

CUMMINGS WESTLAKE LLC

12837 Louetta Road, Suite 201 Cypress, Texas 77429-5611 713-266-4456 713-266-2333 (Fax)

February 2, 2016

Lamesa Independent School District
Attn: Jim Knight, Superintendent
P.O. Box 261
Lamesa, TX 79331-5442

RE: Agreement for Limitation on Appraised Value of Property for School District
Maintenance and Operations Taxes by the between Lamesa Independent School
District and BNB Lamesa Solar, LLC dated July 7, 2015

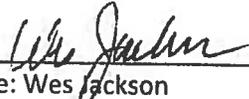
Ladies and Gentlemen:

We are writing to request the District's approval of a proposed amendment to the Value Limitation Agreement. Exhibit 3 to the Value Limitation Agreement currently describes the Qualified Property to be constructed in the District as a solar power facility capable of generating at least 150 megawatts of electricity. Because of market demand and time constraints we now will only be able to construct a solar power facility capable of generating 100 megawatts of electricity. In the Amendment we are including the information pertaining to the Reinvestment Zone in the City of Lamesa. This is not an amendment to the Reinvestment Zone, we are simply supplementing the City information. We propose to amend the Value Limitation Agreement to permit BNB Lamesa Solar, LLC to construct a 100 megawatt facility at our site.

We are happy to meet with you informally and/or to appear at a school board meeting to discuss this change in our project plans if you so desire. If you approve of the proposed amendment, please communicate your approval to Fred Stormer at the Underwood Law Firm and me. I understand that Fred is prepared to draft a form of amendment to the Value Limitation agreement for the District and our company to review.

Thank you for your consideration of this matter.

Very truly yours,
On Behalf of BNB Lamesa Solar, LLC

By: 
Name: Wes Jackson
Title: Authorized Agent

cc: Underwood Law Firm, P.C.
Attn: Fred Stormer
P.O. Box 9158
Amarillo, TX 79105-9158

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

<u>Audie</u> First Name	<u>Sciumbato</u> Last Name
<u>Attorney</u> Title	
<u>Underwood Law Firm, P.C.</u> Firm Name	
<u>(806) 364-2626</u> Phone Number	<u>(806) 364-9368</u> Fax Number
	<u>audie.sciumbato@uwlaw.com</u> Email Address
<u>Mobile Number (optional)</u>	

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

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

<u>Chad</u> First Name	<u>Horton</u> Last Name
<u>Regional Vice President</u> Title	<u>RES America Developments Inc.</u> Organization
<u>9050 Capital of Texas Hwy. North, Sulte 390</u> Street Address	
<u>same</u> Mailing Address	
<u>Austin</u> City	<u>TX</u> State
<u>(512) 338-8561</u> Phone Number	<u>78759</u> ZIP
	<u>Chad.Horton@res-americas.com</u> Business Email Address
<u>Mobile Number (optional)</u>	

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.

<u>First Name</u>	<u>Last Name</u>
<u>Title</u>	<u>Organization</u>
<u>Street Address</u>	
<u>Mailing Address</u>	
<u>City</u>	<u>State</u> <u>ZIP</u>
<u>Phone Number</u>	<u>Fax Number</u>
<u>Mobile Number (optional)</u>	<u>Business Email Address</u>

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

BNB Lamesa Solar LLC

Chapter 313 Application to Lamesa ISD

Cummings Westlake, LLC

TAB 4

Detailed Description of the Project

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

BNB Lamesa Solar LLC (Lamesa Solar) is requesting an appraised value limitation from Lamesa Independent School District (ISD) for the Lamesa Solar Project (the "Project"), a proposed solar powered electric generating facility in Dawson County. The proposed Lamesa ISD Project (this application) will be constructed within the Lamesa Solar Reinvestment Zone that was established by Dawson County on May 13, 2014. A map showing the location of the project is included in Tab 11.

The proposed Project is anticipated to have a total capacity of 100 MW AC located in Lamesa ISD. Solar equipment selection is ongoing at this time and has not been finalized. The exact number of PV panels and their capacity will vary depending upon the panels and inverters selected, manufacturer's availability and prices, ongoing engineering design optimization and the final megawatt generating capacity of the Project when completed. Current plans are to install 410,400 JA Solar panels and 50 SMA inverters within Lamesa ISD. BNB Lamesa Solar LLC is also constructing approximately 80 feet of generation transmission tie line, all within Dawson County. The Applicant requests a value limitation for all materials and equipment installed for the Project, including but not limited to; solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

Construction of the Project is anticipated to begin in the first quarter of 2016 with completion on or before March 31, 2017.

BNB Lamesa Solar LLC

Chapter 313 Application to Lamesa ISD

Cummings Westlake, LLC

TAB 7

Description of Qualified Investment

BNB Lamesa Solar LLC plans to construct a 100 MW AC solar farm in Dawson County.

This application covers all qualified property within Lamesa ISD necessary for the commercial operations of the proposed solar farm described in Tab 4.

Approximately 410,400 JA Solar panels and 50 SMA inverters will be located in Dawson County, all of which will be located in Lamesa ISD. BNB Lamesa Solar is also constructing approximately 80 feet of generation transmission tie line that will be in Lamesa ISD as well.

This application covers all qualified investment and qualified property necessary for the commercial operations of the solar farm.

Qualified Investment and qualified property includes, but is not limited to, solar modules/panels, racking and mounting structures, inverters boxes, combiner boxes, meteorological equipment, foundations, roadways, buildings and offices, paving, fencing, collection system, electrical substations, generation transmission tie line and associated towers, and interconnection facilities.

The map in TAB 11 shows the proposed project area with the preliminary solar panel locations. The exact placement of these panels is subject to ongoing planning, soil studies, and engineering and will be determined before construction begins.

TAB 8

Description of Qualified Property

(See Tab 7)

AMENDMENT

BNB Lamesa Solar LLC

Chapter 313 Application to Lamesa ISD

Cummings Westlake, LLC

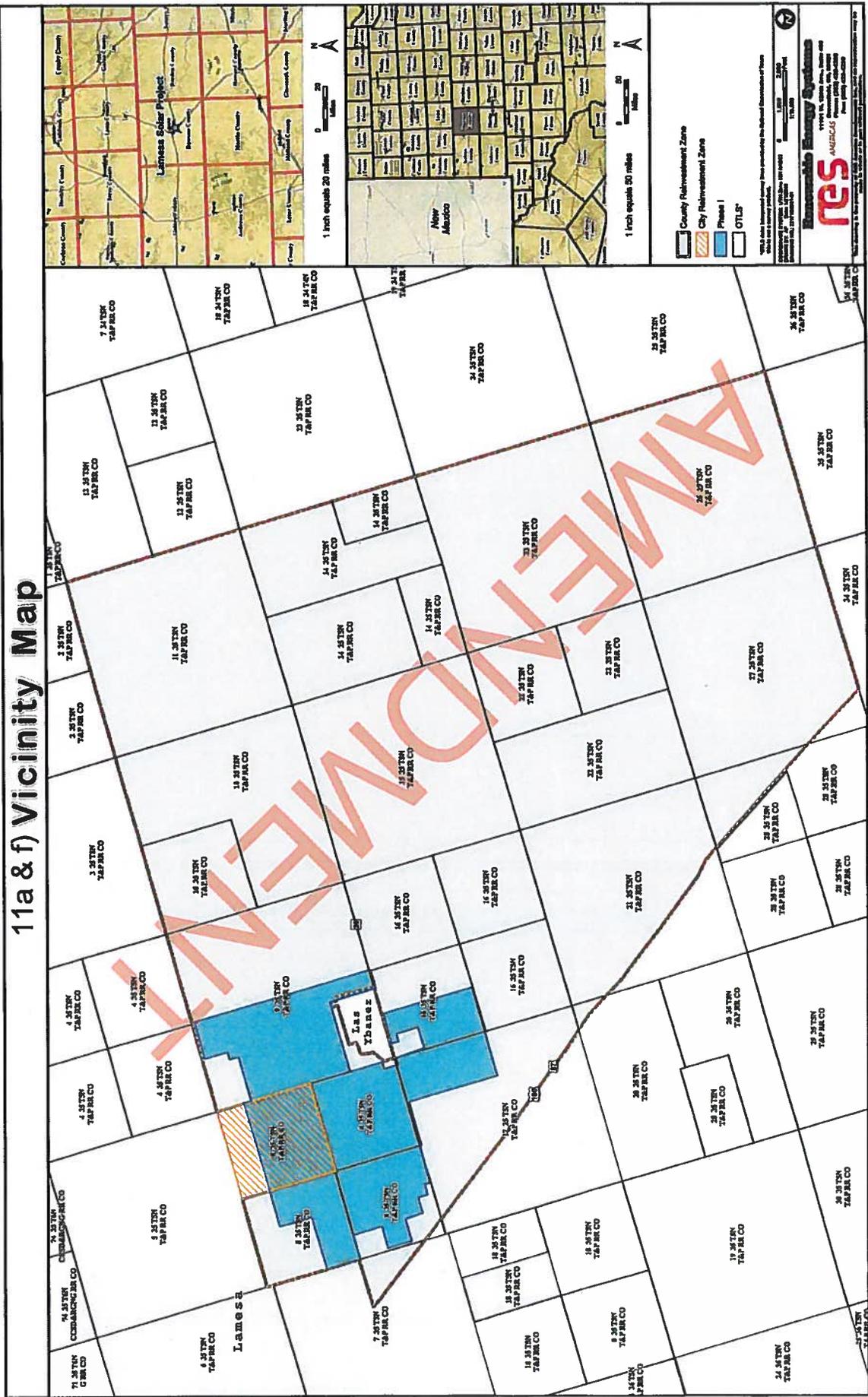
TAB 11

Maps that clearly show:

- a) Project vicinity (See Attached)
- b) Qualified investment including location of new building or new improvements (See Attached)
- c) Qualified property including location of new building or new improvements (See Attached)
- d) Existing property (Not Applicable)
- e) Land location within vicinity map (Not Applicable)
- f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size (See Attached)

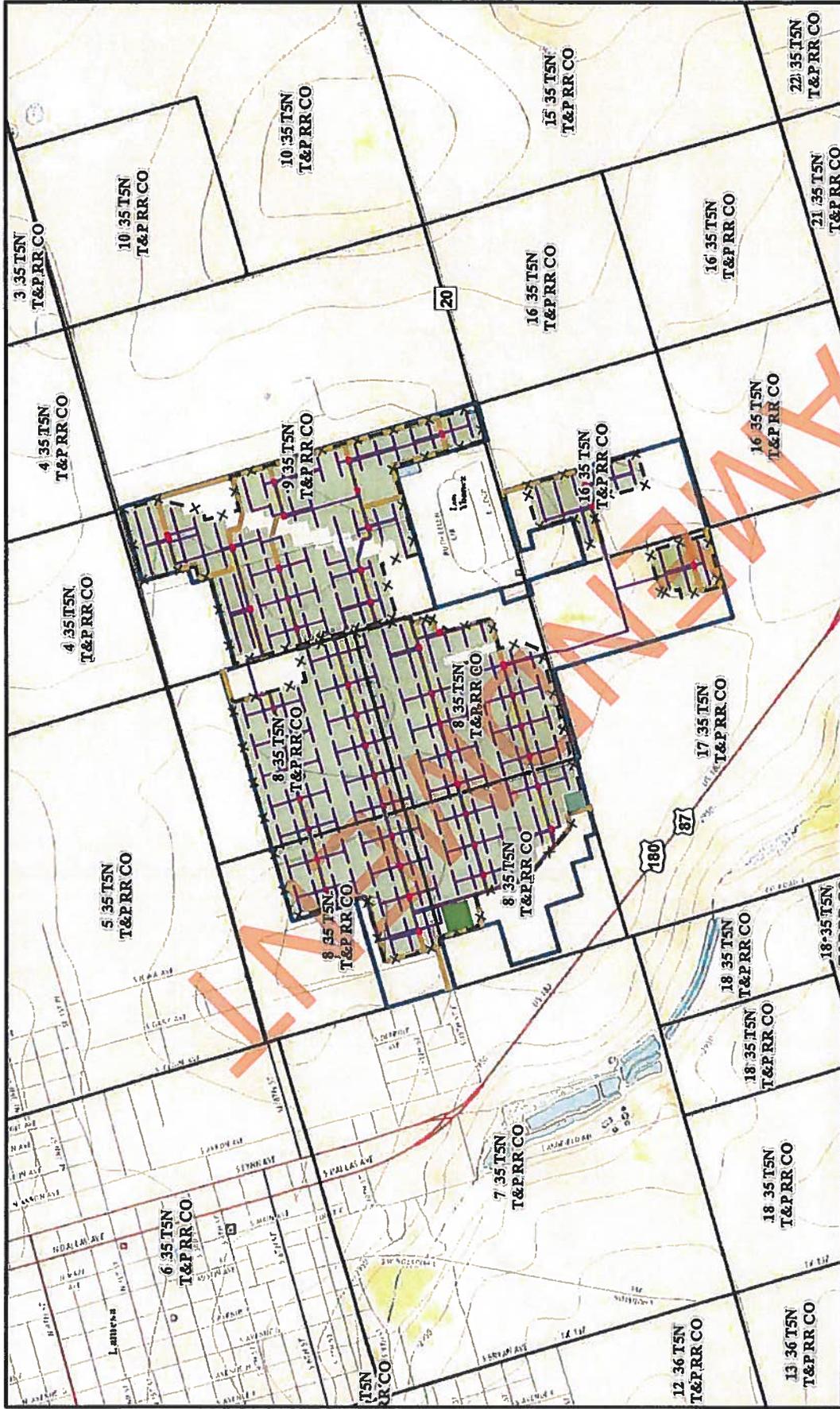
AMENDMENT

11a & f) Vicinity Map



RES AMERICAS
 Renewable Energy Systems
 1991 N. 10th Ave., Suite 400
 Phoenix, AZ 85007
 Phone: 602.955.8888
 Fax: 602.955.8889

11 b&c) Map of Qualified Investment and Qualified Property



Project Site Map

	Phase I
	Substation
	O & M
	Inverter
	Cable
	Road
	Fence
	Module
	OTLS*

Renewable Energy Systems

9050 N Capital of Texas Hwy # 390, Austin TX 78759
 Phone: (512) 708-1538 Fax: (512) 708-1757

COORDINATE SYSTEM: UTM Zone 13, NAD83 DRAWN BY: AP
 DRAWING NO.: 22171D6902-01 DATE: 1/19/2016

This drawing is the property of RES America Developments Inc. and no reproduction may be made in whole or in part without permission.

1 inch = 2,000 feet

0 2,000 Feet

*OTLS data: interpreted survey lines provided by the Railroad Commission of Texas this is not a survey product.

Dawson County
Lamesa
Lamesa Solar Project

BNB Lamesa Solar LLC

Chapter 313 Application to Lamesa ISD

Cummings Westlake, LLC

TAB 14

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

See attached Schedules A1, A2, and B

AMENDMENT

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

Date: 1/22/2016
Applicant Name: BNB Lamasa Solar LLC
JSD Name: Lamasa Independent School District

PROPERTY INVESTMENT AMOUNTS									
[Estimated Investment in each year. Do not put cumulative totals.]									
Year	School Year (YYYY-YYYY)	Tax Year (FY in actual tax year) (YYYY)	Column A	Column B	Column C	Column D	Column E	Total Investment (sum of Columns A-E-C+D)	
			New investment (original cost) in tangible personal property placed in service during the year that will become Qualified Property	New investment made during this year in buildings or permanent improvements to components of buildings that will become Qualified Property	Other new investment made during this year that will add to existing Qualified Property (SEE NOTE)	Other new investment made during this year that may become Qualified Property (SEE NOTE)	Total Investment (sum of Columns A-E-C+D)		
			\$0	\$0	\$0	\$0	\$0	\$0	
	2016-2017	2016	\$130,276,000	\$0	\$0	\$0	\$0	\$130,276,000	
	QTP1	2017	\$31,569,200	\$1,000,000	\$0	\$0	\$0	\$32,569,200	
	QTP2	2018	\$0	\$0	\$0	\$0	\$0	\$0	
Complete tax years of qualifying time period									
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]			\$161,845,200	\$1,000,000	\$0	\$0	\$0	\$162,845,200	
Total Qualified Investment (sum of green cells)			\$161,845,200	\$1,000,000	\$0	\$0	\$0	\$162,845,200	

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 that is specifically described in the application and becomes qualified property.
 Column B: The total dollar amount of planned investment each year in buildings or nonmovable components 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 §15.02(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—(described in SECTION 13, question #3 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)

Date: 1/22/2016
Applicant Name: BNB Lamasa Solar LLC
ISD Name: Lamasa Independent School District

PROPERTY INVESTMENT AMOUNTS (Estimated investment in each year. Do not put cumulative totals.)									
Year	School Year (YYYY-YYYY)	Tax Year (FM in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will be Qualified Property (SEE NOTE)	Column D Other investment made during this year that will become Qualified Property (SEE NOTE)	Column E Total Investment (A+B+C+D)		
-	TOTALS FROM SCHEDULE A1		\$161,846,000	\$1,000,000	\$0	\$0	\$162,846,000		
Total investment from Schedule A1*									
Each year prior to start of value limitation period**									
0	2016-2017	2016	\$0	\$0	\$0	\$0	\$0		
1	2017-2018	2017	\$0	\$0	\$0	\$0	\$0		
2	2018-2019	2018	\$0	\$0	\$0	\$0	\$0		
3	2019-2020	2019	\$0	\$0	\$0	\$0	\$0		
4	2020-2021	2020	\$0	\$0	\$0	\$0	\$0		
5	2021-2022	2021	\$0	\$0	\$0	\$0	\$0		
6	2022-2023	2022	\$0	\$0	\$1,650,000	\$0	\$1,650,000		
7	2023-2024	2023	\$0	\$0	\$1,662,926	\$0	\$1,662,926		
8	2024-2025	2024	\$0	\$0	\$1,696,517	\$0	\$1,696,517		
9	2025-2026	2025	\$0	\$0	\$1,730,787	\$0	\$1,730,787		
10	2026-2027	2026	\$0	\$0	\$1,765,749	\$0	\$1,765,749		
Total investment made through limitation			\$0	\$0	\$8,485,978	\$0	\$8,485,978		
11	2027-2028	2027			\$1,801,417		\$1,801,417		
12	2028-2029	2028			\$1,837,805		\$1,837,805		
13	2029-2030	2029			\$1,874,929		\$1,874,929		
14	2030-2031	2030			\$1,912,803		\$1,912,803		
15	2031-2032	2031			\$1,951,441		\$1,951,441		
16	2032-2033	2032			\$1,990,860		\$1,990,860		
17	2033-2034	2033			\$2,031,076		\$2,031,076		
18	2034-2035	2034			\$2,072,103		\$2,072,103		
19	2035-2036	2035			\$2,113,960		\$2,113,960		
20	2036-2037	2036			\$2,156,662		\$2,156,662		
21	2037-2038	2037			\$2,200,227		\$2,200,227		
22	2038-2039	2038			\$2,244,671		\$2,244,671		
23	2039-2040	2039			\$2,290,013		\$2,290,013		
24	2040-2041	2040			\$2,336,272		\$2,336,272		
25	2041-2042	2041			\$2,383,464		\$2,383,464		
Additional years for 25 year economic impact as required by 313.026(c)(1)									

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the first row.
 ** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "Year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.
 *** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period depending on the overlap. Only include investments/years that were not captured on Schedule A1.
 For All Columns: List amount invested each year, not cumulative totals. Only include investments in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 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.
 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 include investment meeting the definition of 313.021(b) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property. It is used to maintain, refurbish, renovate, modify or upgrade existing property, or is added to existing property—described in SECTION 13, question #5 of the application.
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

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

Date: 1/22/2016
 Applicant Name: BNB Lamesa Solar LLC
 ISD Name: Lamesa Independent School District

Form 50-296A
 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
0	2015-2016	2015	\$0	\$0	\$0	\$0	\$0	\$0
0	2016-2017	2016	\$0	\$0	\$0	\$0	\$0	\$0
1	2017-2018	2017	\$0	\$990,000	\$65,138,400	\$66,128,400	\$66,128,400	\$20,000,000
2	2018-2019	2018	\$0	\$975,150	\$148,898,320	\$149,873,470	\$149,873,470	\$20,000,000
3	2019-2020	2019	\$0	\$960,523	\$135,950,640	\$136,911,163	\$136,911,163	\$20,000,000
4	2020-2021	2020	\$0	\$946,115	\$123,002,960	\$123,949,075	\$123,949,075	\$20,000,000
5	2021-2022	2021	\$0	\$931,923	\$108,436,820	\$109,368,743	\$109,368,743	\$20,000,000
6	2022-2023	2022	\$0	\$917,944	\$93,870,680	\$94,788,624	\$94,788,624	\$20,000,000
7	2023-2024	2023	\$0	\$904,175	\$79,304,540	\$80,208,715	\$80,208,715	\$20,000,000
8	2024-2025	2024	\$0	\$890,613	\$63,119,940	\$64,010,553	\$64,010,553	\$20,000,000
9	2025-2026	2025	\$0	\$877,253	\$48,553,800	\$49,431,053	\$49,431,053	\$20,000,000
10	2026-2027	2026	\$0	\$864,095	\$38,843,040	\$39,707,135	\$39,707,135	\$20,000,000
11	2027-2028	2027	\$0	\$851,133	\$32,369,200	\$33,220,333	\$33,220,333	\$33,220,333
12	2028-2029	2028	\$0	\$838,366	\$32,369,200	\$33,207,566	\$33,207,566	\$33,207,566
13	2029-2030	2029	\$0	\$825,791	\$32,369,200	\$33,194,991	\$33,194,991	\$33,194,991
14	2030-2031	2030	\$0	\$813,404	\$32,369,200	\$33,182,604	\$33,182,604	\$33,182,604
15	2031-2032	2031	\$0	\$801,203	\$32,369,200	\$33,170,403	\$33,170,403	\$33,170,403
16	2032-2033	2032	\$0	\$789,185	\$32,369,200	\$33,158,385	\$33,158,385	\$33,158,385
17	2033-2034	2033	\$0	\$777,347	\$32,369,200	\$33,146,547	\$33,146,547	\$33,146,547
18	2034-2035	2034	\$0	\$765,687	\$32,369,200	\$33,134,887	\$33,134,887	\$33,134,887
19	2035-2036	2035	\$0	\$754,201	\$32,369,200	\$33,123,401	\$33,123,401	\$33,123,401
20	2036-2037	2036	\$0	\$742,888	\$32,369,200	\$33,112,088	\$33,112,088	\$33,112,088
21	2037-2038	2037	\$0	\$731,745	\$32,369,200	\$33,100,945	\$33,100,945	\$33,100,945
22	2038-2039	2038	\$0	\$720,769	\$32,369,200	\$33,089,969	\$33,089,969	\$33,089,969
23	2039-2040	2039	\$0	\$709,957	\$32,369,200	\$33,079,157	\$33,079,157	\$33,079,157
24	2040-2041	2040	\$0	\$699,308	\$32,369,200	\$33,068,508	\$33,068,508	\$33,068,508
25	2041-2042	2041	\$0	\$688,818	\$32,369,200	\$33,058,018	\$33,058,018	\$33,058,018

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.

Additional years for 25 year economic impact as required by 313.026(c)(1)

BNB Lamesa Solar LLC

Chapter 313 Application to Lamesa ISD

Cummings Westlake, LLC

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

- a) *Evidence that the area qualifies as a enterprise zone as defined by the Governor's office (Not Applicable)*
- b) *Legal description of reinvestment zone* (See Attached Description of City RZ)*
- c) *Order, resolution, or ordinance established the reinvestment zone* (See Attached Order of City RZ)*
- d) *Guidelines and criteria for creating the zone* (See Attached Guidelines for the City)*

AMENDMENT

Exhibit B

Legal Description of Reinvestment Zone

Survey
T&P RR CO
35 T5N

Section	Alternate Survey Name	Abstract #	Acres
9		896	649.04
10	BAILEY, J R	876	645.71
11		882	635.06
14	WRISTEN, J	903	644.05
15		917	644.44
16	DAVIS, H	908	644.76
22	WRISTEN, J	940	646.68
23		938	637.51
26	JONES, H	962	638.17

All of the land EAST of Highway 87 within these following sections.

Section	Alternate Survey Name	Abstract #	Acres
7		911	149.31
8	MARSHALL, J C A	885	645.61
17		930	344.90
20	DAVIS, H J	942	8.34
21		950	493.05
27		966	626.73
28	NIX, O	970	82.25
Total Acres			8,135.61

All information based on GIS data supplied by TNRIS through the Texas General Land Office.
Acreage is approximate and based upon map as supplied which may not accurately reflect
recorded patented acreage for Survey.

Designation of
Lamesa Solar
Reinvestment Zone

§
§
§

The Commissioners' Court
Of
Dawson County, Texas

ORDER

Approving Motion for Designation
of the Lamesa Solar Reinvestment Zone

The Commissioners' Court of Dawson County, Texas, meeting in regular session on the
13 day of May, 2014, considered the following resolution:

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

Motion by Commissioner Ricky Mirjarez seconded by Russell Co, that the
following action be taken by the court:

1. THAT the County designates the property located in Dawson County, having the boundary description in Exhibit A and shown on the map in Exhibit B, both attached to this Order, as a Reinvestment Zone under the Dawson 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 declare eligible for property tax abatement all eligible property for commercial-industrial development, now or thereafter located in that Reinvestment Zone as authorized by the Dawson County Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones and Chapter 312 of the Texas Tax Code.
3. THAT the zone shall be called the "Lamesa Solar Reinvestment Zone."

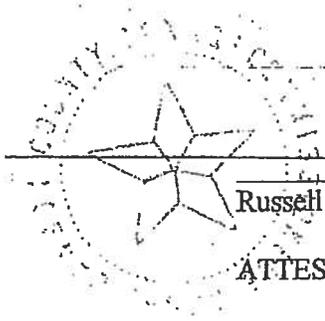
This ORDER shall become effective as of May 13, 2014 PASSED AND APPROVED
at this public hearing of the Dawson County Commissioners Court, at which a quorum was
present, on the 13 day of May, 2014.

Foy O'Brien Date: 5-13, 2014, County Judge

Ricky Mirjarez Date: 5-13, 2014 Commissioner Precinct 1

Tony Hernandez Date: 5-13, 2014 Commissioner Precinct 2

Nicky Goode Date: 5-13, 2014 Commissioner Precinct 3



[Signature] Date: 5-13, 2014, Commissioner Precinct 4

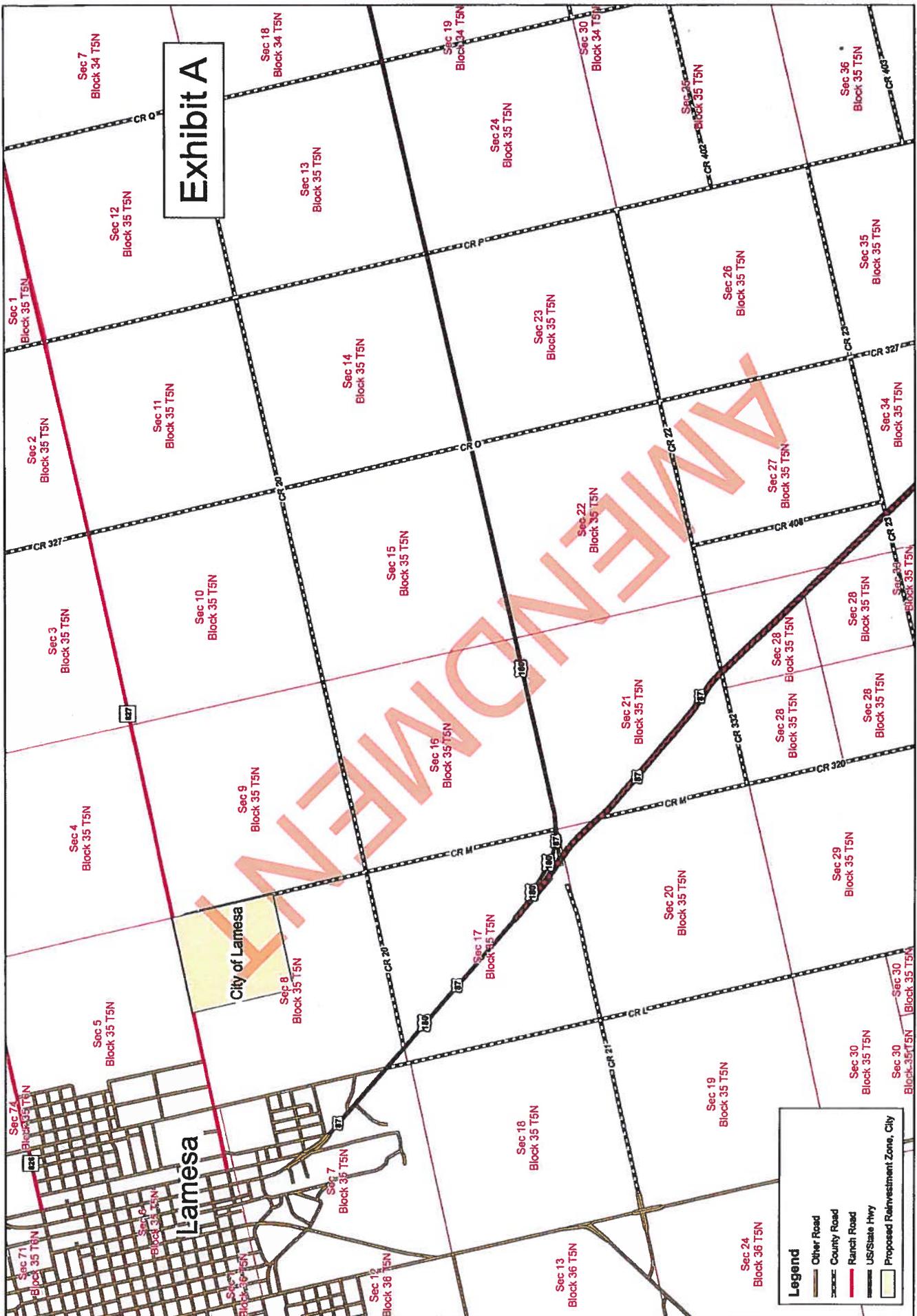
Russell Cox

ATTESTED: Gloria Vera Date: 5/13, 2014, County Clerk

Gloria Vera

AMENDMENT

Exhibit A



Lamesa Solar, LLC City of Lamesa Reinvestment Zone

1 inch = 1,500 feet 1:18,000
 0 0.5 1 Miles

Exhibit B

Legal Description of Reinvestment Zone

Survey
T&P RR CO
35 T5N

Section	Alternate Survey Name	Abstract #	Acres
9		896	649.04
10	BAILEY, J R	876	645.71
11		882	635.06
14	WRISTEN, J	903	644.05
15		917	644.44
16	DAVIS, H	908	644.76
22	WRISTEN, J	940	646.68
23		938	637.51
26	JONES, H	962	638.17

All of the land EAST of Highway 87 within these following sections.

Section	Alternate Survey Name	Abstract #	Acres
7		911	149.31
8	MARSHALL, J C A	885	645.61
17		930	344.90
20	DAVIS, H J	942	8.34
21		950	493.05
27		966	626.73
28	NIX, O	970	82.25
Total Acres			8,135.61

*All information based on GIS data supplied by TNRIS through the Texas General Land Office.
Acreage is approximate and based upon map as supplied which may not accurately reflect
recorded patented acreage for Survey.*

RESOLUTION NO. R-16-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS DECLARING THAT THE CITY ELECTS TO BECOME EIGIBLE TO PARTICIPATE IN OFFERING TAX ABATEMENT UNDER THE PROPERTY REDEVELOPMENT AND TAX ABATEMENT ACT AS AMENDED AND OTHER ECONOMIC DEVELOPMENT INCENTIVES AND ADOPTING A POLICY STATEMENT ON ECONOMIC DEVELOPMENT INCENTIVES ESTABLISHING OBJECTIVE AND SUBJECTIVE CRITERIA AND GUIDELINES FOR EVALUATING INCENTIVE APPLICATIONS.

WHEREAS, the City Council desires to promote economic development within the City of Lamesa and its extraterritorial jurisdiction; and

WHEREAS, the creation of certain reinvestment and tax abatement zones within the City and its extraterritorial jurisdiction will likely contribute to the economic development of Lamesa by encouraging major investment and the creation of jobs; and

WHEREAS, the Property Redevelopment and Tax Abatement Act (Chapter 312, Texas Tax Code, as amended) allows cities to establish their own local guidelines and criteria for the creation of reinvestment zones and tax abatement agreement;

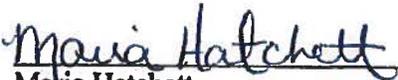
NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF LAMESA, TEXAS:

Section 1: That the City of Lamesa does hereby elect to become eligible to participate in tax abatement as authorized under the Property Redevelopment and Tax Abatement Act as amended and other Economic Development Incentives and adopting a policy statement on economic development incentives establishing objective and subjective criteria and guidelines for evaluating incentive applications.

PASSED AND APPROVED this 18th day of November, 2014.

ATTEST

APPROVED:


Makia Hatchett
City Secretary


Dave Nix
Mayor

Exhibit A

Statement of Policy and Guidelines and Criteria Governing Economic Development Incentives and Tax Abatement Agreements for The City of Lamesa, Texas

Policy

The City of Lamesa is committed to the promotion of quality development in all parts of the City and area of its extraterritorial jurisdiction and to an ongoing improvement in the quality of life for its citizens. Insofar as these objectives are generally served by the enhancement and expansion of the local economy, the City of Lamesa will give consideration to providing incentives as a stimulation for economic development in Lamesa. It is the policy of the City of Lamesa that said consideration will be provided in accordance with the guidelines, procedures and criteria outlined in this document. However, nothing herein shall imply or suggest that the City of Lamesa is under obligation to provide any incentive to any applicant. All applicants shall be considered by the City on a case-by-case basis.

I. Abatement Application Procedure

- (a) Who may apply. Any present or potential owner or Lessee of taxable property in the City of Lamesa (the "City") may submit an application for tax abatement conforming to the requirements herein.
- (b) Eligible Property. Abatement may be granted for the following property: new expanded or modernized buildings and structures, fixed machinery and equipment; site improvements; other tangible items necessary to the operation and administration of the project or facility; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code. Taxes on real property may be abated only to the extent the property's value for a given year exceeds its value for the year in which the agreement is executed. Tangible personal property located on the real property at any time before the period covered by the agreement is not eligible for abatement. Tangible personal property eligible for abatement shall not include inventory or supplies.

Property in a reinvestment zone that is owned or leased by a member of the Lamesa City Council is excluded from property tax abatement.
- (c) Application Provisions the application shall consist of a completed City Tax Abatement Application Form, which shall contain the following:
 - (1) information showing how the project meets the requirements of the criteria outlined in Section II below;
 - (2) a map and description of the property;
 - (3) a time schedule for completing the planned improvements;
 - (4) the estimated taxable value or range of values of the project or facility; and
 - (5) basic financial information about the applicant sufficient to enable evaluation of the application's financial capacity.
- (d) Procedure for Consideration of Application. The procedure for consideration by the City of a Tax Abatement Application is as follows:
 - (1) An applicant may request a Tax Abatement Application from the City Secretary;
 - (2) After an applicant completes the Tax Abatement Application, the applicant must provide a copy to each member of the City Council and the City Secretary; and
 - (3) The City Council shall issue a determination at any time before the expiration of forty-five (45) days from the date of receipt of the application regarding how to proceed with the application. The City Council shall

choose either to deny the application, consider the application, or consider the application on an expedited basis.

- (a) *Denial of Application.* If the City Council chooses to deny the application, it shall make a finding by majority vote at a regularly scheduled meeting that, after balancing the criteria described below in Section II, it is the judgment of the City Council that the application should be denied.
- (b) *Consideration of Application.* If the City Council determines that the application should be further considered, the City Council must hold a public hearing to obtain public input on the application. Not later than the seventh (7th) day before the date of the hearing, notice of the hearing must be: (1) delivered in writing to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, and (2) published in a newspaper of general circulation in Dawson County. At the hearing, the City Council evaluates the application against the criteria in Section II and decides by majority vote whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is designated, the City Council shall pass an order to that effect. An order designating an area as a reinvestment zone is valid for five years from the date of designation. Once the area is designated as a reinvestment zone, the City Council may then arrange to consider for approval of the tax abatement agreement between the applicant and the City at its next regularly scheduled or specially called meeting. At least seven days prior to entering into a tax abatement agreement, the City must give written notice of its intent to do so to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, along with a copy of the proposed tax abatement agreement. At the regularly scheduled or specially called meeting, the City Council may finally vote by simple majority to enter into the tax abatement agreement, or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the City. A tax abatement agreement that is declined by the City Council may be amended and resubmitted.
- (c) *Expedited consideration of application.* If the City Council determines that the application should receive expedited consideration, the City Council may combine the steps described in the preceding paragraph into a single, regularly scheduled or specially called meeting of the City Council, provided the City meets the procedural prerequisites for each step.
- (e) *Confidentiality.* As required by Chapter 312.003 of the Texas Tax Code, information that is provided to the City in connection with an application or request for tax abatement under this chapter and that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which tax abatement is sought is confidential and not subject to public disclosure until the tax abatement agreement executed.
- (f) *Effect of error or variance with application procedure.* Except where not allowed by state law, the City may waive application procedures or grant procedural variances as they deem appropriate.

II. Criteria for Designating a Reinvestment Zone and Evaluating Tax Abatement Agreement

- (a) Minimum requirements. To be designated a reinvestment zone, City Council must find by majority vote that the designation would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City.
- (b) Criteria. In determining whether to designate a reinvestment zone and whether to enter into a tax abatement agreement, the City Council shall consider the following factors, among others determined appropriate by the City Council:
- (1) the current value of land and existing improvements, if any;
 - (2) the type, value, and purpose of proposed improvements, if any;
 - (3) the productive life of proposed improvements, if any;
 - (4) the impact of proposed improvements and any other proposed expenditures on existing jobs;
 - (5) the number and type of new jobs, if any, to be created by proposed improvements and expenditures;
 - (6) any costs to be incurred by the City, if any, to provide facilities or services directly resulting from the new improvements;
 - (7) the types and values of public improvements, if any, to be made by applicant seeking abatement;
 - (8) an estimate of the amount of ad valorem property taxes to be paid to the City after expiration of the abatement agreement;
 - (9) the impact on the business opportunities of existing businesses and the attraction of new businesses to the area, if any;
 - (10) the overall compatibility with the zoning ordinances and comprehensive plan, if any, for the area and
 - (11) whether the applicant's proposed facility or improvement or modernization is an industry which is new to the City;
 - (12) the impact upon the City's infrastructure including the use of City Services.

III. Format for Tax Abatement Agreement

- (a) Required Provisions. If the City Council designates a reinvestment zone, it may consider and execute a tax abatement agreement with the owner or potential owner or Lessee of the designated property as outlined above. Any tax abatement agreement shall include at least the following provisions:
- (1) the kind, number and location of all proposed improvements of the property;
 - (2) provisions allowing for reasonable access to the property for initial and intermittent inspection purposes by City employees or designated representatives to ensure improvements are made in compliance with the agreement;
 - (3) provisions limiting the use of the property consistent with the general purpose of encouraging development or redevelopment of the area during the period of the abatement;
 - (4) provisions for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided in the agreement;
 - (5) each term agreed to by the recipient of the abatement;
 - (6) a requirement that the abatement recipient certify its compliance with the agreement annually to each taxing unit that is party to the agreement; and

- (7) provisions allowing the City to cancel or modify the agreement if the recipient fails to comply with the agreement.
- (b) Optional Provisions. The tax abatement agreement may also contain any or all of the following items, in addition to any others deemed appropriate by the contracting parties;
- (1) the estimated taxable value or range of values for which taxes are to be abated;
 - (2) the percent of value to be abated each year;
 - (3) the commencement and termination dates of the abatement;
 - (4) the proposed use of the property;
 - (5) a time schedule, map, and property description;
 - (6) contractual obligations in the event of default or violation of terms or conditions;
 - (7) the size of investment and number of temporary and permanent jobs involved, if any;
 - (8) provisions for dispute resolution.
- (c) Duration and portion of abatement. A tax abatement agreement granted by the City Council shall be up to, but not exceeding, ten (10) years in duration and up to, but not exceeding, 100 percent (100%) of ad valorem property taxes. At any time before the expiration of the agreement, the parties may agree to modify the agreement or to delete the provisions that were not necessary to the original agreement. The same procedural prerequisites for approval of the original agreement apply to modification of the agreement.
- (d) Time Limit. Such Agreement shall be executed within 30 days after the passage of the resolution approving the agreement, unless the City and the applicant agree otherwise.

IV. General Provisions

These guidelines and criteria in no way require the City to enter into any specific tax abatement agreement. The City maintains the discretion to reject any application for tax abatement as it deems appropriate.

V. Sunset and Amendment of Guidelines and Criteria

These guidelines and criteria are effective upon the date of their adoption and will remain in force for two years, unless extended by a three-fourths vote of the City Council.

BNB Lamesa Solar LLC

Chapter 313 Application to Lamesa ISD

Cummings Westlake, LLC

TAB 17

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

AMENDMENT

ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION ON QUALIFIED PROPERTY BY BNB LAMESA SOLAR LLC TO LAMESA ISD

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

Jim Knight

Print Name (Authorized School District Representative)

Superintendent

Title

sign here

Jim Knight

Signature (Authorized School District Representative)

2-4-16

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here

Chad Horton

Print Name (Authorized Company Representative (Applicant))

Regional Vice President

Title

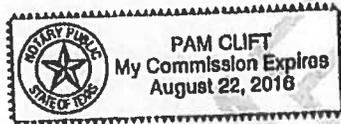
sign here

Chad Horton

Signature (Authorized Company Representative (Applicant))

1/25/16

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

25 day of January, 2016

Pam Clift

Notary Public in and for the State of Texas

My Commission expires: 8-22-16

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.