

UNDERWOOD

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July 29, 2019

John Villarreal
Stephanie Jones
Economic Development and Analysis Division
Texas Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774

Via Email and Federal Express

Re: 313 Application – Texas Solar Nova 2, LLC

Dear John and Stephanie:

Enclosed please find an application for appraised value limitation on qualified property submitted to Jayton-Girard ISD by Texas Solar Nova 2, LLC on July 22, 2019, along with the schedules in Excel format. A CD containing these documents is also enclosed.

The Jayton-Girard ISD Board elected to accept the application on July 22, 2019. The application was determined to be complete on July 29, 2019. We ask that the Comptroller's Office prepare the economic impact report for this application.

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

Sincerely,



Fred A. Stormer

Encl.
0D2PGG

cc: Chief Appraiser, Kent Central Appraisal District
Patrick Sullivan, Clearway Energy
June Gray, Core Solar

via US Mail
via email: Patrick.sullivan@clearwayenergy.com
via email: june@coresolar.energy

Texas Solar Nova 2, LLC

Application for Chapter 313 Tax Abatement

to the

Jayton-Girard Independent School District

July 22, 2019

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 1

Application Documents

Documents attached

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

July 22, 2019

Date Application Received by District

Trig

First Name

Overbo

Last Name

Superintendent

Title

Jayton-Girard Independent School District

School District Name

700 Madison Avenue

Street Address

P.O. Box 168

Mailing Address

Jayton

City

806-237-2991

Phone Number

Texas

State

79528

ZIP

Fax Number

toverbo@esc17.net

Email Address

Mobile Number (optional)

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



Yes



No

SECTION 1: School District Information *(continued)*3. Authorized School District Consultant *(If Applicable)*

Fred	Stormer
First Name	Last Name
Attorney	
Title	
Underwood Law Firm, P.C.	
Firm Name	
806-379-0306	806-379-0316
Phone Number	Fax Number
	fred.stormer@uwlaw.com
Mobile Number <i>(optional)</i>	Email Address

4. On what date did the district determine this application complete? July 29, 2019

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

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

Patrick	Sullivan	
First Name	Last Name	
Vice President	Clearway Energy Group	
Title	Organization	
100 California St, Suite 200		
Street Address		
Mailing Address		
San Francisco	CA	94111
City	State	ZIP
Phone Number	Fax Number	
	Patrick.Sullivan@clearwayenergy.com	
Mobile Number <i>(optional)</i>	Business Email Address	

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

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

Nathan	Lapierre	
First Name	Last Name	
Manager, Project Development	Clearway Energy Group	
Title	Organization	
100 California St, Suite 200		
Street Address		
Mailing Address		
San Francisco	CA	94111
City	State	ZIP
Phone Number	Fax Number	
628-600-4209	Nate.Lapierre@clearwayenergy.com	
Mobile Number <i>(optional)</i>	Business Email Address	

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

June	Gray
First Name	Last Name
Project Development Consultant	
Title	
Core Solar, LLC	
Firm Name	
512-684-1989	
Phone Number	Fax Number
june@coresolar.energy	
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? Texas Solar Nova 2, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32070952885
3. List the NAICS code 221114
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☒ No
- 4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

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

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

☒ Land has no existing improvements

☐ Land has existing improvements (*complete Section 13*)

☐ Expansion of existing operation on the land (*complete Section 13*)

☐ Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

1. Application approval by school board Q4 2019
2. Commencement of construction Q4 2020
3. Beginning of qualifying time period January 2, 2021
4. First year of limitation 2022
5. Begin hiring new employees Q2 2022
6. Commencement of commercial operations Q2 2022
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? Q2 2022

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Kent County, Texas
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Kent County Appraisal District
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: Kent County, \$0.725045, 100% City: N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: N/A Water District: N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (describe): Kent County R&B, \$0.135419, 100%, Other (describe): N/A
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? ☒ Yes ☐ No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ☐ Yes ☒ No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 10,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 20,000,000.00
Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ☒ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ☒ Yes ☐ No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 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? N/A

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

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

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

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0
2. What is the last complete calendar quarter before application review start date:
☐ First Quarter ☒ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2019
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 2
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☒ Yes ☐ No
- 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
- a. Average weekly wage for all jobs (all industries) in the county is 751.50
- b. 110% of the average weekly wage for manufacturing jobs in the county is n/a
- c. 110% of the average weekly wage for manufacturing jobs in the region is 934.53
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? 48,595.80
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 48,595.80
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☒ No
- 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☒ No
- 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

Tab 2

Proof of Payment of Application Fee

Proof of Payment attached.

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

Combined Group Membership Documentation

Texas Solar Nova 2, LLC is a new entity. It will file its initial franchise tax report as part of the affiliate group on the attached list.

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

Detailed Description of Project

The Texas Solar Nova 2 (aka Kent 3 Solar, TX Kent 3, TX Kent 3 Solar, Kent3 Solar Site) project will be an approximately 200 MW AC photovoltaic solar power generation facility that would be built on approximately 1,883 acres out of the reinvestment zone (Tab16) of privately owned land in Kent County, Texas. The site is currently located in the southwest and central portion of the reinvestment zone which is surrounded by County Road 235 to the north and west, County Road 229 to the south, State Highway 1081 to the east and County Road 233 across the center portions of the reinvestment zone in an east to west direction. Currently the site is undeveloped and consists of a mixture of scrub ground cover and desert grasslands.

The Texas Solar Nova 2 project will consist of, but not be limited to solar photovoltaic modules, single axis tracking systems, driven-pile foundations, DC wiring, DC/AC inverters, medium voltage step-up transformers, AC cabling and a central substation with protective circuit breakers and switchgear including a high voltage step-up transformer.

Documentation to assist in determining if limitation is a determining factor

Section 8, #2: Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?

Texas Solar Nova 2, LLC has begun typical due course, early stage due diligence to explore feasibility of constructing the solar facilities at this site. As such, certain contracts have been executed, including lease and easement agreements with landowners, contracts with environmental contractors to explore environmental impacts of the proposed project, and an Interconnection Study Agreement (GINR 19INR0001 assigned in November 2015 shared with two other projects) with the transmission provider. None of these contracts obligate Texas Solar Nova 2 to construct the project.

Section 8, #7 & #10: Is the applicant evaluating other locations not in Texas for the proposed project?

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?

Clearway Energy has a 9GW portfolio of solar & wind projects under development across 24 States, including in the nearby states of New Mexico, Oklahoma, and Kansas, which have similar resources and regulatory environments. While Texas Solar Nova 2 is specific to Kent County Texas, Clearway is developing multiple projects within Texas. The decision to pursue projects and contribute limited capital, human, and solar resources is largely predicated on the economic return for a project and is constantly compared to returns from other locations within and outside of Texas. Clearway must pick the best projects to advance as a company, and the economic return is a primary determinant for this decision.

Without the available tax incentives, the economics of the project become far less attractive and the likelihood of completing the project and selling the electricity at competitive prices becomes unlikely. If the Texas Solar Nova 2 project is not able to obtain a value limitation agreement, the project would most likely be terminated and resources would be allocated to projects with more favorable economics that can also offer competitive power prices.

Tab 6

Other School District Information

The entire project will be located within the jurisdiction of the Jayton-Girard School District.

Description of Qualified Investment

The Texas Solar Nova 2 (aka Kent 3 Solar, TX Kent 3, TX Kent 3 Solar, Kent3 Solar Site) project will be an approximately 200 MW AC photovoltaic solar power generation facility that would be built on approximately 1,883 acres out of the reinvestment zone (Tab16) of privately owned land in Kent County, Texas. The site is currently located in the southwest and central portion of the reinvestment zone which is surrounded by County Road 235 to the north and west, County Road 229 to the south, State Highway 1081 to the east and County Road 233 across the center portions of the reinvestment zone in an east to west direction. Currently the site is undeveloped and consists of a mixture of scrub ground cover and desert grasslands.

The Texas Solar Nova 2 project will consist of, but not be limited to solar photovoltaic modules, single axis tracking systems, driven-pile foundations, DC wiring, DC/AC inverters, medium voltage step-up transformers, AC cabling and a central substation with protective circuit breakers and switchgear including a high voltage step-up transformer.

Description of Qualified Property

The Texas Solar Nova 2 (aka Kent 3 Solar, TX Kent 3, TX Kent 3 Solar, Kent3 Solar Site) project will be an approximately 200 MW AC photovoltaic solar power generation facility that would be built on approximately 1,883 acres out of the reinvestment zone (Tab16) of privately owned land in Kent County, Texas. The site is currently located in the southwest and central portion of the reinvestment zone which is surrounded by County Road 235 to the north and west, County Road 229 to the south, State Highway 1081 to the east and County Road 233 across the center portions of the reinvestment zone in an east to west direction. Currently the site is undeveloped and consists of a mixture of scrub ground cover and desert grasslands.

The Texas Solar Nova 2 project will consist of, but not be limited to solar photovoltaic modules, single axis tracking systems, driven-pile foundations, DC wiring, DC/AC inverters, medium voltage step-up transformers, AC cabling and a central substation with protective circuit breakers and switchgear including a high voltage step-up transformer.

The legal description of the qualified property is included in Tab 9. The map showing the qualified property is included in Tab 11.

Description of Land

The land located in Kent County, State of Texas, containing 1,883 acres, more or less, as described below and as shown in Tab 11 Figure 2:

TRACT I:

All of that real property lying in Kent County being Section 4, Block B, PSL Survey, A-1501, consisting of approximately 690 acres, more or less.

TRACT II:

That real property lying in Kent County being the Northwest 165 acres, more or less, of Section 3, Block B, PSL Survey, A-1503.

TRACT III:

All of that real property lying in Kent County being Section 8, Block B, PSL Survey, A-1519, consisting of approximately 690 acres, more or less.

TRACT IV:

All of that real property lying in Kent County being the Southeast Quarter (SE/4) Section 40, Block 2, PSL Survey, A-1274, consisting of approximately 178 acres, more or less.

TRACT V:

All of that real property lying in Kent County being Section 1, S.S. Snowden, Bexar Preemption Survey, A-964, consisting of approximately 160 acres, more or less.

Tab 10

Description of Property not Eligible to become Qualified Property

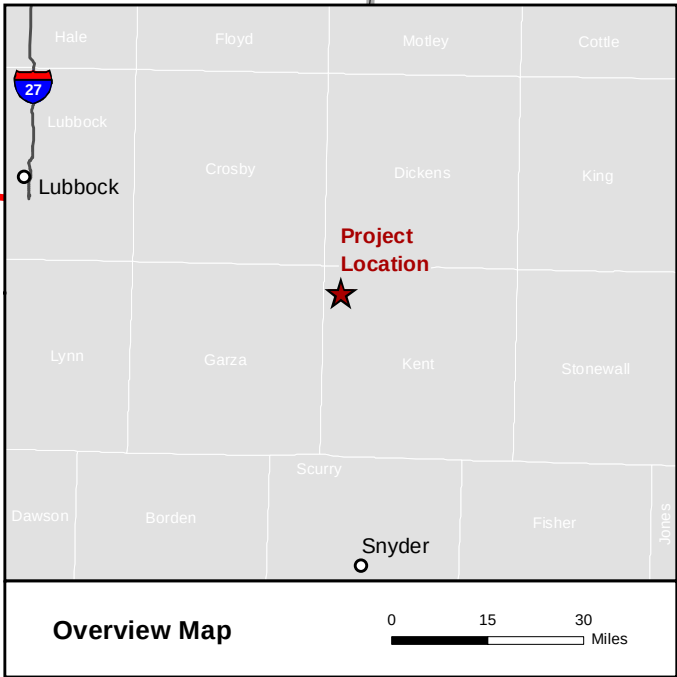
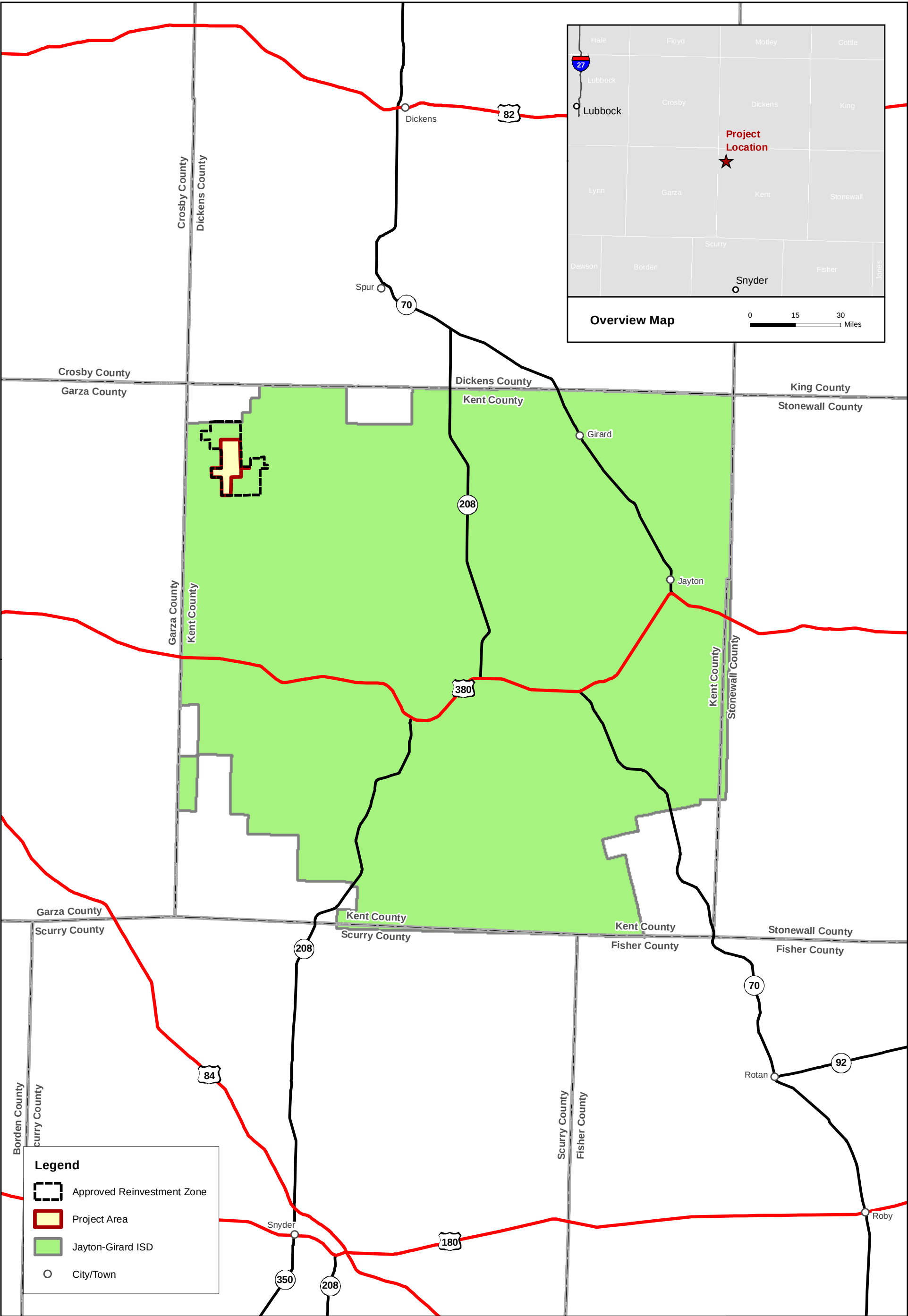
N/A

Tab 11

Map of Project

Maps attached, including:

1. Texas Solar Nova 2, LLC ISD Overview
2. Texas Solar Nova 2, LLC Qualified Investment and Property
3. Texas Solar Nova 2, LLC Reinvestment Zone



Legend

- Approved Reinvestment Zone
- Project Area
- Jayton-Girard ISD
- City/Town

Texas Solar Nova 2, LLC
Texas Solar Nova 2
School District Overview

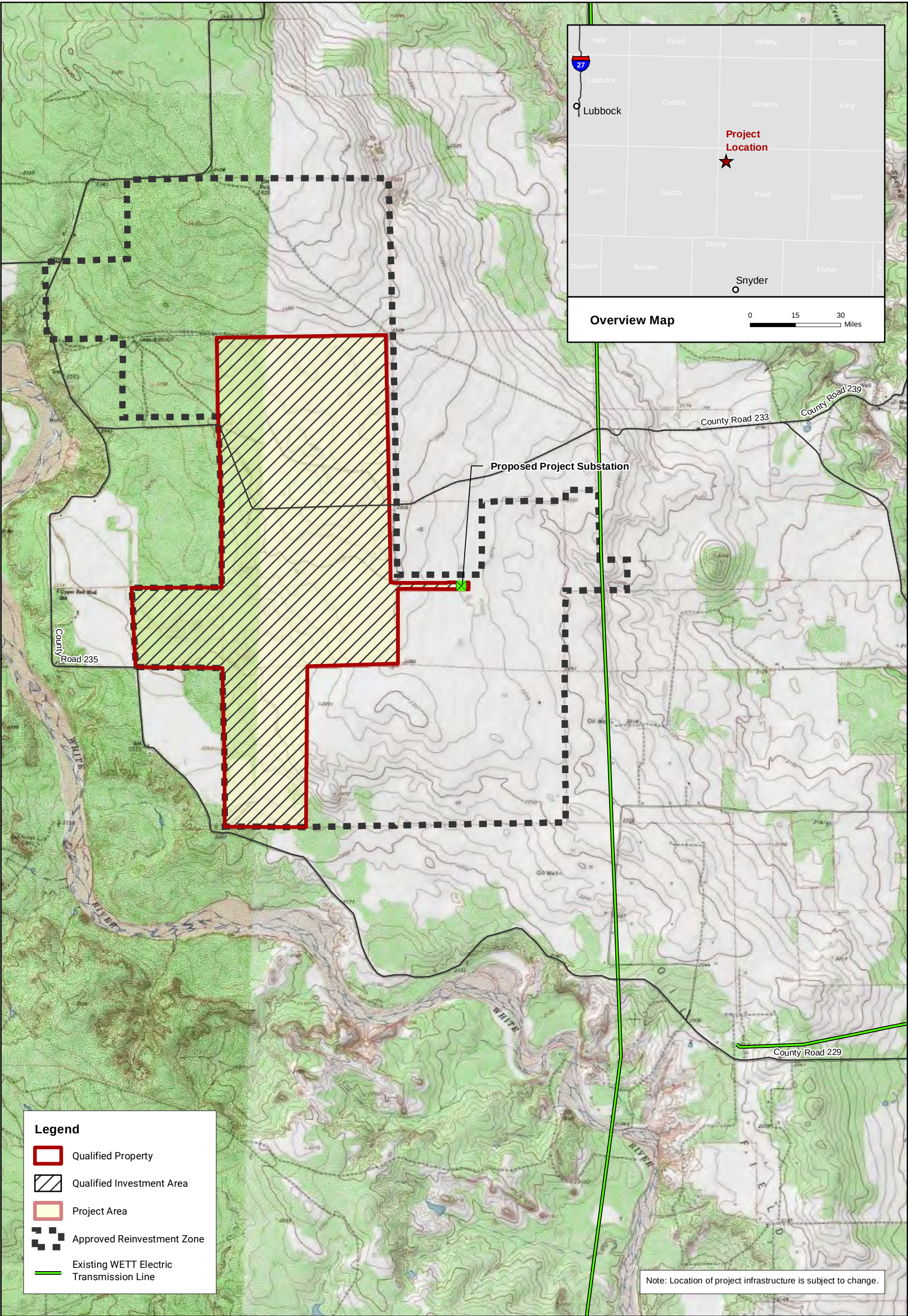
Project Location: Kent County, Texas

N

0 2.5 5 Miles

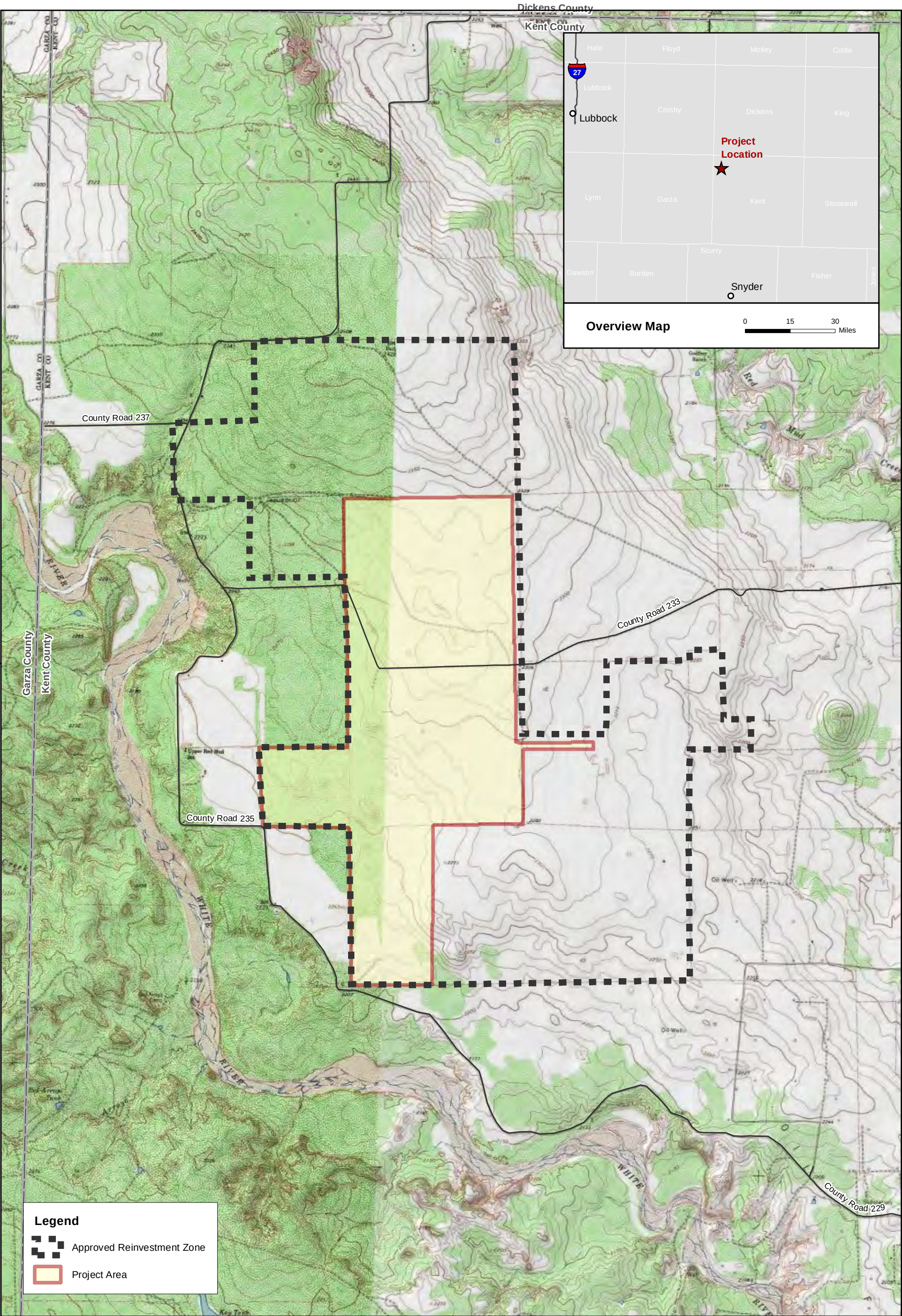
FIGURE 1

Prepared by: L. Kauffman Date: 2019-07-11



Texas Solar Nova 2, LLC
Texas Solar Nova 2
Qualified Investment Area,
Qualified Property, and Proposed Infrastructure

Project Location: Kent County, Texas	
FIGURE 2	
Prepared by: L. Kauffman	Date: 2019-07-11



Texas Solar Nova 2, LLC Texas Solar Nova 2 Approved Reinvestment Zone		Project Location: Kent County, Texas	
			01,5003,000 Feet
		FIGURE 3	
Prepared by: L. Kauffman		Date: 2019-07-11	

Tab 12

Request for waiver of Job Creation Requirement

Letter Attached.

Clearway Energy Group
100 California Street, Floor 4
San Francisco, CA 94111

clearwayenergygroup.com



July 16, 2019

Trig Overbo, Superintendent
Jayton-Girard Independent School District
200 Madison Ave
Jayton, TX, 79528

RE: Texas Solar Nova 2, LLC Job Requirement Waiver Request

Superintendent Overbo:

Please consider this letter to be Texas Solar Nova 2, LLC's formal request to waive the minimum new job creation Requirement, as provided under Texas Tax Code 313.025(f-l).

As background information on the creation of full-time jobs for solar energy projects, these projects create a large number of temporary full-time jobs during the construction phase, but require only a small number of highly skilled employees to operate and maintain the facility once construction ends and commercial operations begin. The permanent employees of a solar project maintain and service solar panels, mounting racks and trackers, underground electrical connections, inverters, substations and related infrastructure. Additionally, there are also asset managers who supervise, monitor and support solar operations from offsite locations.

The solar industry standard for the number of permanent qualifying jobs necessary for the operation and maintenance of a solar facility is less than the minimum new qualifying jobs requirement. For a typical facility, two (2) jobs are created for a plant up to 250 MWac increasing to four (4) for projects larger than 250 MWac. Therefore, consistent with solar industry standards and based on the anticipated needs of the planned 200 MWac facility, Texas Solar Nova 2, LLC is committed to creating two (2) new qualifying jobs.

Texas Solar Nova 2, LLC respectfully requests that the Jayton-Girard ISD's Board of Trustees waive the new jobs requirement for its application and find that the industry standard for the number of employees is less than the minimum new jobs creation requirement.

Respectfully,

A handwritten signature in blue ink, appearing to read 'PSM', with a stylized flourish at the end.

Patrick Sullivan

Vice President, Texas Solar Nova 2, LLC

Calculation of three possible wage requirements with TWC documentation

Kent County All Industries Average Weekly Wages

Year	Period	Area	Ownership	Ind. Code	Industry	Avg. Weekly Wages
2018	1st Qtr	Kent County	Total All	10	Total, All Industries	\$ 756.00
2018	2nd Qtr	Kent County	Total All	10	Total, All Industries	\$ 675.00
2018	3rd Qtr	Kent County	Total All	10	Total, All Industries	\$ 715.00
2018	4th Qtr	Kent County	Total All	10	Total, All Industries	\$ 860.00
					4 Period Weekly Average	\$ 751.50
					110% of Average Weekly Wage	\$ 826.65
					110% of Annual Wages	\$ 42,985.80

Kent County Average Manufacturing Weekly Wages

Kent County average weekly wage for manufacturing jobs is not available.

COG Region Wage

West Central Texas Council of Governments		
2017 Average Manufacturing Wages	Hourly	Annual
	\$ 21.24	\$ 44,178.00
Avg Weekly Wage		\$ 849.58
110% of Region Weekly Wage		\$ 934.53
110% of Annual Wages		\$ 48,595.80

Quarterly Employment and Wages (QCEW)

Kent County All Industries Average Weekly Wages

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	01	Kent	Total All	10	Total, All Industries	756
2018	02	Kent	Total All	10	Total, All Industries	675
2018	03	Kent	Total All	10	Total, All Industries	715
2018	04	Kent	Total All	10	Total, All Industries	860

Kent County Average Manufacturing Weekly Wages

N/A - Kent County average weekly wage for manufacturing jobs is not available.

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.

Tab 14

Form 50-296A, Schedules A-D

Attached to Application package

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

Date 7/15/19
Applicant Name Texas Solar Nova 2, LLC
ISD Name Jayton-Girard

Form 50-296A

Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (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	Stub	2021-2022	2021	Not eligible to become Qualified Property		\$0	\$0	\$0
Investment made after filing complete application with district, but before final board approval of application				\$0	\$0	\$0	\$0	\$0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				\$169,650,000	\$0	\$0	\$0	\$169,650,000
Complete tax years of qualifying time period	QTP1	2022-2023	2022	\$0	\$0	\$0	\$0	\$0
	QTP2	2023-2024	2023	\$0	\$0	\$0	\$0	\$0
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$169,650,000	\$0	\$0	\$0	\$ 169,650,000.00
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$169,650,000				

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.

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

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		169,650,000	\$0	\$0	\$0	169,650,000
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	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	0
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	Stub	2021-2022	2021	\$169,650,000	\$0	\$0	\$0	169,650,000
Value limitation period***	QTP1/LP1	2022-2023	2022	\$0	\$0	\$0	\$0	0
	QTP2/LP2	2023-2024	2023	\$0	\$0	\$0	\$0	0
	3	2024-2025	2024	\$0	\$0	\$0	\$0	0
	4	2025-2026	2025	\$0	\$0	\$0	\$0	0
	5	2026-2027	2026	\$0	\$0	\$0	\$0	0
	6	2027-2028	2027	\$0	\$0	\$0	\$0	0
	7	2028-2029	2028	\$0	\$0	\$0	\$0	0
	8	2029-2030	2029	\$0	\$0	\$0	\$0	0
	9	2030-2031	2030	\$0	\$0	\$0	\$0	0
	10	2031-2032	2031	\$0	\$0	\$0	\$0	0
Total Investment made through limitation				169,650,000	\$0	\$0	\$0	169,650,000
Continue to maintain viable presence	11	2032-2033	2032			\$0		
	12	2033-2034	2033			\$0		
	13	2034-2035	2034			\$0		
	14	2035-2036	2035			\$0		
	15	2036-2037	2036			\$0		
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037			\$0		
	17	2038-2039	2038			\$0		
	18	2039-2040	2039			\$0		
	19	2040-2041	2040			\$0		
	20	2041-2042	2041			\$0		
	21	2042-2043	2042			\$0		
	22	2043-2044	2043			\$0		
	23	2044-2045	2044			\$0		
	24	2045-2046	2045			\$0		
	25	2046-2047	2046			\$0		

* 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 A

For All 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

7/15/19

Applicant Name

Texas Solar Nova 2, LLC

Form 50-296A

ISD Name

Jayton-Girard

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	0	2019-2020	2019	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of Value Limitation Period	0	2020-2021	2020	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of Value Limitation Period	Stub	2021-2022	2021	\$0	\$0	\$0	\$0	\$0	\$0
Value Limitation Period	QTP1/LP1	2022-2023	2022	\$0	\$157,944,150	\$157,944,150	\$157,944,150	\$157,944,150	\$20,000,000
	QTP2/LP2	2023-2024	2023	\$0	\$145,220,400	\$145,220,400	\$145,220,400	\$145,220,400	\$20,000,000
	3	2024-2025	2024	\$0	\$131,648,400	\$131,648,400	\$131,648,400	\$131,648,400	\$20,000,000
	4	2025-2026	2025	\$0	\$116,888,850	\$116,888,850	\$116,888,850	\$116,888,850	\$20,000,000
	5	2026-2027	2026	\$0	\$100,941,750	\$100,941,750	\$100,941,750	\$100,941,750	\$20,000,000
	6	2027-2028	2027	\$0	\$83,807,100	\$83,807,100	\$83,807,100	\$83,807,100	\$20,000,000
	7	2028-2029	2028	\$0	\$65,145,600	\$65,145,600	\$65,145,600	\$65,145,600	\$20,000,000
	8	2029-2030	2029	\$0	\$45,126,900	\$45,126,900	\$45,126,900	\$45,126,900	\$20,000,000
	9	2030-2031	2030	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	10	2031-2032	2031	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
Continue to maintain viable presence	11	2032-2033	2032	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	12	2032-2033	2033	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	13	2033-2034	2034	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	14	2034-2035	2035	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	15	2035-2036	2036	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2037	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	17	2037-2038	2038	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	18	2038-2039	2039	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	19	2039-2040	2040	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	20	2040-2041	2041	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	21	2041-2042	2042	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	22	2042-2043	2043	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	23	2043-2044	2044	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	24	2044-2045	2045	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000
	25	2045-2046	2046	\$0	\$33,930,000	\$33,930,000	\$33,930,000	\$33,930,000	\$20,000,000

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

Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date 7/15/19
Applicant Name Texas Solar Nova 2, LLC
ISD Name Jayton-Girard

Form 50-296A
Revised May 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (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	N/A
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	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	Stub	2021-2022	2021	200 FTE	\$ 55,000	0	0	N/A
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	QTP1/LP1	2022-2023	2022	0	N/A	0	2	\$ 48,595.80
	QTP2/LP2	2023-2024	2023	0	N/A	0	2	\$ 48,595.80
	3	2024-2025	2024	0	N/A	0	2	\$ 48,595.80
	4	2025-2026	2025	0	N/A	0	2	\$ 48,595.80
	5	2026-2027	2026	0	N/A	0	2	\$ 48,595.80
	6	2027-2028	2027	0	N/A	0	2	\$ 48,595.80
	7	2028-2029	2028	0	N/A	0	2	\$ 48,595.80
	8	2029-2030	2029	0	N/A	0	2	\$ 48,595.80
	9	2030-2031	2030	0	N/A	0	2	\$ 48,595.80
	10	2031-2032	2031	0	N/A	0	2	\$ 48,595.80
Years Following Value Limitation Period	11 through 25	2032-2046	2032-2046	0	N/A	0	2	\$ 48,595.80

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

- C1.

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

x

Yes

No
- C1a.

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

x

Yes

No
- C1b.

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

Yes

x

No

Schedule D: Other Incentives (Estimated)

Date 7/15/19
Applicant Name Texas Solar Nova 2, LLC
ISD Name Jayton-Girard

Form 50-296A

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:					
	City:					
	Other:					
Tax Code Chapter 312	County: Kent	2022	2022-2032	\$ 1,459,777	80%	\$ 291,955
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL				\$ 1,459,777		\$ 291,955

Additional information on incentives for this project:

The Chapter 312 Agreement listed above is currently being negotiated.

Tab 15

Economic Impact Analysis

TO BE PROVIDED BY COMPTROLLER'S OFFICE

Tab 16

Description of the Reinvestment Zone

- a. Evidence the area qualifies as an enterprise zone as defined by the Governor's office
- b. Legal description of reinvestment zone
- c. Order establishing the reinvestment zone
- d. Guidelines and criteria for establishing the zone

Attached to Application package

Designation of
Kent County
Reinvestment Zone

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The Commissioners' Court
of
Kent County, Texas

ORDER

Designation of Kent County Reinvestment Zone

The Commissioners' Court of Kent County, Texas, meeting in regular session on the 26th day of June, 2017, considered the following resolution:

BE IT ORDERED BY THE COMMISSIONERS' COURT OF KENT COUNTY, TEXAS AS FOLLOWS

Motion by Commissioner Don Long, seconded by Roy Chisum
that the following action be taken by the court:

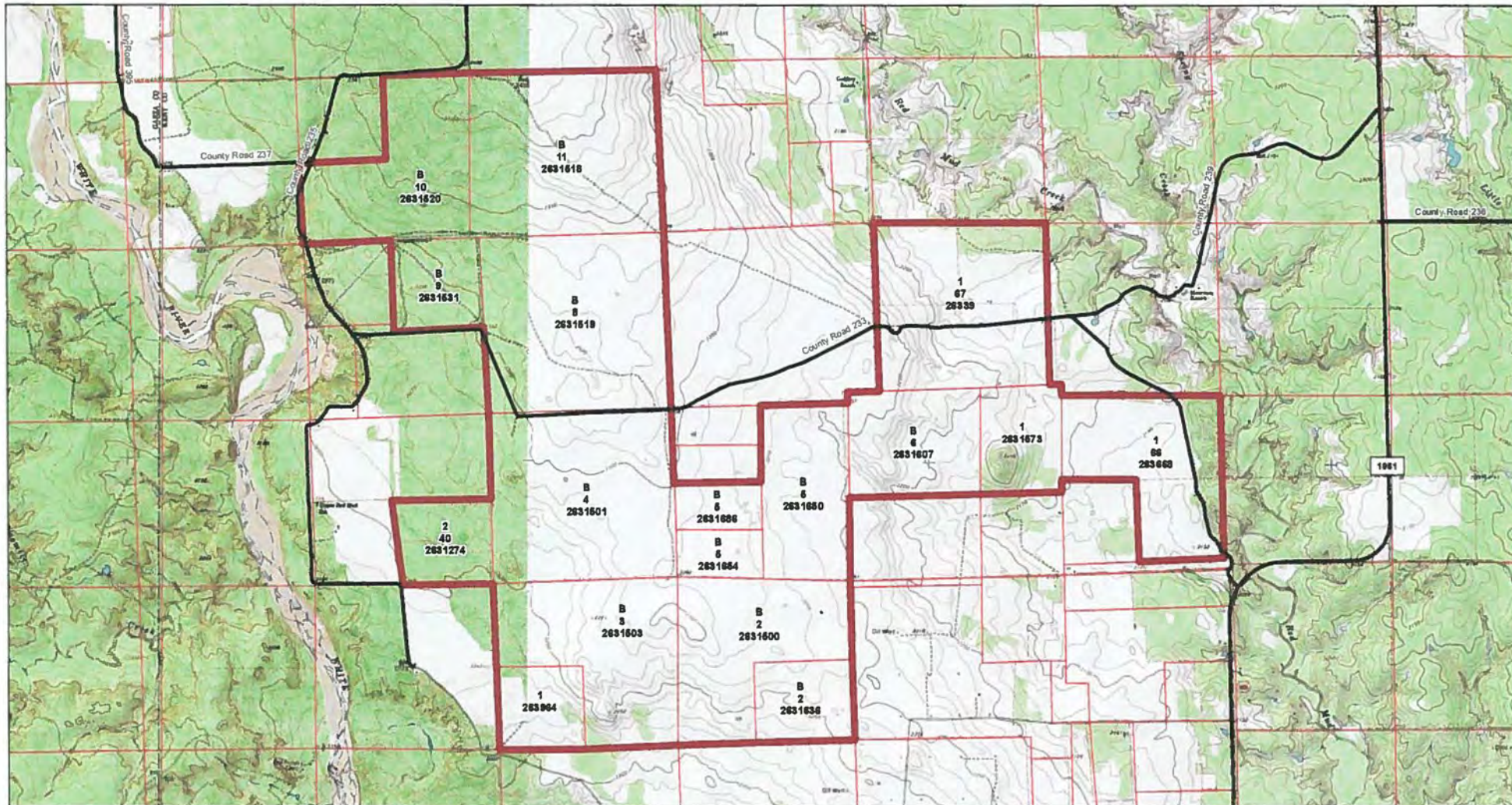
1. THAT the County hereby designates the property located in Kent County, having the boundary descriptions as contained in Exhibit A-2 (incorporated herein by reference) and also as shown in the Map included in said Exhibit A attached to this **Order**, as a Reinvestment Zone under the Kent County Guidelines and Criteria for Granting Tax Abatements, having determined that the designation will contribute to the retention or expansion of primary employment and will attract major investment in the zone that will benefit the zone and will contribute to the economic development of the County, and
2. THAT the County hereby certifies as correct and accurate the description and boundaries depicted on the attached Exhibit A-2; and
3. THAT the County hereby declares itself eligible for property tax abatement as to all eligible property for commercial-industrial development, now or thereafter located in that Reinvestment Zone as authorized by the Kent County Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones and Chapter 312 of the Texas Tax Code.
4. THAT the zone shall be called the "Kent County Texas Solar Nova #1 and # 2, LLC"

This ORDER shall become effective as of June 26, 2017. PASSED AND APPROVED

After a public hearing of the Kent County Commissioners Court, at which a quorum was present, on the 26th day of June, 2017.

Jim C. White Jim White, Kent County Judge

ATTESTED: Craig Garrison County Clerk



305 Camp Creff Road, Suite 575
West Lake Hills, Texas 78746
512-222-1125
www.energyrenewalpartners.com



Legend



Option Area



Section Boundary

**Core Solar Services
Kent 3 Solar Project**

Exhibit A-1

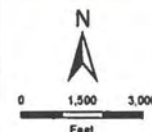


EXHIBIT A-2
LEGAL DESCRIPTION OF PROJECT AREA

The following depicted land located in Kent County, State of Texas, containing 5,005.22 acres, more or less:

TRACT I:

All of that real property lying in Kent County being the Northeast Quarter (NE/4) Section 9, Block B, PSL Survey, A-1531, consisting of approximately 188.32 acres, more or less, being described by metes and bounds as follows:

BEGINNING at the Northeast corner of said Section 9, Block B., PSL in Kent County, Texas, same being also the NW corner of Section 8, Block B, PSL, in Kent County, Texas;

THENCE West 1106 varas to the NE corner of the J.W. McCommas Pre-emption No. 9588 same being
also the most northerly NW corner of Survey No. 9, Block B., PSL;

THENCE South 961.5 varas to an ell corner of the said Survey 9, Block B., PSL, same being also the SE corner of the said J.W. McCommas Pre-emption No. 9588;

THENCE East along a line parallel to the North line of said Survey 9 a distance of 1106 varas to a point in the East line of said Survey 9 for the SE corner of this tract;

THENCE North along the East line of said Survey 9 a distance of 961.5 varas to the Place of Beginning, and containing 188.32 acres of land, more or less.

TRACT II:

All of that real property lying in Kent County being Section 4, Block B, PSL Survey, A-1501, consisting of approximately 690.5 acres, more or less.

TRACT III:

All of that real property lying in Kent County being Section 3, Block B, PSL Survey, A-1503, consisting of approximately 530.3 acres, more or less.

TRACT IV:

All of that real property lying in Kent County being Section 2, Block B, PSL Survey, A-1636 and A-1500, consisting of approximately 687.1 acres, more or less.

TRACT V:

All of that real property lying in Kent County being the East One-half of Section 5, Block B, PSL Survey, A-1650, consisting of approximately 348.2 acres, more or less.

TRACT VI:

All of that real property lying in Kent County being the South one hundred (100) acres of the W/2 of Section 5, Block B, PSL Survey, A-1654, consisting of approximately 100 acres, more or less.

TRACT VII:

All of that real property lying in Kent County being the North Half of the South Half of the West Half of Section 5, Block B, PSL Survey, A-1686, consisting of approximately 101.3 acres, more

or less.

TRACT VIII:

All of that real property lying in Kent County being Section 8, Block B, PSL Survey, A-1519, consisting of approximately 690 acres, more or less.

TRACT IX:

All of that real property lying in Kent County being the South Half (S/2) and Northeast Quarter (NE/4) Section 10, Block B, PSL Survey, A-1520, consisting of approximately 541.06 acres, more or less.

TRACT X:

All of that real property lying in Kent County being Section 11, Block B, PSL Survey, A-1518, consisting of approximately 690.5 acres, more or less.

TRACT XI:

All of that real property lying in Kent County being the Southeast Quarter (SE/4) Section 40, Block 2, PSL Survey, A-1274, consisting of approximately 177.94 acres, more or less.

TRACT XII:

All of that real property lying in Kent County being Section 1, S.S. Snowden, Bexar Preemption Survey, A-964, consisting of approximately 160 acres, more or less.

TRACT XIII:

Being all of the land lying west of the Utility Easement and Right of Way to Wind Energy Transmission Texas, LLC, dated May 6, 2011, recorded on July 29, 2011 in Volume 61, Page 516, Official Public Records, Kent County, Texas, in the North One-half of Section 6, Block B, PSL Survey, A-1607, consisting of approximately 80 acres, more or less.

TRACT XIV:

A square-shaped plot of land located in Section 6, Block B, PSL Survey, A-1607, Kent County, Texas, and situated adjacent to the south line of said Section 6 and east side of the Utility Easement and Right of Way to Wind Energy Transmission Texas, LLC, dated May 6, 2011, recorded on July 29, 2011 in Volume 61, Page 516, Official Public Records, Kent County, Texas, consisting of approximately 20 acres, more or less.

Designation of
Kent County
Reinvestment Zone

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The Commissioner's Court
of
Kent County, Texas

CORRECTED ORDER

Designation of Kent County Reinvestment Zone

The Commissioner's Court of Kent County, Texas, meeting in regular session on the 28th day August, 2017, considered the following order:

RECITALS

WHEREAS, on June 26, 2017, after conducting a public hearing on the matter, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a local newspaper of general circulation in Kent County and the delivery of written notice to the respective presiding officers of each taxing entity that includes within its boundaries real property that was to be included in the proposed reinvestment zone, the Commissioners Court of Kent County, Texas passed, approved, and adopted an order designating certain property located in Kent County as a Reinvestment Zone under Chapter 312 of the Texas Tax Code (the "Order") called "Kent County Texas Solar Nova #1 and #2, LLC" Reinvestment Zone (the "Reinvestment Zone").

WHEREAS, although the legal descriptions describing the Reinvestment Zone are correct, the map depicting the Reinvestment Zone attached as Exhibit A to the Order was, due to a clerical error, incorrect. The corrected map and the legal description of the Reinvestment Zone are attached hereto as Exhibit "A-1" and Exhibit "A-2", respectively.

WHEREAS, the Commissioners Court of Kent County, Texas desires to correct the clerical error contained within the Order establishing the Reinvestment Zone all in accordance with the Chapter 312 of the Teas Tax Code, as amended, and the Kent County Guidelines and Criteria for Granting Tax Abatements.

WHEREAS, on August 28, 2017, a regularly scheduled meeting of the Commissioners Court of Kent County, Texas was held, sufficient notice of the date, hour, place and subject of the meeting of the Commissioners Court, at which this Corrected Order was considered, was posted at a place convenient and readily accessible at all times, as required by the Texas Open Meetings Act, Texas Government Code, Chapter 551, as amended.

NOW THEREFORE, after due consideration and examination of the above-referenced Order passed and approved by the Kent County Commissioners Court, the Court finds that the Order entered in the Court's minutes contains a clerical error in the map as described above, and it is ordered that the clerical error to the Order should be corrected, and hereby is corrected, as set forth within in this Corrected Order made to be effective June 26, 2017, in the minutes of the Court.

BE IT ORDERED BY THE COMMISSIONERS' COURT OF KENT COUNTY, TEXAS AS FOLLOWS:

Motion by Commissioner Daryl Ham, seconded by Robert Graham that the following action be taken by the court:

1. THAT the County hereby designate the property located in Kent County, having the boundary descriptions as contained in Exhibit "A-2" (incorporated herein by reference) and also as shown in the Map included in said Exhibit "A-1" attached to this **Corrected Order**, as a Reinvestment Zone under the Kent County Guidelines and Criteria for Granting Tax Abatements, having determined that the designation will contribute to the retention or expansion of primary employment and will attract major investment in the zone that will benefit the zone and will contribute to the economic development of the County, and
2. THAT the County hereby certifies as correct and accurate the description and boundaries depicted on the attached Exhibit "A-2"; and
3. THAT the County hereby declares itself eligible for property tax abatement as to all eligible property for commercial-industrial development, now of thereafter located in that Reinvestment Zone as authorized by the Kent County Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones and Chapter 312 of the Texas Tax Code.
4. THAT the zone shall be called the "Kent County Texas Solar Nova #1 and #2, LLC"

This ORDER shall become effective as of June 26, 2017. PASSED AND APPROVED

After a public hearing of the Kent County Commissioners Court, at which a quorum was present, on the 28th day of August, 2017.

Jim C. White Jim White, Kent County Judge

ATTESTED Craig Harbin County Clerk

Exhibit "A-1"
Map of Reinvestment Zone

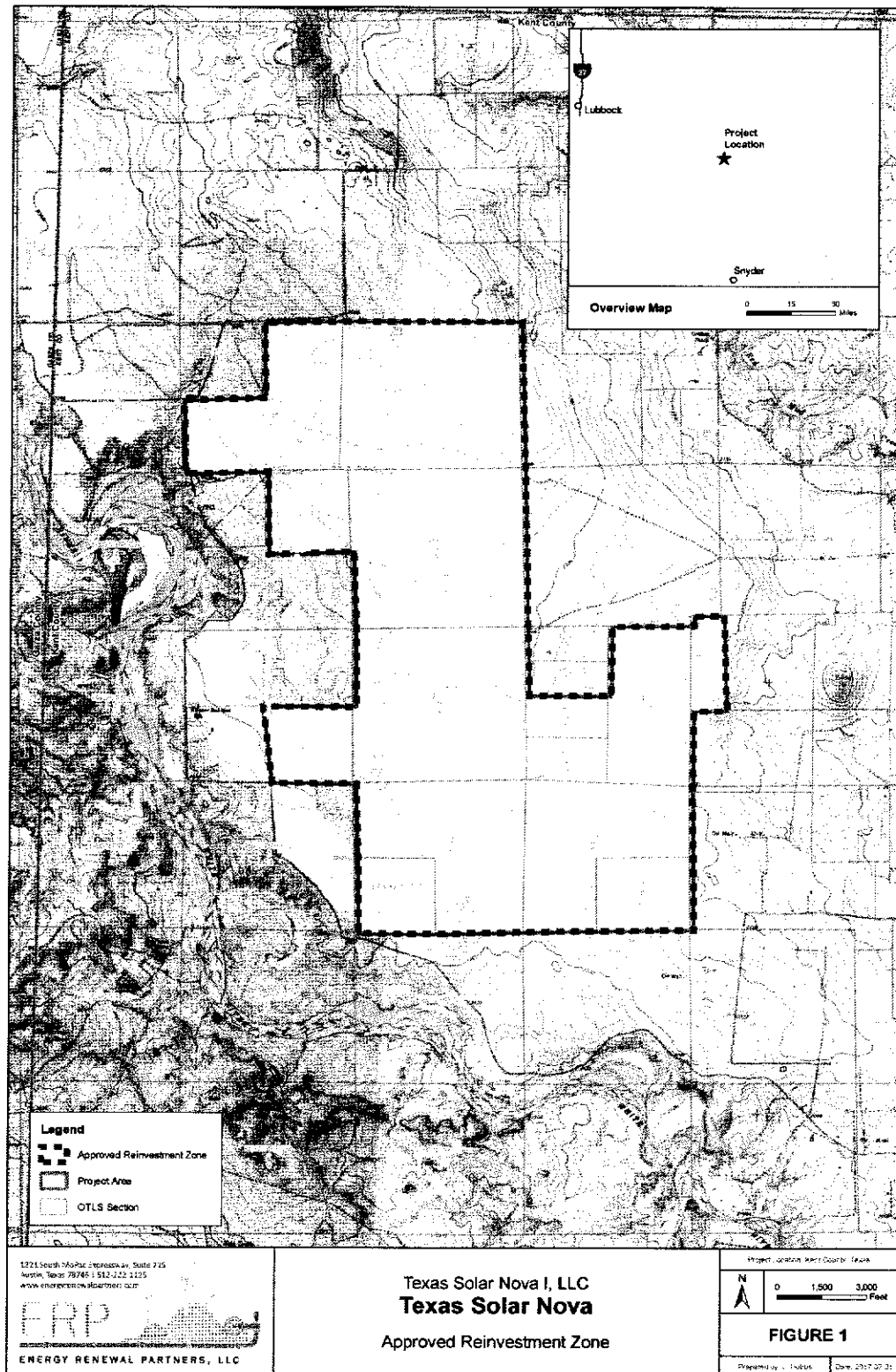


Exhibit "A-2"
Legal Description of Reinvestment Zone

The following depicted land located in Kent County, State of Texas, containing 5,005.22 acres, more or less:

TRACT I:

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BEGINNING at the Northeast corner of said Section 9, Block B., PSL in Kent County, Texas, same being also the NW corner of Section 8, Block B, PSL, in Kent County, Texas;

THENCE West 1106 varas to the NE corner of the J.W. McCommas Pre-emption No. 9588 same being also the most northerly NW corner of Survey No. 9, Block B., PSL;

THENCE South 961.5 varas to an ell corner of the said Survey 9, Block B., PSL, same being also the SE corner of the said J.W. McCommas Pre-emption No. 9588;

THENCE East along a line parallel to the North line of said Survey 9 a distance of 1106 varas to a point in the East line of said Survey 9 for the SE corner of this tract;

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TRACT III:

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TRACT V:

All of that real property lying in Kent County being the East One-half of Section 5, Block B, PSL Survey, A-1650, consisting of approximately 348.2 acres, more or less.

TRACT VI:

All of that real property lying in Kent County being the South one hundred (100) acres of the W/2 of Section 5, Block B, PSL Survey, A-1654, consisting of approximately 100 acres, more or less.

TRACT VII:

All of that real property lying in Kent County being the North Half of the South Half of the West Half of Section 5, Block B, PSL Survey, A-1686, consisting of approximately 101.3 acres, more or less.

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TRACT XIV:

A square-shaped plot of land located in Section 6, Block B, PSL Survey, A-1607, Kent County, Texas, and situated adjacent to the south line of said Section 6 and east side of the Utility Easement and Right of Way to Wind Energy Transmission Texas, LLC, dated May 6, 2011, recorded on July 29, 2011 in Volume 61, Page 516, Official Public Records, Kent County, Texas, consisting of approximately 20 acres, more or less.

ORDER NO _____

IN RE: REVIEW OF TAX ABATEMENT § COMMISSIONERS COURT
GUIDELINES AND CRITERIA § OF
§ KENT COUNTY

The Kent County Commissioners' Court did convene in regular term the 12th day of JUNE, 2017 with a quorum present and did issue the following order to wit:

Whereas, on the 12th day of November, 2007 the Kent County Commissioners' Court adopted Tax Abatement Guidelines and Criteria for Kent County to establish a uniform policy of tax abatement for owners or lessees of eligible facilities willing to execute tax abatement contracts designed to provide long-term significant positive economic impact to the community. These guidelines are effective upon the date of their adoption and will remain in force for TWO YEARS at which time all reinvestments zones and tax abatement agreements created pursuant to these provisions will be reviewed.

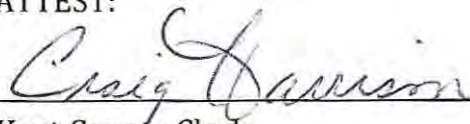
Based on our review the Tax Abatement Guidelines and Criteria were extended on November 9th, 2009, April 23, 2012 and April 14, 2014 by the Commissioners' Court. The last reinvestment zone in Kent County (Mozart, Wind Project reinvestment zone was created on April 15, 2011), is still active and the hope that other situations and possibilities might arise still exist in Kent County and it is the determination of the Court that these Tax Abatement Guidelines and Criteria should remain in force and be renewed.

THEREFORE it is the order of the Kent County Commissioners' Court based on this **JUNE 12, 2017** review that the Tax Abatement Guidelines and Criteria be renewed for an additional two year term.

Signed on the 12TH day of JUNE, 2017


Kent County Judge

ATTEST:


Kent County Clerk

**KENT COUNTY
STATE OF TEXAS**

TAX ABATEMENT GUIDELINES AND CRITERIA

The following Guidelines and Criteria have been adopted by the Kent County Commissioners' Court to establish a uniform policy of tax abatement for owners or lessees of eligible facilities willing to execute tax abatement contracts designed to provide long-term significant positive economic impact to the community by utilizing the area contractors and work force to the maximum extent feasible, and by developing, redeveloping, and improving property, except as otherwise provided.

In order to be eligible for designation as a Reinvestment Zone and receive tax abatement, the planned improvement:

1. Must be reasonably expected to have an increase in positive net economic benefit to Kent County of at least \$1,000,000.00 over the life of the abatement, computed to include (but not limited to) new sustaining payroll and/or capital improvement. The creation of (number and type) of new jobs will also factor into the decision to grant an abatement; and,
2. Must not be expected to solely or primarily have the effect of transferring employment from one part of Kent County to another.

In addition to the criteria set forth above, the Kent County Commissioners' Court reserves the right to negotiate a Tax Abatement Agreement in order to compete favorably with other communities.

Only that increase in the fair market of the property directly resultant from the development, redevelopment, and improvement specified in the contract will be eligible for abatement and then only to the extent that such increase exceeds any reduction in the fair market value of the other property of the applicant located within the jurisdiction creating the Reinvestment Zone.

All abatement contracts will be no longer than allowed by law.

It is the goal of Kent County to grant tax abatements on the same terms and conditions as the other taxing units having jurisdiction of the property. However, nothing herein shall limit the discretion of the Kent County Commissioners' Court to consider, adopt, modify or decline any tax abatement request.

This policy is effective as of the date adopted by the Kent County Commissioners' Court and shall at all times be kept current with regard to the needs of Kent County and reflective of the official views of the County Commissioners' Court. These Guidelines and Criteria shall be reviewed every

two (2) years.

The adoption of these guidelines and criteria by the Kent County Commissioners' Court does not:

1. Limit the discretion of the governing body to decide whether to enter into a specific Tax Abatement Agreement;
2. Limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for tax abatement; or,
3. Create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application or request for tax abatement.

DEFINITIONS - SECTION I

- A. "Abatement" means the full or partial exemption from ad valorem taxes of certain property in a reinvestment zone designated by Kent County or the City of Jayton for economic development purposes.
- B. "Agreement" means a contractual agreement between a property owner and/or lessee and Kent County.
- C. "Base Year Value" means the assessed value on the eligible property as of January 1 preceding the execution of the agreement.
- D. "Deferred Maintenance" means improvements necessary for continued operation which do not improve productivity or alter the process technology.
- E. "Eligible Facilities" means new, expanded, or modernized buildings and structures, including fixed machinery and equipment, which is reasonably likely as a result of granting the abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment zone that would be a benefit to the property and that would contribute to the economic development of Kent County, but does not include facilities which are intended to be primarily to provide goods or services to residents for existing businesses located in Kent County such as, but not limited to, restaurants and retail sales establishments. Eligible facilities may include, but shall not be limited to, hotels and office buildings.
- F. "Expansion" means the addition of building structures, machinery, equipment or payroll for purposes of increasing production capacity.

- G. "Facility" means property improvement(s) completed or in the process of construction which together comprise an interregional whole.
- H. "Modernization" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, or equipment, or both.
- I. "New Facility" means a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- J. "Productive Life" means the number of years property improvement(s) is/are expected to be in service in a facility.

ABATEMENT AUTHORIZED - SECTION II

- A. Eligible Facilities. Upon application, eligible facilities shall be considered for tax abatement as hereinafter provided.
- B. Creation of New Values. Abatement may only be granted for the additional value of eligible property improvement(s) made subsequent to and specified in an abatement agreement between Kent County and the property owner or lessee, subject to such limitations as Kent County may require.
- C. New and Existing Facilities. Abatement may be granted for the additional value of eligible property improvement(s) made subsequent to and specified in an abatement agreement between Kent County and the property owner or lessee, subject to such limitations as Kent County may require.
- D. Eligible Property. Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements, and related fixed improvements necessary to the operation and administration of the facility.
- E. Ineligible Property. The following types of property shall be fully taxable and ineligible for tax abatement: Land; supplies; tools; furnishings, and other forms of movable personal property; housing; deferred maintenance; property to be rented or leased, except as provided in Section II(F); property which has a productive life of less than 10 years.
- F. Owned/Leased Facilities. If a leased facility is granted abatement, the agreement shall be executed with the lessor and the lessee.
- G. Economic Qualifications. In order to be eligible for designation as a reinvestment zone and receive tax abatement, the planned improvement:

- (1) Must be reasonably expected to have an increase in positive net economic benefit to Kent County of at least \$1,000,000.00 over the life of the abatement agreement, computed to include (but not limited to) new sustaining payroll and/or capital improvement. The creation of (number and type) of new jobs will also factor into the decision to grant an abatement; and
- (2) Must not be expected to solely or primarily have the effect of transferring employment from one part of Kent County to another.

H. Standards for Tax Abatement. The following factors, among others, shall be considered in determining whether to grant tax abatement:

- (1) Value of existing improvements, if any;
- (2) Type and value of proposed improvements;
- (3) Productive life of proposed improvements;
- (4) Number of existing jobs to be retained by proposed improvements;
- (5) Number and type of new jobs to be created by proposed improvements;
- (6) Amount of local payroll to be created;
- (7) Whether the new jobs to be created will be filled by persons residing or projected to reside within affected taxing jurisdiction;
- (8) Amount which property tax base valuation will be increased during the term of abatement and after abatement, which shall include a definitive commitment that such valuation shall not, in any case, be less than \$1,000,000.00;
- (9) The costs to be incurred by Kent County to provide facilities directly resulting from the new improvements;
- (10) The amount of ad valorem taxes to be paid to Kent County during the abatement period considering (a) the existing values, (b) the percentage of new value abated, (c) the abatement period, and (d) the value after expiration of the abatement period;
- (11) The population growth of Kent County that occurs directly as a result of new improvements;
- (12) The types and values of public improvements, if any, to be made by applicant seeking

abatement;

- (13) Whether the proposed improvements compete with existing businesses to the detriment of the local economy;
- (14) The impact on the business opportunities of existing business;
- (15) The attraction of other new businesses to the area;
- (16) The overall compatibility with the zoning ordinances and comprehensive plan for the area;
- (17) Whether the project obtains all necessary permits from the applicable environmental agencies.

Each eligible facility shall be reviewed on its merits utilizing the factors provided above. After such review, abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

I. Denial of Abatement. Neither a reinvestment zone nor abatement agreement shall be authorized if it is determined that:

- (1) There would be substantial adverse effect on the provision of government services or tax base;
- (2) The applicant has insufficient financial capacity;
- (3) Planned or potential use of the property would constitute a hazard to public safety, health, or morals;
- (4) Violation of other codes or laws; or
- (5) Any other reason deemed appropriate by Kent County.

J. Taxability. From the execution of the abatement to the end of the agreement period, taxes shall be payable as follows:

- (1) The value of ineligible property as provided in Section II (E) shall be fully taxable; and
- (2) The base year value of existing eligible property as determined each year shall be fully taxable.

The additional value of new eligible property shall be fully taxable at the end of the abatement period.

APPLICATION - SECTION III

- A. Any present or potential owner of taxable property in Kent County may request the creation of a reinvestment zone and tax abatement by filing a written application with the County Judge of Kent County.
- B. The application shall consist of a general description of the new improvements to be undertaken; a descriptive list of the improvements for which an abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and property description; a time schedule for undertaking and completing the proposed improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The County may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the applicant, to be attached to this application. The completed application must be accompanied by the payment of a non-refundable application fee for administrative costs associated with the processing of the tax abatement request. All checks in payment of the administrative fee shall be made payable to Kent County. For abatement requests for improvements with a planned value equal to or in excess of \$1,000,000.00 the fee shall be ONE THOUSAND AND NO/100 DOLLARS (\$1,000.00).
- C. Kent County shall give notice as provided by the Property Tax Code, including written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to the agreement is located, not later than seven (7) days before the public hearing, and publication in a newspaper of general circulation within such taxing jurisdiction not later than the seventh day before the public hearing before acting upon application, Kent County shall, through public hearing, afford the applicant and the designated representative of any governing body referenced herein above, and the public the opportunity to show cause why the abatement should or should not be granted.
- D. If a city within Kent County designates a reinvestment zone within its corporate limits and enters into or proposes to enter into an abatement agreement with a present or potential owner of a taxable property, such present or potential owner of taxable property may request tax abatement by Kent County by following the same application process described in Section III (A) hereof. No other notice of hearing shall be required except compliance with the open meetings act unless the Commissioners' Court deems them necessary in a particular case.

AGREEMENT - SECTION IV

- A. After approval, the Commissioners' Court of Kent County shall formally pass a resolution and execute an agreement with the owner of the facility and lessee as required which shall:
1. Include a list of the kind, number and location of all proposed improvements to the property;
 2. Provide access to and authorize inspection of the property by the taxing unit to insure compliance with the agreement;
 3. Limit the use of the property consistent with the taxing unit's development goals;
 4. Provide for recapturing property tax revenues that are lost if the owner fails to make improvements as provided by the agreement;
 5. Include each term that was agreed upon with the property owner and require the owner to annually certify compliance with the terms of the agreement to each taxing unit; and
 6. Allow the taxing unit to cancel or modify the agreement at any time if the property owner fails to comply with the terms of the agreement.
- B. The owner of the facility and Lessee shall also agree to the following:
1. A specified number of permanent full time jobs at facility shall be created, and the owner and Lessee shall make reasonable efforts to employ persons who are residents of Kent County in such jobs, provided, however, that there shall be no obligation to employ residents who are not:
 - a. Equally or more qualified than nonresidents applicants;
 - b. Available for employment on terms and/or salaries comparable to those required by nonresident applicants; or
 - c. Able to become qualified with 72 hours training provided by Owner
 2. Each person employed in such job shall perform a portion, if not all, of their work in Kent County
 3. Owner shall agree that it and its contractors, if any, will use reasonably commercial efforts to maximize its use of goods and services available through Kent County businesses in the construction, operation and maintenance of the improvements and the project; provided, however, that there shall be no requirement to use goods and services provided by Kent County residents that are not:

- a. Of similar quality to those provided by nonresidents; or
 - b. Made available on terms and conditions (including pricing) comparable to those offered by nonresidents. Comparable price shall be defined as less than or equal to 105% of the nonresident price for equivalent quality, conditions and terms.
4. Owner or its construction contractor, if any, shall designate a coordinator of local services who will act as liaison between any individual who are interested in obtaining information about providing goods or services related to the construction of the project. Additionally, Owner or its construction contractor, if any, shall advertise in local newspapers in Kent County for local contractors to perform work on the construction project
 5. On May 1st of each year that the agreement shall be in effect, Owner shall certify to the County Judge of Kent County, and to the governing body of each taxing unit, that Owner is in compliance with each applicable term set fourth above.

Such agreement shall normally be executed within sixty (60) days after the applicant has forwarded all necessary information and documentation to the Commissioners' Court.

RECAPTURE - SECTION V

- A. In the event that the applicant or its assignee (1) allows its ad valorem taxes owed to Kent County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within thirty (30) days of the termination.
- B. Should Kent County determine that the applicant or its assignee is in default according to the terms and conditions of its agreement, Kent County shall notify the company or individual in writing at the address stated in the agreement, and, if such is not cured within the time set forth in such notice ("Cure Period"), then the agreement may be terminated.

ADMINISTRATION - SECTION VI

- A. The Chief Appraiser of the Kent County Appraisal District will annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the appraiser with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser will notify the Commissioners' Court of Kent County of the amount of the assessment.

- B. Kent County may execute a contract with any other jurisdiction(s) to inspect the facility to determine if the terms and conditions of the abatement agreement are being met. The abatement agreement shall stipulate that employees and/or designated representatives of Kent County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.
- C. Upon completion of construction, the designated representative of Kent County shall annually evaluate each facility receiving abatement to insure compliance with the agreement. A formal report shall be made to the Commissioners' Court.

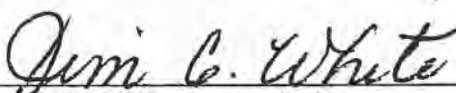
ASSIGNMENT - SECTION VII

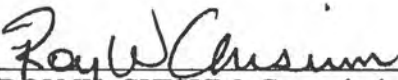
The abatement agreement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the Commissioners' Court of Kent County, subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement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

SUNSET PROVISION - SECTION VIII

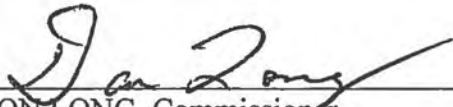
These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two (2) years, unless amended by three-quarters vote of the Commissioners' Court of Kent County, at which time all reinvestment zones and tax abatement agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on the review, the Guidelines and Criteria will be modified, renewed or eliminated.

ADOPTED on the 12TH day of November, 2007.

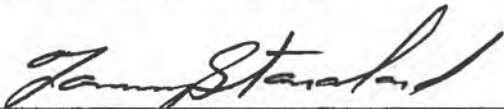

JIM C. WHITE, County Judge



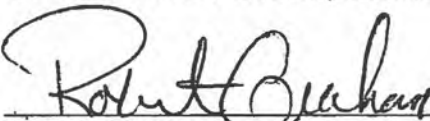
ROY W. CHISUM, Commissioner



DON LONG, Commissioner



TOMMY STANALAND, Commissioner



ROBERT GRAHAM, Commissioner

ORDER NO 101

IN RE: REVIEW OF TAX ABATEMENT § COMMISSIONERS COURT
GUIDELINES AND CRITERIA § OF
§ KENT COUNTY

The Kent County Commissioners' Court did convene in regular term the 8th day of APRIL, 2019 with a quorum present and did issue the following order to wit:

Whereas, on the 12th day of November, 2007 the Kent County Commissioners' Court adopted Tax Abatement Guidelines and Criteria for Kent County to establish a uniform policy of tax abatement for owners or lessees of eligible facilities willing to execute tax abatement contracts designed to provide long-term significant positive economic impact to the community. These guidelines are effective upon the date of their adoption and will remain in force for TWO YEARS at which time all reinvestments zones and tax abatement agreements created pursuant to these provisions will be reviewed.

Based on our review the Tax Abatement Guidelines and Criteria were extended on November 9th, 2009, April 23, 2012, April 14, 2014, June 12TH, 2017 by the Commissioners' Court. The FIRST reinvestment zone in Kent County Mozart Wind Project Reinvestment Zone was created on April 15, 2011, On June 26, 2017 Kent County Texas Solar Nova Reinvestment Zone was created and on October 22, 2018 Kent County Court created the, Amadeus Wind Reinvestment Zone. All these reinvestments zones are still active and the hope that other situations and possibilities might arise still exist in Kent County and it is the determination of the Court that the Kent County Tax Abatement Guidelines and Criteria should remain in force and be renewed.

THEREFORE it is the order of the Kent County Commissioners' Court based on this **April 8, 2019** review that the Kent County Tax Abatement Guidelines and Criteria be renewed for an additional two year term, **DUE FOR REVIEW** April 8th, 2021.

Signed on the 8th day of APRIL 2019



Kent County Judge

ATTEST:


Kent County Clerk

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

TRIS OVERB
Print Name (Authorized School District Representative)

Title

Subscribed

sign
here

Signature (Authorized School District Representative)

Date

7/22/19

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

Patrick Sullivan
Print Name (Authorized Company Representative (Applicant))

Vice President, Texas Solar Nova 2, LLC

Title

sign
here

Signature (Authorized Company Representative (Applicant))

7/16/2019

Date

GIVEN under my hand and seal of office this, the

day of

Notary Public in and for the State of Texas

(Notary Seal)

SEE ATTACHED

My Commission expires:

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

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California

County of

SAN FRANCISCOOn JULY 18, 2019 before me, Melissa Steinaway, notary public,
Date Here Insert Name and Title of the Officerpersonally appeared PATRICK SULLIVAN
Name(s) of Signer(s)

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



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

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer – Title(s): _____☐ Partner – ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer is Representing: _____

Signer's Name: _____

☐ Corporate Officer – Title(s): _____☐ Partner – ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer is Representing: _____