$1,669,824	\$138,685,600	\$0.131387	-\$0.0161
VL3	2025-26	\$0.1475	\$1,132,237,260	\$1,669,824	\$126,643,700	\$0.132643	-\$0.0148
VL4	2026-27	\$0.1475	\$1,132,237,260	\$1,669,824	\$113,097,100	\$0.134086	-\$0.0134
VL5	2027-28	\$0.1475	\$1,132,237,260	\$1,669,824	\$99,550,600	\$0.135561	-\$0.0119
VL6	2028-29	\$0.1475	\$1,132,237,260	\$1,669,824	\$86,004,100	\$0.137068	-\$0.0104
VL7	2029-30	\$0.1475	\$1,132,237,260	\$1,669,824	\$70,952,800	\$0.138783	-\$0.0087
VL8	2030-31	\$0.1475	\$1,132,237,260	\$1,669,824	\$57,406,500	\$0.140363	-\$0.0071
VL9	2031-32	\$0.1475	\$1,132,237,260	\$1,669,824	\$48,374,400	\$0.141437	-\$0.0060
VL10	2032-33	\$0.1475	\$1,132,237,260	\$1,669,824	\$43,856,800	\$0.141980	-\$0.0055
VP1	2033-34	\$0.1475	\$1,132,237,260	\$1,669,824	\$37,834,400	\$0.142711	-\$0.0048
VP2	2034-35	\$0.1475	\$1,132,237,260	\$1,669,824	\$30,307,300	\$0.143635	-\$0.0038
VP3	2035-36	\$0.1475	\$1,132,237,260	\$1,669,824	\$30,304,100	\$0.143636	-\$0.0038
VP4	2036-37	\$0.1475	\$1,132,237,260	\$1,669,824	\$30,301,000	\$0.143636	-\$0.0038
VP5	2037-38	\$0.1475	\$1,132,237,260	\$1,669,824	\$30,297,900	\$0.143636	-\$0.0038

IFA and EDA state aid are now based on current-year values, which could affect the tax rate needed for bond payments in districts eligible for these funds.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between PEARSALL INDEPENDENT SCHOOL
DISTRICT and HORIZON SOLAR, LLC

EXHIBIT D

Tax Limitation Agreement

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND
OPERATIONS TAXES**

by and between

PEARSALL INDEPENDENT SCHOOL DISTRICT

and

HORIZON SOLAR, LLC

(Texas Taxpayer ID # 32070351229)

Comptroller Application # 1388

Dated
March 25, 2020

*Texas Economic Development Act Agreement
Comptroller Form 50-826 (Jan 2016)*

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR
SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES**

STATE OF TEXAS §

COUNTY OF FRIO §

THIS AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, hereinafter referred to as this “Agreement,” is executed and delivered by and between the **PEARSALL INDEPENDENT SCHOOL DISTRICT**, hereinafter referred to as the “District,” a lawfully created independent school district within the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **HORIZON SOLAR, LLC**, Texas Taxpayer Identification Number **32070351229** hereinafter referred to as the “Applicant.” The Applicant and the District are hereinafter sometimes referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, on June 19, 2019, the Superintendent of Schools of the PEARSALL INDEPENDENT School District, acting as agent of the Board of Trustees of the District, received from the Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the TEXAS TAX CODE;

WHEREAS, on June 19, 2019, the Board of Trustees has acknowledged receipt of the Application, and along with the requisite application fee as established pursuant to Section 313.025(a) of the TEXAS TAX CODE and Local District Policy CCGB (Local), and agreed to consider the Application;

WHEREAS, the Application was delivered to the Texas Comptroller’s Office for review pursuant to Section 313.025 of the TEXAS TAX CODE;

WHEREAS, the District and the Texas Comptroller’s Office have determined that the Application is complete and August 13, 2019 is the Application Review Start Date as that term is defined by 34 TEXAS ADMIN. CODE Section 9.1051;

WHEREAS, pursuant to 34 TEXAS ADMIN. CODE Section 9.1054, the Application was delivered to the Frio County Appraisal District established in Frio County, Texas (the “Frio County Appraisal District”), pursuant to Section 6.01 of the TEXAS TAX CODE;

WHEREAS, the Texas Comptroller's Office reviewed the Application pursuant to Section 313.025 of the TEXAS TAX CODE, conducted an economic impact evaluation pursuant to Section 313.026 of the TEXAS TAX CODE, and on November 5, 2019, issued a certificate for limitation on appraised value of the property described in the Application and provided the certificate to the District;

WHEREAS, the District's Board of Trustees, through its adoption of Board Policy CCGB(LOCAL), delegated to the Superintendent of Schools authority to extend the statutory deadline by which the District must consider the Application, and Superintendent of Schools duly extended such deadline to June 1, 2020, and the Comptroller was provided notice of such extension as set out under 34 TEXAS ADMIN CODE Section 9.1054(d);

WHEREAS, the Board of Trustees has reviewed and carefully considered the economic impact evaluation and certificate for limitation on appraised value submitted by the Texas Comptroller's Office pursuant to Section 313.025 of the TEXAS TAX CODE;

WHEREAS, on March 25, 2020, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District;

WHEREAS, on March 25, 2020, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) the Applicant is eligible for the limitation on appraised value of the Applicant's Qualified Property; (iii) the project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the District's maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period; (iv) the limitation on appraised value is a determining factor in the Applicant's decision to invest capital and construct the project in this State; and (v) this Agreement is in the best interest of the District and the State of Texas;

WHEREAS, on March 25, 2020, pursuant to the provisions of 313.025(f-1) of the TEXAS TAX CODE, the Board of Trustees waived the job creation requirement set forth in *Section 313.051(b)* of the TEXAS TAX CODE;

WHEREAS, on February 12, 2019, the Texas Comptroller's Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes;

WHEREAS, on March 25, 2020, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary or, in the event the Board President or Secretary are unavailable or have disclosed a conflict of interest, the Board of Trustees has authorized the Board Vice President to execute and deliver such Agreement to the Applicant; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the Parties agree as follows:

ARTICLE I **DEFINITIONS**

Section 1.1 DEFINITIONS. Wherever used in this Agreement, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning. Words or terms defined in 34 TEXAS ADMIN. CODE Section 9.1051 and not defined in this Agreement shall have the meanings provided by 34 TEXAS ADMIN. CODE Section 9.1051.

“Act” means the Texas Economic Development Act set forth in Chapter 313 of the TEXAS TAX CODE, as amended.

“Agreement” means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented as approved pursuant to Sections 10.2 and 10.3.

“Applicant” means HORIZON SOLAR, LLC, (*Texas Taxpayer ID # 32070351229*), the entity listed in the Preamble of this Agreement and that is listed as the Applicant on the Application as of the Application Approval Date. The term “Applicant” shall also include the Applicant’s assigns and successors-in-interest as approved according to Sections 10.2 and 10.3 of this Agreement.

“Applicant’s Qualified Investment” means the Qualified Investment of the Applicant during the Qualifying Time Period and as more fully described in **EXHIBIT 3** of this Agreement.

“Applicant’s Qualified Property” means the Qualified Property of the Applicant to which the value limitation identified in the Agreement will apply and as more fully described in **EXHIBIT 4** of this Agreement.

“Application” means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C of the TEXAS TAX CODE) filed with the District by the Applicant on June 19, 2019. The term includes all forms required by the Comptroller, the schedules attached thereto, and all other documentation submitted by the Applicant for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant.

“Application Approval Date” means the date that the Application is approved by the Board of Trustees of the District and as further identified in Section 2.3.B of this Agreement.

“Application Review Start Date” means the later date of either the date on which the District issues its written notice that the Applicant has submitted a completed Application or the date on which the Comptroller issues its written notice that the Applicant has submitted a completed Application and as further identified in Section 2.3.A of this Agreement.

“Appraised Value” shall have the meaning assigned to such term in Section 1.04(8) of the TEXAS TAX CODE.

“Appraisal District” means the Frio County Appraisal District.

“Board of Trustees” means the Board of Trustees of the PEARSALL INDEPENDENT School District.

“Commercial Operation” means the generation of electricity (other than test energy) in commercial quantities by Applicant from solar panels included in the Qualified Property for which electricity the Applicant is entitled to receive compensation from a third party power purchaser, offtaker, merchant, buyer, spot market buyer, or other third party purchaser.

“Comptroller” means the Texas Comptroller of Public Accounts, or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of the Comptroller.

“Comptroller’s Rules” means the applicable rules and regulations of the Comptroller set forth in Chapter 34 TEXAS ADMIN. CODE Chapter 9, Subchapter F, together with any court or administrative decisions interpreting same.

“County” means Frio County, Texas.

“District” or “School District” means the Pearsall Independent School District, being a duly authorized and operating school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries and to which Subchapter C of the Act applies. The term also includes any successor independent school district or other successor governmental authority having the power to levy and collect ad valorem taxes for school purposes on the Applicant’s Qualified Property or the Applicant’s Qualified Investment.

“Final Termination Date” means the last date of the final year in which the Applicant is required to Maintain Viable Presence and as further identified in Section 2.3.E of this Agreement.

“Force Majeure” means those causes generally recognized under Texas law as constituting impossible conditions. Each Party must inform the other in writing with proof of receipt within sixty (60) business days of the existence of such Force Majeure or otherwise waive this right as a defense.

“Land” means the real property described on **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes.

“Maintain Viable Presence” means (i) the operation during the term of this Agreement of the facility or facilities for which the tax limitation is granted; and (ii) the Applicant’s maintenance of jobs and wages as required by the Act and as set forth in its Application.

“Market Value” shall have the meaning assigned to such term in Section 1.04(7) of the TEXAS TAX CODE.

“New Qualifying Jobs” means the total number of jobs to be created by the Applicant after the Application Approval Date in connection with the project that is the subject of its Application that meet the criteria of Qualifying Job as defined in Section 313.021(3) of the TEXAS TAX CODE and the Comptroller’s Rules.

“New Non-Qualifying Jobs” means the number of Non-Qualifying Jobs, as defined in 34 TEXAS ADMIN. CODE Section 9.1051(14), to be created by the Applicant after the Application Approval Date in connection with the project which is the subject of its Application.

“Qualified Investment” has the meaning set forth in Section 313.021(1) of the TEXAS TAX CODE, as interpreted by the Comptroller’s Rules.

“Qualified Property” has the meaning set forth in Section 313.021(2) of the TEXAS TAX CODE and as interpreted by the Comptroller’s Rules and the Texas Attorney General, as these provisions existed on the Application Review Start Date.

“Qualifying Time Period” means the period defined in Section 2.3.C, during which the Applicant shall make investment on the Land where the Qualified Property is located in the amount required by the Act, the Comptroller’s Rules, and this Agreement.

“State” means the State of Texas.

“Supplemental Payment” means any payments or transfers of things of value made to the 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 and that is not authorized pursuant to Sections 313.027(f)(1) or (2) of the TEXAS TAX CODE, and specifically includes any payments required pursuant to Article VI of this Agreement.

“Tax Limitation Amount” means the maximum amount which may be placed as the Appraised Value on the Applicant’s Qualified Property for maintenance and operations tax assessment in each Tax Year of the Tax Limitation Period of this Agreement pursuant to Section 313.054 of the TEXAS TAX CODE.

“Tax Limitation Period” means the Tax Years for which the Applicant’s Qualified Property is subject to the Tax Limitation Amount and as further identified in Section 2.3.D of this Agreement.

“Tax Year” shall have the meaning assigned to such term in Section 1.04(13) of the TEXAS TAX CODE (*i.e.*, the calendar year).

“Taxable Value” shall have the meaning assigned to such term in Section 1.04(10) of the TEXAS TAX CODE.

Section 1.2 NEGOTIATED DEFINITIONS. Wherever used in Articles IV, V, and VI, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning or otherwise; provided however, if there is a conflict between a term defined in this section and a term defined in the Act, the Comptroller's Rules, or Section 1.1 of Agreement, the conflict shall be resolved by reference to Section 10.9.C.

“Applicable School Finance Law” means Chapters 48 and 49 of the TEXAS EDUCATION CODE (previously Chapters 42 and 41, and other applicable provisions), the Texas Economic Development Act (Chapter 313 of the TEXAS TAX CODE); Chapter 403, Subchapter M, of the TEXAS GOVERNMENT CODE applicable to District; and, the Constitution and general laws of the State applicable to the school districts of the State, including specifically, the applicable rules, regulations, and interpretations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term also includes any amendments or successor statutes that may be adopted in the future which impact or alter the calculation of the Applicant’s ad valorem tax obligation or the Revenue Protection Amount in Section 4.2 of this Agreement to the District, either with or without the limitation of property values made pursuant to this Agreement.

“Consultant” shall have the same meaning as assigned to such term in Section 4.4 of this Agreement.

“Revenue Protection Amount” means the revenue protection payment required as part of this Agreement as set out in TEXAS EDUCATION CODE Section 48.256(d) and shall have the meaning assigned to such term in Section 4.2 of this Agreement.

“Maintenance and Operations Revenue” or “M&O Revenue” means (i) those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Section 45.002 of the TEXAS EDUCATION CODE and Article VII § 3 of the TEXAS CONSTITUTION, plus (ii) all State revenues to which the District is or may be entitled under the applicable provisions of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, as applicable, less (iii) any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 49 of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, as applicable.

“New M&O Revenue” shall have the same meaning as assigned to such term in Section 4.2.A.ii of this Agreement.

“Original M&O Revenue” shall have the same meaning as assigned to such term in Section 4.2.A.i of this Agreement.

ARTICLE II

AUTHORITY, PURPOSE AND LIMITATION AMOUNTS

Section 2.1. AUTHORITY. This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District in Section 313.027 of the TEXAS TAX CODE.

Section 2.2. PURPOSE. In consideration of the execution and subsequent performance of the terms and obligations by the Applicant pursuant to this Agreement, identified in Sections 2.5 and 2.6 and as more fully specified in this Agreement, the value of the Applicant's Qualified Property listed and assessed by the County Appraiser for the District's maintenance and operation ad valorem property tax shall be the Tax Limitation Amount as set forth in Section 2.4 of this Agreement during the Tax Limitation Period.

Section 2.3. TERM OF THE AGREEMENT.

A. The Application Review Start Date for this Agreement is August 13, 2019, which will be used to determine the eligibility of the Applicant's Qualified Property and all applicable wage standards.

B. The Application Approval Date for this Agreement is March 25, 2020.

C. The Qualifying Time Period for this Agreement:

i. Starts on January 1, 2021; and

ii. Ends on December 31, 2022, the last day of the second complete Tax Year

following the Qualifying Time Period start date:

D. The Tax Limitation Period for this Agreement:

i. Starts on January 1, 2023, the first complete Tax Year that begins after the end of the Qualifying Time Period; and

ii. Ends on December 31, 2032, which is the year the Tax Limitation Period starts as identified in Section 2.3.D.i plus 9 years.

E. The Final Termination Date for this Agreement is December 31, 2037 which is the last year of the Tax Limitation Period as defined in Section 2.3.D.ii. plus 5 years.

F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and become effective on the Application Approval Date identified in Section 2.3.B. This Agreement, and the obligations and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Section 2.3.E, unless extended by the express terms of this Agreement.

Section 2.4. TAX LIMITATION. So long as the Applicant makes the Qualified Investment as required by Section 2.5, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, on January 1 of each Tax Year of the Tax Limitation Period, the Appraised Value of the Applicant's Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

A. the Market Value of the Applicant's Qualified Property; or

B. THIRTY MILLION DOLLARS (\$30,000,000).

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the Application Approval Date, as set out by *Section 313.052* of the TEXAS TAX CODE.

Section 2.5. TAX LIMITATION ELIGIBILITY. In order to be eligible and entitled to receive the value limitation identified in Section 2.4 for the Qualified Property identified in Article III, the Applicant shall:

- A. have completed the Applicant's Qualified Investment in the amount of THIRTY MILLION DOLLARS (\$30,000,000) during the Qualifying Time Period;
- B. have created and maintained, subject to the provisions of Section 313.0276 of the TEXAS TAX CODE, New Qualifying Jobs as required by the Act; and
- C. pay an average weekly wage of at least ONE THOUSAND FOUR AND NO/100 DOLLARS (\$1,004.00) for all New Non-Qualifying Jobs created by the Applicant.

Section 2.6. TAX LIMITATION OBLIGATIONS. In order to receive and maintain the limitation authorized by Section 2.4, Applicant shall:

- A. provide payments to District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV;
- B. provide payments to the District that protect the District from the payment of extraordinary education- related expenses related to the project, as more fully specified in Article V;
- C. provide such Supplemental Payments as more fully specified in Article VI;
- D. create and Maintain Viable Presence on or with the Qualified Property and perform additional obligations as more fully specified in Article VIII of this Agreement; and
- E. No additional conditions are identified in the certificate for a limitation on appraised value by the Comptroller for this project.

ARTICLE III **QUALIFIED PROPERTY**

Section 3.1. LOCATION WITHIN ENTERPRISE OR REINVESTMENT ZONE. At the time of the Application Approval Date, the Land is within an area designated either as an enterprise zone, pursuant to Chapter 2303 of the TEXAS GOVERNMENT CODE, or a reinvestment zone, pursuant to Chapter 311 or 312 of the TEXAS TAX CODE. The legal description, and information concerning the designation, of such zone is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described in **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY. The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 4**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in **EXHIBIT 4** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for purposes of this Agreement, unless by official action the Board of Trustees provides that

such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's Rules, and Section 10.2 of this Agreement.

Section 3.4. CURRENT INVENTORY OF QUALIFIED PROPERTY. In addition to the requirements of Section 10.2 of this Agreement, if there is a material change in the Qualified Property described in EXHIBIT 4, then within 60 days from the date commercial operation begins, the Applicant shall provide to the District, the Comptroller, the Appraisal District or the State Auditor's Office a specific and detailed description of the tangible personal property, buildings, and/or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Land to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such described property on the Land.

Section 3.5. QUALIFYING USE. The Applicant's Qualified Property described in Section 3.3 qualifies for a tax limitation agreement under Section 313.024(b)(1) of the TEXAS TAX CODE as a renewable energy electric generation facility.

ARTICLE IV

PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 4.1. INTENT OF THE PARTIES. Subject to the limitations contained in this Agreement (including Section 7.1), it is the intent of the Parties that the District shall, in accordance with the provisions of TEXAS TAX CODE § 313.027(f)(1), be compensated by the Applicant for any loss that the District incurs in its Maintenance and Operations Revenue as a result of, or on account of, the Parties' entering into this Agreement. Such compensation shall be independent of, and in addition to, all such other payments as are set forth in Article V and Article VI. Subject only to the limitations contained in this Agreement (including Section 7.1), it is the intent of the Parties that the risk of any negative financial consequence to the District as a result of Applicant's location of Applicant's Qualified Investment and Applicant's Qualified Property in the District and the Parties' entering into this Agreement will be borne by the Applicant and not by the District and be paid by the Applicant to the District in addition to any and all payments due under Article V and Article VI.

The Parties expressly understand and agree that, for all Tax Years to which this Agreement may apply, the calculation of negative financial consequences will be defined for each applicable Tax Year in accordance with Applicable School Finance Law, as defined in Section 1.2 above, and that such definition specifically contemplates that calculations made under this Agreement may periodically change in accordance with changes in Applicable School Finance Law. The Parties further agree that printouts and projections produced during the negotiations and approval of this Agreement are: (i) for illustrative purposes only, are not intended to be relied upon, and have not been relied upon by the Parties as a prediction of future consequences to either Party; (ii) based upon current Applicable School Finance Law which is subject to change by statute, by administrative regulation (or interpretation thereof), or by judicial decision at any time; and (iii) may change in future years to reflect changes in Applicable School Finance Law.

Section 4.2. CALCULATING THE AMOUNT OF LOSS OF MAINTENANCE AND OPERATIONS REVENUES BY THE DISTRICT. Subject to the provisions of Sections 7.1 and 7.2, the amount to be paid by the Applicant to compensate the District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year during the term of this Agreement (the “Revenue Protection Amount”) shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

A. The Revenue Protection Amount owed by the Applicant to the District means the Original M&O Revenue minus the New M&O Revenue;

Where:

(i) “Original M&O Revenue” means the total State and local Maintenance & Operations Revenue that the District would have received for the school year under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Applicant’s Qualified Property and/or the Applicant’s Qualified Investment been subject to the District’s adopted ad valorem Maintenance and Operations tax rate actually levied for the applicable year.

(ii) “New M&O Revenue” means the total State and local Maintenance and Operations Revenue that District would have received for such school year, calculated in accordance with TEXAS EDUCATION CODE Section 48.256(d), with the Limitation Amount specified in Section 2.4 applied to Applicant’s Qualified Property, and the tax collection rate for all tax accounts in the District presumed to be one hundred percent (100%).

B. In making the calculations required by this Section 4.2:

(i) The Taxable Value of property for each school year will be determined under the Applicable School Finance Law.

(ii) For purposes of this calculation, the tax collection rate on the Applicant’s Qualified Property and/or the Applicant’s Qualified Investment will be presumed to be one hundred percent (100%).

(iii) If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue as calculated under this Section 4.2 results in a negative number, the negative number will be considered to be zero.

(iv) For all calculations made for any year during the tax Limitation Period under this Section 4.2, the New M&O Revenue will reflect the Tax Limitation Amount stated in Section 2.4 for such year.

(v) All calculations made under this Section 4.2 shall be made by a methodology which isolates the full M&O Revenue impact caused by this Agreement. The Applicant shall not be responsible to reimburse the District for other revenue losses created by other agreements, or any other factors not contained in this Agreement.

Section 4.3. COMPENSATION FOR LOSS OF OTHER REVENUES. In addition to the amounts determined pursuant to Section 4.2 above, the Applicant, on an annual basis, shall also indemnify and reimburse the District for the following:

- A. All non-reimbursed costs incurred by the District for extraordinary education-related expenses, as set forth in Section 5.1 below;
- B. Any other loss of District revenues which are directly and solely attributable to the payment by the Applicant to or on behalf of any other third party beneficiary; and
- C. Any other cost to the District, including costs under Section 8.6(C) below (but subject to the limitation set forth in Section 4.4 below), which are directly and solely attributable to compliance with State-imposed requirements relating to this Agreement.

Section 4.4. CALCULATIONS TO BE MADE BY THIRD PARTY. All calculations under this Article IV shall be made annually by an independent third party (the “Consultant”) selected each year by the District. Applicant shall be solely responsible for payment of the Consultant’s fees up to TWELVE THOUSAND DOLLARS (\$12,000.00) for each year of this Agreement.

Section 4.5. DATA USED FOR CALCULATIONS. The calculations for payments under this Agreement shall be initially based upon the valuations placed upon the Applicant’s Qualified Investment and/or the Applicant’s Qualified Property by the Appraisal District in its annual certified tax rolls submitted to the District pursuant to TEXAS TAX CODE § 26.01 on or about July 25 of each year of this Agreement. Immediately upon receipt of the valuation information by the District, the District shall submit the valuation information to the Consultant selected under Section 4.4. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. All other data utilized by the Consultant to make the calculations contemplated by this Agreement shall be based upon the best available current estimates. The data utilized by the Consultant shall be adjusted from time to time by the Consultant to reflect actual amounts, subsequent adjustments by the Appraisal District to the District’s certified tax rolls or any other changes in student counts, tax collections, or other data.

Section 4.6. DELIVERY OF CALCULATIONS. On or before December 1 of each year for which this Agreement is effective, the Consultant appointed pursuant to Section 4.4 of this Agreement shall forward to the Parties a certification containing the calculations required under Section 4.2, Section 4.3 and Article V of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Consultant shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Consultant’s offices, personnel, books, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Consultant shall maintain supporting data consistent with generally accepted accounting practices, and the employees and agents of the Applicant shall have the right to reproduce and retain for purpose of audit, any of these documents. The Consultant shall preserve all documents pertaining to the calculation and fee for a period of five (5) years after payment.

Section 4.7. PAYMENT BY APPLICANT. The Applicant shall pay any amount determined to be due and owing to the District under this Agreement on or before the January 31 next following the tax levy for each year for which this Agreement is effective. By such date, the Applicant shall also pay any amount billed by the Consultant for all calculations under this Agreement under Section 4.6, above, plus any reasonable and necessary legal expenses paid by the District to its attorneys, auditors, or financial consultants (subject to the limitation set forth in Section 4.4 above) for the preparation and

filing of any financial reports, disclosures, or Tax Credit or other reimbursement applications filed with or sent to the State of Texas which are, or may be required under the terms or because of the execution of this Agreement.

Section 4.8. RESOLUTION OF DISPUTES. Should the Applicant disagree with the certification prepared pursuant to Sections 4.2, 4.3, or Article V, the Applicant may appeal the findings, in writing, to the Consultant within thirty (30) days of receipt of the certification. Within thirty (30) days of receipt of the Applicant's appeal, the Consultant will issue, in writing, a final determination of the certification containing the calculations. Thereafter, the Applicant may appeal the final determination of certification containing the calculations to the District's Board of Trustees, in writing, within thirty (30) days of the final determination of certification containing the calculations.

Section 4.9. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT. If at the time the Consultant selected under Section 4.4 makes its calculations under this Agreement, the Applicant has appealed any matter relating to the valuations placed by the Appraisal District on the Applicant's Qualified Property, and such appeal remains unresolved, the Consultant shall base its calculations upon the values placed upon the Applicant's Qualified Property by the Appraisal District. The calculations shall be readjusted, if necessary, based on the outcome of the appeal as set forth below.

If as a result of an appraisal appeal or for any other reason, the Taxable Value of the Applicant's Qualified Investment and/or the Applicant's Qualified Property is changed, once the determination of the new Taxable Value becomes final, the Parties shall immediately notify the Consultant who shall immediately issue new calculations for the applicable year or years using the new Taxable Value. In the event the new calculations result in a change in any amount paid or payable by the Applicant under this Agreement, the Party from whom the adjustment is payable shall remit such amounts to the other Party within thirty (30) days of the receipt of the new calculations from the Consultant.

Section 4.10. EFFECT OF STATUTORY CHANGES. Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 7.1, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by the Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, the District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State or another school district, because of its participation in this Agreement, the Applicant shall make payments to the District, up to the Revenue Protection Amount limit set forth in Section 7.1, that are necessary to offset any negative impact on the District as a result of its participation in this Agreement. Such calculation shall take into account any adjustments to the Revenue Protection Amount calculated for the current fiscal year that should be made in order to reflect the actual impact on the District.

ARTICLE V

PAYMENT OF EXTRAORDINARY EDUCATION-RELATED EXPENSES

Section 5.1. In addition to the amounts determined pursuant to Section 4.2 above, the Applicant, on an annual basis, shall also indemnify and reimburse the District for all non-reimbursable costs, certified by the District's external auditor to have been incurred by the District for extraordinary education-

related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project. Applicant shall have the right to contest the findings of the District's external auditor pursuant to Section 4.8 herein.

ARTICLE VI

SUPPLEMENTAL PAYMENTS

Section 6.1. SUPPLEMENTAL PAYMENTS. In addition to undertaking the responsibility for the payment of all of the amounts set forth under Articles IV and V, and as further consideration for the execution of this Agreement by the District, the Applicant shall also be responsible for supplemental payments (the "Supplemental Payments") set forth in this Article VI.

A. Amounts Exclusive of Indemnity Amounts. It is the express intent of the Parties that the Applicant's obligation to make Supplemental Payments under this Article VI is separate and independent of the obligation of the Applicant to pay the amounts described in Articles IV and V; provided, however, that all payments under Articles IV and VI are subject to the limitations contained in Section 7.1.

B. Adherence to Statutory Limits on Supplemental Payments. It is the express intent of the Parties that any Supplemental Payments made to or on behalf of the District by the Applicant, under this Article VI, shall not exceed the limit imposed by the provisions of TEXAS TAX CODE § 313.027(i), as such limit is allowed or required to be increased by the Legislature in a future year of this Agreement.

C. Explicit Identification of Payments to District. The Applicant shall not be responsible to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement made pursuant to Chapter 313, TEXAS TAX CODE, unless it is explicitly set forth in this Agreement.

Section 6.2. SUPPLEMENTAL PAYMENT LIMITATION.

Notwithstanding the foregoing:

A. the total of the Supplemental Payments made pursuant to this Article shall not exceed for any calendar year of this Agreement an amount equal to the greater of One Hundred Dollars (\$100.00) per student per year in average daily attendance, as defined by Section 42.005 of the TEXAS EDUCATION CODE, or Fifty Thousand Dollars (\$50,000.00) per year times the number of years beginning with the first complete or partial year of the Qualifying Time Period identified in Section 2.3.C and ending with the year for which the Supplemental Payment is being calculated minus all Supplemental Payments previously made by the Application;

B. Supplemental Payments may only be made during the period starting the first year of the Qualifying Time Period and ending December 31 of the third year following the end of the Tax Limitation Period.

C. the limitation in Section 6.2.A does not apply to amounts described by Section 313.027(f)(1)–(2) of the TEXAS TAX CODE as implemented in Articles IV and V of this Agreement.

D. For purposes of this Agreement, the calculation of the limit of the annual Supplemental Payment (the “Annual Limit”) shall be greater of: (1) \$100 multiplied by the District’s Average Daily Attendance as calculated pursuant to Section 42.005 of the TEXAS EDUCATION CODE, based upon the District’s Average Daily Attendance [ADA] for the preceding school year, rounded to the whole number; or (2) Fifty Thousand Dollars (\$50,000).

SECTION 6.3. STIPULATED SUPPLEMENTAL PAYMENT AMOUNT - SUBJECT TO ANNUAL LIMIT. Applicant shall make Supplemental Payments on or before January 31, 2022 (the payment due date for Tax Year 2021), and continuing thereafter on or before January 31 of each year for the maximum period permitted under Section 313.027(i) of the TEXAS TAX CODE, except that Applicant’s final Supplemental Payment shall be due on or before December 31, 2035 for tax year 2035. The Applicant shall make Supplemental Payments to District in an amount equal to the Annual Limit.

ARTICLE VII

ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

Section 7.1. ANNUAL LIMITATION. Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year of the Tax Limitation Period beginning after the first Tax Year of the Tax Limitation Period, in no event shall (i) the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District for such Tax Year, plus the sum of all payments otherwise due from the Applicant to the District under Articles IV, V, and VI of this Agreement with respect to such Tax Year, exceed (ii) the amount of the maintenance and operations ad valorem taxes that the Applicant would have paid to the District for such Tax Year (determined by using the District’s actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The calculation and comparison of the amounts described in clauses (i) and (ii) of the preceding sentence shall be included in all calculations made pursuant to Article IV of this Agreement, and in the event the sum of the amounts described in said clause (i) exceeds the amount described in said clause (ii), then the payments otherwise due from the Applicant to the District under Articles IV, V, and VI shall be reduced until such excess is eliminated.

Section 7.2. OPTION TO TERMINATE AGREEMENT. In the event that any payment otherwise due from the Applicant to the District under Article IV, Article V, or Article VI of this Agreement with respect to a Tax Year is subject to reduction in accordance with the provisions of Section 7.1, then the Applicant shall have the option to terminate this Agreement. The Applicant may exercise such option to terminate this Agreement by notifying the District of its election in writing not later than the July 31 of the year following the Tax Year with respect to which a reduction under Section 7.1 is applicable. Any termination of this Agreement under the foregoing provisions of this Section 7.2 shall be effective immediately prior to the second Tax Year next following the Tax Year in which the reduction giving rise to the option occurred.

Section 7.3. EFFECT OF OPTIONAL TERMINATION. Upon the exercise of the option to terminate pursuant to Section 7.2, this Agreement shall terminate and be of no further force or effect; provided, however, that:

A. the Parties respective rights and obligations under this Agreement with respect to the Tax Year or Tax Years (as the case may be) through and including the Tax Year during which such notification is delivered to the District, shall not be impaired or modified as a result of such termination and shall survive such termination unless and until satisfied and discharged; and

B. the provisions of this Agreement regarding payments (including liquidated damages and tax payments), records and dispute resolution shall survive the termination or expiration of this Agreement.

ARTICLE VIII

ADDITIONAL OBLIGATIONS OF APPLICANT

Section 8.1. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall Maintain Viable Presence in the District commencing at the start of the Tax Limitation Period through the Final Termination Date of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, the Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure, provided the Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure.

Section 8.2. REPORTS. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall submit all reports required from time to time by the Comptroller, listed in 34 TEXAS ADMIN. CODE Section

9.1052 and as currently located on the Comptroller's website, including all data elements required by such form to the satisfaction of the Comptroller on the dates indicated on the form or the Comptroller's website and starting on the first such due date after the Application Approval Date.

Section 8.3. COMPTROLLER'S REPORT ON CHAPTER 313 AGREEMENTS. During the term of this Agreement, both Parties shall provide the Comptroller with all information reasonably necessary for the Comptroller to assess performance under this Agreement for the purpose of issuing the Comptroller's report, as required by Section 313.032 of the TEXAS TAX CODE.

Section 8.4. DATA REQUESTS. Upon the written request of the District, the State Auditor's Office, the Appraisal District, or the Comptroller during the term of this Agreement, the Applicant, the District or any other entity on behalf of the District shall provide the requesting party with all information reasonably necessary for the requesting party to determine whether the Applicant is in compliance with its rights, obligations or responsibilities, including, but not limited to, any employment obligations which may arise under this Agreement.

Section 8.5. SITE VISITS AND RECORD REVIEW. The Applicant shall allow authorized employees of the District, the Comptroller, the Appraisal District, and the State Auditor's Office to have reasonable access to the Applicant's Qualified Property and business records from the

Application Review Start Date through the Final Termination Date, in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property.

A. All inspections will be made at a mutually agreeable time after the giving of not less than forty-eight (48) hours prior written notice, and will be conducted in such a manner so as not to unreasonably interfere with either the construction or operation of the Applicant's Qualified Property.

B. All inspections may be accompanied by one or more representatives of the Applicant, and shall be conducted in accordance with the Applicant's safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the Applicant to provide the District, the Comptroller, or the Appraisal District with any technical or business information that is proprietary, a trade secret, or is subject to a confidentiality agreement with any third party.

Section 8.6. RIGHT TO AUDIT; SUPPORTING DOCUMENTS; AUTHORITY OF STATE AUDITOR. By executing this Agreement, implementing the authority of, and accepting the benefits provided by Chapter 313 of the TEXAS TAX CODE, the Parties agree that this Agreement and their performance pursuant to its terms are subject to review and audit by the State Auditor as if they are parties to a State contract and subject to the provisions of Section 2262.154 of the TEXAS GOVERNMENT CODE and Section 313.010(a) of the TEXAS TAX CODE. The Parties further agree to comply with the following requirements:

A. The District and the Applicant shall maintain and retain supporting documents adequate to ensure that claims for the Tax Limitation Amount are in accordance with applicable Comptroller and State of Texas requirements. The Applicant and the District shall maintain all such documents and other records relating to this Agreement and the State's property for a period of four (4) years after the latest occurring date of:

- i. date of submission of the final payment;
- ii. Final Termination Date; or
- iii. date of resolution of all disputes or payment.

B. During the time period defined under Section 8.6.A, the District and the Applicant shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to this Agreement; the Applicant's Application; and the Applicant's Qualified Property, Qualified Investment, New Qualifying Jobs, and wages paid for New Non- Qualifying Jobs such as work papers, reports, books, data, files, software, records, calculations, spreadsheets and other supporting documents pertaining to this Agreement, for purposes of inspecting, monitoring, auditing, or evaluating by the Comptroller, State Auditor's Office, State of Texas or their authorized representatives. The Applicant and the District shall cooperate with auditors and other authorized Comptroller and State of Texas representatives and shall provide them with prompt access to all of such property as requested by the Comptroller or the State of Texas. By example and not as an exclusion to other breaches or failures, the Applicant's or the District's failure to comply with this Section shall constitute a Material Breach of this Agreement.

C. In addition to and without limitation on the other audit provisions of this Agreement, the acceptance of tax benefits or funds by the Applicant or the District or any other entity or person directly under this Agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Applicant or the District

or other entity that is the subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit. The Parties agree that this Agreement shall for its duration be subject to all rules and procedures of the State Auditor acting under the direction of the legislative audit committee.

D. The Applicant shall include the requirements of this Section 8.6 in its subcontract with any entity whose employees or subcontractors are subject to wage requirements under the Act, the Comptroller's Rules, or this Agreement, or any entity whose employees or subcontractors are included in the Applicant's compliance with job creation or wage standard requirement of the Act, the Comptroller's Rules, or this Agreement.

Section 8.7. FALSE STATEMENTS; BREACH OF REPRESENTATIONS. The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application, and any supplements or amendments thereto, without which the Comptroller would not have approved this Agreement and the District would not have executed this Agreement. By signature to this Agreement, the Applicant:

A. represents and warrants that all information, facts, and representations contained in the Application are true and correct to the best of its knowledge;

B. agrees and acknowledges that the Application and all related attachments and schedules are included by reference in this Agreement as if fully set forth herein; and

C. acknowledges that if the Applicant submitted its Application with a false statement, signs this Agreement with a false statement, or submits a report with a false statement, or it is subsequently determined that the Applicant has violated any of the representations, warranties, guarantees, certifications, or affirmations included in the Application or this Agreement, the Applicant shall have materially breached this Agreement and the Agreement shall be invalid and void except for the enforcement of the provisions required by Section 9.2 of this Agreement.

ARTICLE IX

MATERIAL BREACH OR EARLY TERMINATION

Section 9.1. EVENTS CONSTITUTING MATERIAL BREACH OF AGREEMENT. The Applicant shall be in Material Breach of this Agreement if it commits one or more of the following acts or omissions (each a "Material Breach"):

A. The Application, any Application Supplement, or any Application Amendment on which this Agreement is approved is determined to be inaccurate as to any material representation, information, or fact or is not complete as to any material fact or representation or such application;

B. The Applicant failed to complete Qualified Investment as required by Section 2.5.A. of this Agreement during the Qualifying Time Period;

C. The Applicant failed to create and maintain the number of New Qualifying Jobs required by the Act;

D. The Applicant failed to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application;

E. The Applicant failed to pay at least the average weekly wage of all jobs in the county in which the jobs are located for all New Non-Qualifying Jobs created by the Applicant;

F. The Applicant failed to provide payments to the District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV of this Agreement;

G. The Applicant failed to provide the payments to the District that protect the District from the payment of extraordinary education-related expenses related to the project to the extent and in the amounts that the Applicant agreed to provide such payments in Article V of this Agreement;

H. The Applicant failed to provide the Supplemental Payments to the extent and in the amounts that the Applicant agreed to provide such Supplemental Payments in Article VI of this Agreement;

I. The Applicant failed to create and Maintain Viable Presence on or with the Qualified Property as more fully specified in Article VIII of this Agreement;

J. The Applicant failed to submit the reports required to be submitted by Section 8.2 to the satisfaction of the Comptroller;

K. The Applicant failed to provide the District or the Comptroller with all information reasonably necessary for the District or the Comptroller to determine whether the Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement;

L. The Applicant failed to allow authorized employees of the District, the Comptroller, the Appraisal District, or the State Auditor's Office to have access to the Applicant's Qualified Property or business records in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property under Sections 8.5 and 8.6;

M. The Applicant failed to comply with a request by the State Auditor's office to review and audit the Applicant's compliance with this Agreement;

N. The Applicant has made any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on Appraised Value made pursuant to Chapter 313 of the TEXAS TAX CODE, in excess of the amounts set forth in Articles IV, V and VI of this Agreement;

O. The Applicant failed to comply with the conditions included in the certificate for limitation issued by the Comptroller.

Section 9.2. DETERMINATION OF BREACH AND TERMINATION OF AGREEMENT.

A. Prior to making a determination that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the District shall provide the Applicant with a written notice of the facts which it believes have caused the breach of this Agreement, and if cure is possible, the cure proposed by the District. After receipt of the notice, the Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in breach of its obligations under this Agreement, or that it has cured or undertaken to cure any such breach.

B. If the Board of Trustees is not satisfied with such response or that such breach has been cured, then the Board of Trustees shall, after reasonable notice to the Applicant, conduct a hearing called and held for the purpose of determining whether such breach has occurred and, if so, whether such breach has been cured. At any such hearing, the Applicant shall have the opportunity, together

with their counsel, to be heard before the Board of Trustees. At the hearing, the Board of Trustees shall make findings as to:

- i. whether or not a breach of this Agreement has occurred;
- ii. whether or not such breach is a Material Breach;
- iii. the date such breach occurred, if any;
- iv. whether or not any such breach has been cured; and

C. In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it shall at that time determine:

- i. the amount of recapture taxes under Section 9.4.C (net of all credits under Section 9.4.C);
- ii. the amount of any penalty or interest under Section 9.4.E that are owed to the District; and
- iii. in the event of a finding of a Material Breach, whether to terminate this Agreement.

D. After making its determination regarding any alleged breach, the Board of Trustees shall cause the Applicant to be notified in writing of its determination (a "Determination of Breach and Notice of Contract Termination") and provide a copy to the Comptroller.

Section 9.3. DISPUTE RESOLUTION.

A. After receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 9.2, the Applicant shall have ninety (90) days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to the District, in which case the District and the Applicant shall be required to make a good faith effort to resolve, without resort to litigation and within ninety (90) days after the Applicant initiates mediation, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then presiding in Frio County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the TEXAS CIVIL PRACTICE AND REMEDIES CODE and such other rules as the mediator shall prescribe. With respect to such mediation, (i) the District shall bear one-half of such mediator's fees and expenses and the Applicant shall bear one-half of such mediator's fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys' fees) incurred in connection with such mediation.

B. In the event that any mediation is not successful in resolving the dispute or that payment is not received within the time period described for mediation in Section 9.3.A, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in a judicial proceeding in a state district court in Frio County, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any contract, agreement or undertaking made by a Party pursuant to this Agreement.

C. If payments become due under this Agreement and are not received before the expiration of the ninety (90) days provided for such payment in Section 9.3.A, and if the Applicant has not contested such payment calculations under the procedures set forth herein, including judicial proceedings, the District shall have the remedies for the collection of the amounts determined under Section 9.4 as are set forth in Chapter 33, Subchapters B and C, of the TEXAS TAX CODE for the collection of

delinquent taxes. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees to the attorneys representing the District pursuant to Section 6.30 of the TEXAS TAX CODE and a tax lien shall attach to the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to Section 33.07 of the TEXAS TAX CODE to secure payment of such fees.

Section 9.4. Consequences of Early Termination or Other Breach by Applicant.

A. In the event that the Applicant terminates this Agreement without the consent of the District, except as provided in Section 7.2 of this Agreement, the Applicant shall pay to the District liquidated damages for such failure within ninety (90) days after receipt of the notice of breach.

B. In the event that the District determines that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the Applicant shall pay to the District liquidated damages, as calculated by Section 9.4.C, prior to, and the District may terminate the Agreement effective on the later of: (i) the expiration of the ninety (90) days provided for in Section 9.3.A, and (ii) thirty (30) days after any mediation and judicial proceedings initiated pursuant to Sections 9.3.A and 9.3.B are resolved in favor of the District.

C. The sum of liquidated damages due and payable shall be the sum total of the District ad valorem taxes for all of the Tax Years for which a tax limitation was granted pursuant to this Agreement prior to the year in which the default occurs that otherwise would have been due and payable by the Applicant to the District without the benefit of this Agreement, including penalty and interest, as calculated in accordance with Section 9.4.E. For purposes of this liquidated damages calculation, the Applicant shall be entitled to a credit for all payments made to the District pursuant to Articles IV, V, and VI. Upon payment of such liquidated damages, the Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

D. In the event that the District determines that the Applicant has committed a Material Breach identified in Section 9.1, after the notice and mediation periods provided by Sections 9.2 and 9.3, then the District may, in addition to the payment of liquidated damages required pursuant to Section 9.4.C, terminate this Agreement.

E. In determining the amount of penalty or interest, or both, due in the event of a breach of this Agreement, the District shall first determine the base amount of recaptured taxes less all credits under Section 9.4.C owed for each Tax Year during the Tax Limitation Period. The District shall calculate penalty or interest for each Tax Year during the Tax Limitation Period in accordance with the methodology set forth in Chapter 33 of the TEXAS TAX CODE, as if the base amount calculated for such Tax Year less all credits under Section 9.4.C had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(a) of the TEXAS TAX CODE, or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(c) of the TEXAS TAX CODE, or its successor statute.

Section 9.5. LIMITATION OF OTHER DAMAGES. Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the Applicant, the District's damages for such a default shall under no circumstances exceed the amounts calculated under Section 9.4. In addition, the District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement. The Parties further agree that the limitation of damages and remedies

set forth in this Section 9.5 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

Section 9.6. STATUTORY PENALTY FOR INADEQUATE QUALIFIED INVESTMENT.

Pursuant to Section 313.0275 of the TEXAS TAX CODE, in the event that the Applicant fails to make THIRTY MILLION DOLLARS (\$30,000,000) of Qualified Investment, in whole or in part, during the Qualifying Time Period, the Applicant is liable to the State for a penalty. The amount of the penalty is the amount determined by: (i) multiplying the maintenance and operations tax rate of the school district for that tax year that the penalty is due by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the Tax Year the penalty is due. This penalty shall be paid on or before February 1 of the year following the expiration of the Qualifying Time Period and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE. The Comptroller may grant a waiver of this penalty in the event of Force Majeure which prevents compliance with this provision.

Section 9.7. REMEDY FOR FAILURE TO CREATE AND MAINTAIN REQUIRED NEW QUALIFYING JOBS

Pursuant to Section 313.0276 of the TEXAS TAX CODE, for any full Tax Year that commences after the project has become operational, in the event that it has been determined that the Applicant has failed to meet the job creation or retention requirements defined in Sections 9.1.C, the Applicant shall not be deemed to be in Material Breach of this Agreement until such time as the Comptroller has made a determination to rescind this Agreement under Section 313.0276 of TEXAS TAX CODE, and that determination is final.

Section 9.8. REMEDY FOR FAILURE TO CREATE AND MAINTAIN COMMITTED NEW QUALIFYING JOBS

A. In the event that the Applicant fails to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application, an event constituting a Material Breach as defined in Section 9.1.D, the Applicant and the District may elect to remedy the Material Breach through a penalty payment.

B. Following the notice and mediation periods provided by Sections 9.2 and 9.3, the District may request the Applicant to make a payment to the State in an amount equal to: (i) multiplying the maintenance and operations tax rate of the school district for that Tax Year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the market value of the property identified on the Appraisal District's records for each tax year the Material Breach occurs.

C. In the event that there is no tax limitation in place for the tax year that the Material Breach occurs, the payment to the State shall be in an amount equal to: (i) multiplying the maintenance and operations tax rate of the School District for each tax year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the tax limitation amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the last Tax Year for which the Applicant received a tax limitation.

D. The penalty shall be paid no later than 30 days after the notice of breach and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE.

ARTICLE X. MISCELLANEOUS PROVISIONS

Section 10.1. INFORMATION AND NOTICES.

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (e.g., by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile or email transmission, with notice of receipt obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile or email transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

B. Notices to the District shall be addressed to the District's Authorized Representative as follows:

Pearsall Independent School District
Attention: Superintendent of Schools
Address: 318 Berry Ranch Road
Pearsall, Texas 78061
Phone: (830) 334-8001
E-Mail: Nobert.Rodriguez@pearsallisd.org

C. Notices to the Applicant shall be addressed to its Authorized Representative as follows:

Horizon Solar, LLC
Attention: Karl Pierce, Authorized Representative
Address: 11757 Katy Freeway, Suite 400
Houston, TX 77079
Phone: (832) 209-9909
E-Mail: Karl.Pierce@FirstSolar.com

With a copy to:

Horizon Solar, LLC
Attention: Randall Rayford, Associate, Project Development
Address: 11757 Katy Freeway, Suite 400
Houston, TX 77079
Phone: (281) 509-6262
E-Mail: Randall.Rayford@FirstSolar.com

D. A copy of any notice delivered to the Applicant shall also be delivered to any lender for which the Applicant has provided the District notice of collateral assignment information pursuant to Section 10.3.C, below.

Section 10.2. AMENDMENTS TO APPLICATION AND AGREEMENT; WAIVERS.

A. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties and after completing the requirements of Section 10.2.B. Waiver of any term, condition, or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition, or provision, or a waiver of any other term, condition, or provision of this Agreement.

B. By official action of the District's Board of Trustees, the Application and this Agreement may only be amended according to the following:

i. The Applicant shall submit to the District and the Comptroller:

a. a written request to amend the Application and this Agreement, which shall specify the changes the Applicant requests;

b. any changes to the information that was provided in the Application that was approved by the District and considered by the Comptroller;

c. and any additional information requested by the District or the Comptroller necessary to evaluate the amendment or modification;

ii. The Comptroller shall review the request and any additional information for compliance with the Act and the Comptroller's Rules and provide a revised Comptroller certificate for a limitation within 90 days of receiving the revised Application and, if the request to amend the Application has not been approved by the Comptroller by the end of the 90-day period, the request is denied; and

iii. If the Comptroller has not denied the request, the District's Board of Trustees shall approve or disapprove the request before the expiration of 150 days after the request is filed.

C. Any amendment of the Application and this Agreement adding additional or replacement Qualified Property pursuant to this Section 10.2 of this Agreement shall:

i. require that all property added by amendment be eligible property as defined by Section 313.024 of the TEXAS TAX CODE;

ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and

D. The Application and this Agreement may not be amended to extend the value limitation time period beyond its ten-year statutory term.

E. The Comptroller determination made under Section 313.026(c)(2) of the TEXAS TAX CODE in the original certificate for a limitation satisfies the requirement of the Comptroller to make the same determination for any amendment of the Application and this Agreement, provided that the facts upon which the original determination was made have not changed.

Section 10.3. ASSIGNMENT.

A. Any assignment of any rights, benefits, obligations, or interests of the Parties in this Agreement, other than a collateral assignment purely for the benefit of creditors of the project, is considered an amendment to the Agreement and such Party may only assign such rights, benefits, obligations, or interests of this Agreement after complying with the provisions of Section 10.2 regarding amendments to the Agreement. Other than a collateral assignment to a creditor, this Agreement may only be assigned to an entity that is eligible to apply for and execute an agreement for limitation on appraised value pursuant to the provisions of Chapter 313 of the TEXAS TAX CODE and the Comptroller's Rules.

B. In the event of a merger or consolidation of the District with another school district or other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

C. In the event of an assignment to a creditor, the Applicant must notify the District and the Comptroller in writing no later than 30 days after the assignment. This Agreement shall be binding on the assignee.

Section 10.4. MERGER. This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 10.5. Governing Law. This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in a state district court in Frio County.

Section 10.6. AUTHORITY TO EXECUTE AGREEMENT. Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

Section 10.7. SEVERABILITY. If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal, or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision, or condition cannot be so reformed, then such term, provision, or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality, and enforceability of the remaining terms, provisions, and conditions contained herein (and any other application such term, provision, or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible so that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.7, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree, or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

Section 10.8. PAYMENT OF EXPENSES. Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement.

Section 10.9. INTERPRETATION.

Agreement for Limitation on Appraised Value
Between Pearsall Independent School District and Horizon
Solar, LLC.
March 25, 2020
Page 24 of 29

*Texas Economic Development Act Agreement
Comptroller Form 50-826 (Jan 2016)*

A. When a reference is made in this Agreement to a Section, Article, or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

B. The words “include,” “includes,” and “including” when used in this Agreement shall be deemed in such case to be followed by the phrase, “but not limited to”. Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require.

C. The provisions of the Act and the Comptroller’s Rules are incorporated by reference as if fully set forth in this Agreement. In the event of a conflict, the conflict will be resolved by reference to the following order of precedence:

- i. The Act;
- ii. The Comptroller’s Rules as they exist at the time the Agreement is executed, except as allowed in the definition of Qualified Property in Section 1.1; and
- iii. This Agreement and its Attachments including the Application as incorporated by reference.

Section 10.10. EXECUTION OF COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

Section 10.11. PUBLICATION OF DOCUMENTS. The Parties acknowledge that the District is required to publish the Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to the District; and the approved and executed copy of this Agreement or any amendment thereto, as follows:

A. Within seven (7) days of receipt of such document, the District shall submit a copy to the Comptroller for publication on the Comptroller’s Internet website;

B. The District shall provide on its website a link to the location of those documents posted on the Comptroller’s website;

C. This Section does not require the publication of information that is confidential under Section 313.028 of the TEXAS TAX CODE.

Section 10.12. CONTROL; OWNERSHIP; LEGAL PROCEEDINGS. The Applicant shall immediately notify the District in writing of any actual or anticipated change in the control or ownership of the Applicant and of any legal or administrative investigations or proceedings initiated against the Applicant related to the project regardless of the jurisdiction from which such proceedings originate.

Section 10.13. DUTY TO DISCLOSE. If circumstances change or additional information is obtained regarding any of the representations and warranties made by the Applicant in the Application or this Agreement, or any other disclosure requirements, subsequent to the date of this Agreement, the Applicant’s duty to disclose continues throughout the term of this Agreement.

Section 10.14. CONFLICTS OF INTEREST.

A. The District represents that, after diligent inquiry, each local public official or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, has disclosed any conflicts of interest in obtaining or performing this Agreement and related activities, appropriately recused from any decisions relating to this Agreement when a disclosure has been made, and the performance of this Agreement will not create any appearance of impropriety. The District represents that it, the District's local public officials or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

B. The Applicant represents that, after diligent inquiry, each of its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, involved in the representation of the Applicant with the District has complied with the provisions of Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE. The Applicant represents that it and its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

C. The District and the Applicant each separately agree to notify the other Party and the Comptroller immediately upon learning of any conflicts of interest.

Section 10.15. PROVISIONS SURVIVING EXPIRATION OR TERMINATION. Notwithstanding the expiration or termination (by agreement, breach, or operation of time) of this Agreement, the provisions of this Agreement regarding payments (including liquidated damages and tax payments), reports, records, and dispute resolution of the Agreement shall survive the termination or expiration dates of this Agreement until the following occurs:

- A. all payments, including liquidated damage and tax payments, have been made;
- B. all reports have been submitted;
- C. all records have been maintained in accordance with Section 8.6.A; and
- D. all disputes in controversy have been resolved.

Section 10.16. FACSIMILE OR ELECTRONIC DELIVERY.

A. This Agreement may be duly executed and delivered in person, by mail, or by facsimile or other electronic format (including portable document format (pdf) transmitted by e-mail). The executing Party must promptly deliver a complete, executed original or counterpart of this Agreement to the other executing Parties. This Agreement shall be binding on and enforceable against the executing Party whether or not it delivers such original or counterpart.

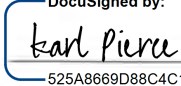
B. Delivery is deemed complete as follows:

- i. When delivered if delivered personally or sent by express courier service;
- ii. Three (3) business days after the date of mailing if sent by registered or certified U.S. mail, postage prepaid, with return receipt requested;
- iii. When transmitted if sent by facsimile, provided a confirmation of transmission is produced by the sending machine; or
- iv. When the recipient, by an e-mail sent to the e-mail address for the executing Parties acknowledges having received that e-mail (an automatic "read receipt" does not constitute acknowledgment of an e-mail for delivery purposes).

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this **25th day of March 2020**.

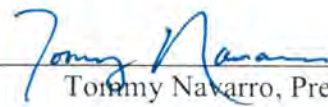
HORIZON SOLAR, LLC

By:  
525A8669D88C4C1...

Name: Karl Pierce

Title: Authorized Representative

**PEARSALL INDEPENDENT
SCHOOL DISTRICT**

By: 
Tommy Navarro, President
Board of Trustees

ATTEST:

Sandra Waldrum, Secretary
Board of Trustees

EXHIBIT 1

DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE

The legal description of the Reinvestment Zone is located entirely within Frio County and more particularly described below as the Legal Description of Reinvestment Zone.

Parcel ID	County	Abstract Label	Survey
6223	Frio	A-870	B L CROUCH
6221	Frio	A-862	E J BURDEN
6219	Frio	A-98	BEATY SEALE AND FORWOOD
6227	Frio	A-90	BEATY SEALE AND FORWOOD
5470	Frio	A-90	BEATY SEALE AND FORWOOD
6220	Frio	A-99	BEATY SEALE AND FORWOOD
23252	Frio	A-99	BEATY SEALE AND FORWOOD
6222	Frio	A-863	E J BURDEN
6228	Frio	A-331	DOLORES GARCIA
6224	Frio	A-872	B L CROUCH
6218	Frio	A-96	BEATY SEALE AND FORWOOD
3343	Frio	A-96	BEATY SEALE AND FORWOOD
1227	Frio	A-96	BEATY SEALE AND FORWOOD
6225	Frio	A-877	B J GILMAN
1366	Frio	A-872	B L CROUCH
1361	Frio	A-96	BEATY SEALE AND FORWOOD
22792	Frio	A-872	B L CROUCH

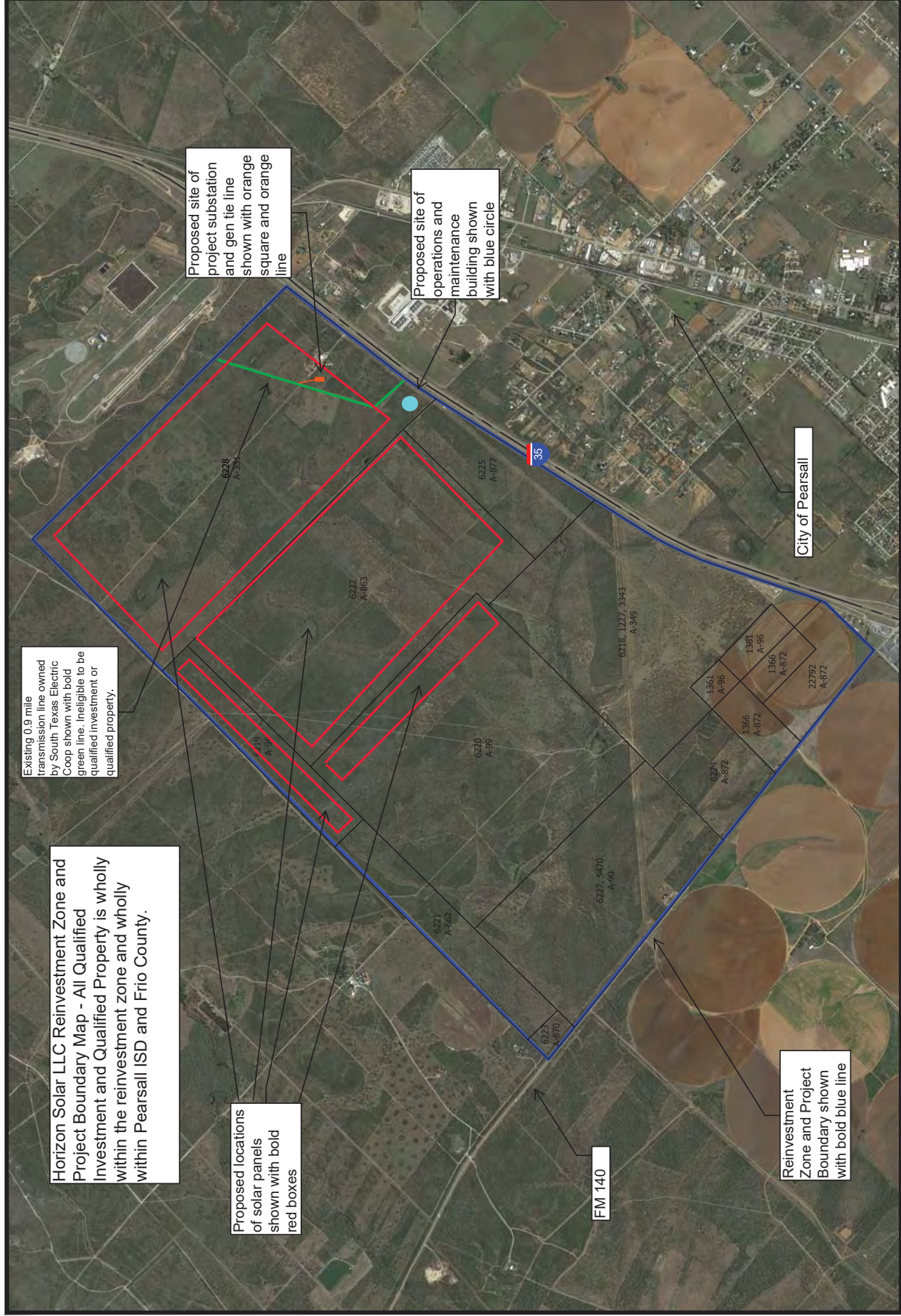


EXHIBIT 2

DESCRIPTION AND LOCATION OF LAND

All Qualified Property will be located within the Reinvestment Zone described in Exhibit 1, above.

EXHIBIT 3

APPLICANT'S QUALIFIED INVESTMENT

The Project will be constructed on approximately 1,650 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Pearsall Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 200 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.

Horizon Solar 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 substation, generation transmission tie line and associated towers, and interconnection facilities.

EXHIBIT 4

DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

The Project will be constructed on approximately 1,650 acres, which is part of a larger, long-term lease agreement. The Project will be located entirely within Pearsall Independent School District. The proposed Project will include, but is not limited to, the following:

- Planned up to 200 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.

Horizon Solar 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 substation, generation transmission tie line and associated towers, and interconnection facilities.

EXHIBIT 5

AGREEMENT SCHEDULE

	Year of Agreement	Date of Appraisal	School Year	Tax Year	Summary of Description
Limitation Pre-Year(s)	1	January 1, 2021	2021-22	2021	Limitation Pre-Year; QTP Begins
	2	January 1, 2022	2022-23	2022	Limitation Pre-Year; QTP Ends December 31, 2022
	3	January 1, 2023	2023-24	2023	\$30 Million appraisal limitation
	4	January 1, 2024	2024-25	2024	\$30 Million appraisal limitation
Limitation Period (10 Years)	5	January 1, 2025	2025-26	2025	\$30 Million appraisal limitation
	6	January 1, 2026	2026-27	2026	\$30 Million appraisal limitation
	7	January 1, 2027	2027-28	2027	\$30 Million appraisal limitation
	8	January 1, 2028	2028-29	2028	\$30 Million appraisal limitation
	9	January 1, 2029	2029-30	2029	\$30 Million appraisal limitation
	10	January 1, 2030	2030-31	2030	\$30 Million appraisal limitation
	11	January 1, 2031	2031-32	2031	\$30 Million appraisal limitation
	12	January 1, 2032	2032-33	2032	\$30 Million appraisal limitation; Limitation Period Ends December 31, 2032
	13	January 1, 2033	2033-34	2033	No appraisal limitation; must maintain viable presence
	14	January 1, 2034	2034-35	2034	No appraisal limitation; must maintain viable presence
Maintain Viable Presence	15	January 1, 2035	2035-36	2035	No appraisal limitation; must maintain viable presence
	16	January 1, 2036	2036-37	2036	No appraisal limitation; must Maintain viable presence.
	17	January 1, 2037	2037-38	2037	No appraisal limitation; must maintain viable presence; Final Termination Date: December 31, 2037.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES by and between PEARSALL INDEPENDENT SCHOOL
DISTRICT and HORIZON SOLAR, LLC

EXHIBIT E

Comptroller's Franchise Tax Account Status



Franchise Tax Account Status

As of : 03/24/2020 19:38:25

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

HORIZON SOLAR, LLC	
Texas Taxpayer Number	32070351229
Mailing Address	350 W WASHINGTON ST STE 600 TEMPE, AZ 85281-1496
❓ Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	04/09/2019
Texas SOS File Number	0803288428
Registered Agent Name	C T CORPORATION SYSTEM
Registered Office Street Address	1999 BRYAN ST., STE. 900 DALLAS, TX 75201