Application for Appraised Value Limitation on Qualified Property

Applicant: Crosby County Wind Farm, LLC

District: Lorenzo Independent School Dist.

APPLICATION

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

Form 50-296
(Revised May 2010)

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 completed application to the Comptroller in a three-ring binder with tabs 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 Web site. 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 as explained in the Confidentiality Notice below.

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. 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, make a recommendation 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 before the 151st 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 complete the recommendation, economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's Web site to find out more about the program at http://www.window.state.tx.us/taxinfo/proptax/hb1200/index.html. There are links on this Web page to the Chapter 313 statute, rules and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION

Authorized School District Representative

Date application received by district: 11/9/2011

First Name	Last Name
Dick	Van Hoose

Title: Superintendent

School District Name: Lorenzo Independent School District

Street Address: 3rd and Polk

Mailing Address: P.O. Box 520

City	State	ZIP
Lorenzo	Texas	79343-5928

Phone Number	Fax Number
(806) 634-5591 Ext. 222	(806) 634-5928
Mobile Number (optional)	E-mail Address: dvanhoose@esc17.net

I authorize the consultant to provide and obtain information related to this application. . . . . ☑ Yes ☐ No

Will consultant be primary contact? . . . . . ☑ Yes ☐ No

SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name	Last Name
Audie	Sciumbato

Title: Attorney

Firm Name: Underwood Law Firm, P.C.

Street Address: 500 S. Taylor, Suite 1200

Mailing Address: P.O. Box 9158

City	State	ZIP
Amarillo	Texas	79101

Phone Number	Fax Number
(806) 379-0326	(806) 379-0316

Mobile Number (Optional)	E-mail Address
	audie.sciumbato@uwlaw.com

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.

Signature *(Authorized School District Representative)*	Date
Rick Van Horn	3/23/2012 AS

Has the district determined this application complete? ☑ Yes ☐ No

If yes, date determined complete. 3/26/2012 AS

Have you completed the school finance documents required by TAC 9.1054(c)(3)? ☐ Yes ☑ No

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Date application received by the ISD	1 of 16	✓
2	Certification page signed and dated by authorized school district representative	2 of 16	✓
3	Date application deemed complete by ISD	2 of 16	✓
4	Certification pages signed and dated by applicant or authorized business representative of applicant	4 of 16	✓
5	Completed company checklist	12 of 16	✓
6	School finance documents described in TAC 9.1054(c)(3) (Due within 20 days of district providing notice of completed application)	2 of 16	✓

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION

Authorized Business Representative (Applicant)

First Name	Last Name
Shannon	Adkins

Title
President

Organization
Crosby County Wind Farm, LLC

Street Address
1120 West Loop 289, Suite 101

Mailing Address

City	State	ZIP
Lubbock	Texas	79416

Phone Number	Fax Number
(806) 785-7770	(972) 290-0823
Mobile Number (optional)	Business e-mail Address
	sadkins@triglobalenergy.com

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

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

First Name	Last Name
Damon	Bowman

Title
Chief Relationship Officer and Associate General Counselor

Organization
Tri Global Energy, LLC

Street Address
17300 North Dallas Parkway, Suite 2060

Mailing Address

City	State	ZIP
Dallas	Texas	75248

Phone Number	Fax Number
(972) 290-0825	(972) 290-0823
Mobile Number (optional)	E-mail Address
	dbowman@triglobalenergy.com

I authorize the consultant to provide and obtain information related to this application.. ☑ Yes ☐ No

Will consultant be primary contact? ☑ Yes ☐ No

Form 50-296 **Application for Appraised Value Limitation on Qualified Property**

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (if Applicable)

First Name	Last Name
Jeff	Ritter

Title: Attorney

Firm Name: Mullin Hoard & Brown

Street Address: 500 South Taylor, Suite 800

Mailing Address: Lobby Box #213

City	State	ZIP
Amarillo	Texas	79101-2455

Phone Number	Fax Number
(806) 372-5050	(806) 372-5086

Business email Address: jritter@mhba.com

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 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.

Signature *(Authorized Business Representative (Applicant))*	Date
CROSBY COUNTY WIND FARM, LLC By: _____ Shannon Adkins, President	3-22-12

GIVEN under my hand and seal of office this 22nd day of March, 2012

JILL D. NORMAN
Notary Public, State of Texas
My Commission Expires 08-20-2015

(Notary Seal)

Notary Public, State of _____

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 § 37.10.

FEES AND PAYMENTS

☑ Enclosed is proof of application fee paid to the school district.

For the purpose of this question, "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.

Please answer only either A OR B:

A. 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

B. 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

BUSINESS APPLICANT INFORMATION

Legal Name under which application is made

Crosby County Wind Farm, LLC

Texas Taxpayer I.D. Number of entity subject to Tax Code, Chapter 171 *(11 digits)*

32039178531

NAICS code

221119

Is the applicant a party to any other Chapter 313 agreements? ☐ Yes ☑ No

If yes, please list name of school district and year of agreement.

N/A

APPLICANT BUSINESS STRUCTURE

Registered to do business in Texas with the Texas Secretary of State? ☑ Yes ☐ No

Identify business organization of applicant *(corporation, limited liability corporation, etc.)*

limited liability company

1. Is the applicant a combined group, or comprised of members of a combined group, as defined by Texas Tax Code Chapter 171.0001(7)? ☐ Yes ☑ No
   If so, please attach documentation of the combined group membership and contact information.

2 Is the applicant current on all tax payments due to the State of Texas? ☑ Yes ☐ No

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☑ NA ☐ Yes ☐ No

   If the answer to either question is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (Use attachment if necessary.)

ELIGIBILTY UNDER TAX CODE CHAPTER 313.024

Are you an entity to which Tax Code, Chapter 171 applies? ☑ Yes ☐ No

The property will be used as an integral part, or as a necessary auxiliary part, in 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

Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☑ No

Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☑ No

Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☑ No

Are you including property that is owned by a person other than the applicant? ☐ Yes ☑ No

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

PROJECT DESCRIPTION

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. (Use attachments as necessary)

See attachment - Project Description

Describe the ability of your company to locate or relocate in another state or another region of the state.

See attachment - Project Description

PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

☑ New Jobs ☑ Construct New Facility ☑ New Business / Start-up ☐ Expand Existing Facility

☐ Relocation from Out-of-State ☐ Expansion ☑ Purchase Machinery & Equipment

☐ Consolidation ☐ Relocation within Texas

PROJECTED TIMELINE

Begin Construction May 2012

Begin Hiring New Employees On or before October 2012

Construction Complete On or before December 2012

Fully Operational On or before December 2012

Purchase Machinery & Equipment April 2012

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.

When do you anticipate the new buildings or improvements will be placed in service? December 2012

ECONOMIC INCENTIVES

Identify state programs the project will apply for:

State Source	Amount
N/A	
Total	

Will other incentives be offered by local units of government? ☑ Yes ☐ No

Please use the following box for additional details regarding incentives. (Use attachments if necessary.)

A Tax Abatement Agreement with Crosby County under Chapter 312 of the Texas Tax Code

THE PROPERTY

Identify county or counties in which the proposed project will be located Crosby County

Central Appraisal District (CAD) that will be responsible for appraising the property Crosby County Appraisal District

Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☑ No

List all taxing entities that have jurisdiction for the property and the portion of project within each entity

County: Crosby County - 100% (Name and percent of project)

City: N/A (Name and percent of project)

Hospital District: N/A (Name and percent of project)

Water District: N/A (Name and percent of project)

Other (describe): N/A (Name and percent of project)

Other (describe): N/A (Name and percent of project)

Is the project located entirely within this ISD? ☐ Yes ☑ No

If not, please provide additional information on the project scope and size to assist in the economic analysis.

A portion of the project is located within the Ralls Independent School District. Please see the map attached to this Application.

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 rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's Web site at **www.window.state.tx.us/taxinfo/proptax/hb1200/values.html**.

At the time of application, what is the estimated minimum qualified investment required for this school district? $10,000,000

What is the amount of appraised value limitation for which you are applying? $10,000,000

What is your total estimated *qualified* investment? $37,000,000

NOTE: See 313.021(1) for full definition. Generally, Qualified Investment is the sum of the investment in tangible personal property and buildings and new improvements made between beginning of the qualifying time period (date of application final approval by the school district) and the end of the second complete tax year.

What is the anticipated date of application approval? May 15, 2012

What is the anticipated date of the beginning of the qualifying time period? June 30, 2012

What is the total estimated investment for this project for the period from the time of application submission to the end of the limitation period? $37,000,000

Describe the qualified investment.[See 313.021(1).]

Attach the following items to this application:

(1) 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,

(2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment and

(3) a map of the qualified investment showing location of new buildings or new improvements with vicinity map.

Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or 313.053 for rural school districts) for the relevant school district category during the qualifying time period? ☑ Yes ☐ No

Except for new equipment described in Tax Code §151.318(q) or (q-1), is the proposed tangible personal property to be placed in service for the first time:

(1) in or on the new building or other new improvement for which you are applying? ☑ Yes ☐ No

(2) if not in or on the new building or other new improvement for which you are applying for an appraised value limitation, is the personal property necessary and ancillary to the business conducted in the new building or other new improvement? ☑ Yes ☐ No

(3) on the same parcel of land as the building for which you are applying for an appraised value limitation? ☑ Yes ☐ No

("First placed in service" means the first use of the property by the taxpayer.)

Will the investment in real or personal property you propose be counted toward the minimum qualified investment required by Tax Code §313.023, (or 313.053 for rural school districts) be first placed in service in this state during the applicable qualifying time period? ☑ Yes ☐ No

Does the investment in tangible personal property meet the requirements of Tax Code §313.021(1)? ☑ Yes ☐ No

If the proposed investment includes a building or a permanent, non-removable component of a building, does it house tangible personal property? ☑ Yes ☐ No

QUALIFIED PROPERTY

Describe the qualified property. [See 313.021(2)] (If qualified investment describes qualified property exactly you may skip items (1), (2) and (3) below.)

Attach the following items to this application:

(1) 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,

(2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your qualified property and

(3) a map of the qualified property showing location of new buildings or new improvements – with vicinity map.

Land

Is the land on which you propose new construction or 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

If you answered "no" to the question above, what is the anticipated date on which you will submit proof of a reinvestment zone with boundaries encompassing the land on which you propose new construction or improvements? N/A

Will the applicant own the land by the date of agreement execution? ☐ Yes ☑ No

Will the project be on leased land? ☑ Yes ☐ No

QUALIFIED PROPERTY (CONTINUED)

If the land upon which the new building or new improvement is to be built is part of the qualified property described by §313.021(2)(A), please attach complete documentation, including:

1. Legal description of the land
2. Each existing appraisal parcel number of the land on which the improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property
3. Owner
4. The current taxable value of the land. Attach estimate if land is part of larger parcel.
5. A detailed map (with a vicinity map) showing the location of the land

Attach a map of the reinvestment zone boundaries, certified to be accurate by either the governmental entity creating the zone, the local appraisal district, or a licensed surveyor. (With vicinity map)

Attach the order, resolution or ordinance establishing the zone, and the guidelines and criteria for creating the zone, if applicable.

Miscellaneous

Is the proposed project a building or new improvement to an existing facility? ☐ Yes ☑ No

Attach a description of any existing improvements and include existing appraisal district account numbers.

List current market value of existing property at site as of most recent tax year. N/A (Market Value) N/A (Tax Year)

Is any of the existing property subject to a value limitation agreement under Tax Code 313? ☐ Yes ☑ No

Will all of the property for which you are requesting an appraised value limitation be free of a tax abatement agreement entered into by a school district for the duration of the limitation? ☑ Yes ☐ No

WAGE AND EMPLOYMENT INFORMATION

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

The last complete calendar quarter before application review start date is the:

☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☑ Fourth Quarter of 2011 (year)

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 TWC?
0

Note: For job definitions see TAC §9.1051(14) and Tax Code 313.021(3). If the applicant intends to apply a definition for "new job" other than TAC §9.1051(14)(C), then please provide the definition of "new job" as used in this application. N/A

Total number of new jobs that will have been created when fully operational 3

Do you plan to create at least 25 new jobs (at least 10 new jobs for rural school districts) on the land and in connection with the new building or other improvement? ☐ Yes ☑ No

Do you intend to request that the governing body waive the minimum new job creation requirement, as provided under Tax Code §313.025(f-1)? ☑ Yes ☐ No

If you answered "yes" to the question above, attach evidence documenting that the new job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards. **Note: Even if a minimum new job waiver is provided, 80% of all new jobs must be qualifying jobs pursuant to Texas Tax Code, §313.024(d).**

What is the maximum number of qualifying jobs meeting all criteria of §313.021(3) you are committing to create? 3

If this project creates more than 1,000 new jobs, the minimum required wage for this project is 110% of the average county weekly wage for all jobs as described by 313.021(3)(E)(ii).

If this project creates less than 1,000 new jobs, does this district have territory in a county that meets the demographic characteristics of 313.051(2)? (see table of information showing this district characteristic at *http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html)*

If yes, the applicant must meet wage standard described in 313.051(b) (110% of the regional average weekly wage for manufacturing)

If no, the applicant shall designate one of the wage standards set out in §§313.021(5)(A) or 313.021(5)(B).

WAGE AND EMPLOYMENT INFORMATION (CONTINUED)

For the following three wage calculations please include on an attachment the four most recent quarters of data for each wage calculation. Show the average and the 110% calculation. Include documentation from TWC Web site. 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(7).

110% of the county average weekly wage for all jobs (all industries) in the county is $752.40

110% of the county average weekly wage for manufacturing jobs in the county is $679.25

110% of the county average weekly wage for manufacturing jobs in the region is $808.50

Please identify which Tax Code section you are using to estimate the wage standard required for this project:

☐ §313.021(5)(A) or ☐ §313.021(5)(B) or ☐ §313.021(3)(E)(ii), or ☑ §313.051(b)?

What is the estimated minimum required annual wage for each qualifying job based on the qualified property? $37,088.70

What is the estimated minimum required annual wage you are committing to pay for each of the qualifying jobs you create on the qualified property? $38,000.00

Will 80% of all new jobs created by the owner be qualifying jobs as defined by 313.021(3)? ☑ Yes ☐ No

Will each qualifying job require at least 1,600 of work a year? ☑ Yes ☐ No

Will any of the qualifying jobs be jobs transferred from one area of the state to another? ☐ Yes ☑ No

Will any of the qualifying jobs be retained jobs? ☐ Yes ☑ No

Will any of the qualifying jobs be created to replace a previous employee? ☐ Yes ☑ No

Will any required qualifying jobs be filled by employees of contractors? ☐ Yes ☑ No

If yes, what percent? _____

Does the applicant or contractor of the applicant offer to pay at least 80% of the employee's health insurance premium for each qualifying job? ☑ Yes ☐ No

Describe each type of benefits to be offered to qualifying jobholders. (Use attachments as necessary.)

Qualified employees of Crosby County Wind Farm will be offered benefits as described in Attachment 5.

ECONOMIC IMPACT

Is an Economic Impact Analysis attached (If supplied by other than the Comptroller's office)? ☐ Yes ☑ No

Is Schedule A completed and signed for all years and attached? ☑ Yes ☐ No

Is Schedule B completed and signed for all years and attached? ☑ Yes ☐ No

Is Schedule C (Application) completed and signed for all years and attached? ☑ Yes ☐ No

Is Schedule D completed and signed for all years and attached? ☑ Yes ☐ No

Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, please attach a separate schedule showing the amount for each year affected, including an explanation.

CONFIDENTIALITY NOTICE

Property Tax Limitation Agreement Applications
Texas Government Code Chapter 313
Confidential Information Submitted to the Comptroller

Generally, an application for property tax value limitation, the information provided therein, and documents submitted in support thereof, are considered public information subject to release under the Texas Public Information Act.

There is an exception, outlined below, by which information will be withheld from disclosure.

The Comptroller's office will withhold information from public release if:

1) it describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application;
2) the information has been segregated in the application from other information in the application; and
3) the party requesting confidentiality provides the Comptroller's office a list of the documents for which confidentiality is sought and for each document lists the specific reasons, including any relevant legal authority, stating why the material is believed to be confidential.

All applications and parts of applications which are not segregated and marked as confidential as outlined above will be considered public information and will be posted on the internet.

Such information properly identified as confidential will be withheld from public release unless and until the governing body of the school district acts on the application, or we are directed to do so by a ruling from the Attorney General.

Other information in the custody of a school district or the comptroller submitted in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Texas Tax Code, Chapter 313, such as the nature and amount of the projected investment, employment, wages, and benefits, will not be considered confidential business information and will be posted on the internet.

All documents submitted to the Comptroller, as well as all information in the application once the school district acts thereon, are subject to public release unless specific parts of the application or documents submitted with the application are identified as confidential. Any person seeking to limit disclosure of such submitted records is advised to consult with their legal counsel regarding disclosure issues and also to take the appropriate precautions to safeguard copyrighted material, trade secrets, or any other proprietary information. The Comptroller assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by respondents. A person seeking to limit disclosure of information must submit in writing specific detailed reasons, including any relevant legal authority, stating why that person believes the material to be confidential.

The following outlines how the Comptroller's office will handle requests for information submitted under the Texas Public Information Act for application portions and submitted records appropriately identified as confidential.

- This office shall forward the request for records and a copy of the documents at issue to the Texas Attorney General's office for an opinion on whether such information may be withheld from disclosure under the Texas Public Information Act.
- The Comptroller will notify the person who submitted the application/documents when the information is forwarded to the Attorney General's office.
- Please be aware that this Office is obligated to comply with an Attorney General's decision, including release of information ruled public even if it was marked confidential.

COMPANY CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Certification pages signed and dated by Authorized Business Representative (applicant)	4 of 16	✓
2	Proof of Payment of Application Fee (Attachment)	5 of 16	✓
3	For applicant members, documentation of Combined Group membership under Texas Tax Code 171.0001(7) (if Applicable) (Attachment)	5 of 16	✓
4	Detailed description of the project	6 of 16	✓
5	If project is located in more than one district, name other districts and list percentage in each district (Attachment)	7 of 16	✓
6	Description of Qualified Investment (Attachment)	8 of 16	✓
7	Map of qualified investment showing location of new buildings or new improvements with vicinity map.	8 of 16	✓
8	Description of Qualified Property (Attachment)	8 of 16	✓
9	Map of qualified property showing location of new buildings or new improvements with vicinity map	8 of 16	✓
10	Description of Land (Attachment)	9 of 16	✓
11	A detailed map showing location of the land with vicinity map.	9 of 16	✓
12	A description of all existing (if any) improvements (Attachment)	9 of 16	✓
13	Request for Waiver of Job Creation Requirement (if applicable) (Attachment)	9 of 16	✓
14	Calculation of three possible wage requirements with TWC documentation. (Attachment)	10 of 16	✓
15	Description of Benefits	10 of 16	✓
16	Economic Impact (if applicable)	10 of 16	✓
17	Schedule A completed and signed	13 of 16	✓
18	Schedule B completed and signed	14 of 16	✓
19	Schedule C (Application) completed and signed	15 of 16	✓
20	Schedule D completed and signed	16 of 16	✓
21	Map of Reinvestment Zone (Attachment) (Showing the actual or proposed boundaries and size, Certified to be accurate by either the government entity creating the zone, the local appraisal district, or a licensed surveyor, with vicinity map)*	9 of 16	✓
22	Order, Resolution, or Ordinance Establishing the Zone (Attachment)*	9 of 16	✓
23	Legal Description of Reinvestment Zone (Attachment)*	9 of 16	✓
24	Guidelines and Criteria for Reinvestment Zone(Attachment)*	9 of 16	✓

***To be submitted with application or before date of final application approval by school board.**

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)

SCHEDULE A

Schedule A (Rev. May [illegible] Investment

Applicant Name Crosby County Wind Farm, LLC

ISD Name Lorenzo ISD

Form 50-296

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying Investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)		2012-2013	2012	200,000	0		0	200,000
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)				50,000	0		0	50,000
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)				34,620,000	130,000	34,750,000	2,000,000	36,750,000
	Complete tax years of qualifying time period	1	2013-2014	2013					
		2	2014-2015	2014					
	Value Limitation Period	3	2015-2016	2015					
Tax Credit Period (with 50% cap on credit)		4	2016-2017	2016					
		5	2017-2018	2017					
		6	2018-2019	2018					
		7	2019-2020	2019					
		8	2020-2021	2020					
		9	2021-2022	2021					
		10	2022-2023	2022					
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2023-2024	2023					
		12	2024-2025	2024					
		13	2025-2026	2025					
Post- Settle-Up Period		14	2026-2027	2026					
Post- Settle-Up Period		15	2027-2028	2027					

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D).
For the purposes of investment, please list amount invested each year, not cumulative totals.
[For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property].
Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).
For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

Column D: Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value-for planning, construction and operation of the facility.
The most significant example for many projects would be land. Other examples may be items such as professional services, etc.
Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed.

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

3-22-12

DATE

SCHEDULE B

Applicant Name

ISD Name

Schedule B (Rev. May 2010): Estimate[illegible]rket And Taxable Value

Crosby County Wind Farm, LLC

Lorenzo ISD

Form 50-296

					Qualified Property			Reductions from Market Value	Estimated Taxable Value	
		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or "in or on the new improvement"	Exempted Value	Final taxable value for I&S - after all reductions	Final taxable value for M&O–after all reductions
		pre- year 1	2012-2013	2012	N/A	0	0	N/A	0	0
	Complete tax years of qualifying time period	1	2013-2014	2013	N/A	130,000	36,870,000	N/A	37,000,000	37,000,000
		2	2014-2015	2014	N/A	123,500	35,026,500	N/A	35,150,000	35,150,000
	Value Limitation Period	3	2015-2016	2015	N/A	117,000	33,183,000	N/A	33,300,000	10,000,000
Tax Credit Period (with 50% cap on credit)		4	2016-2017	2016	N/A	110,500	31,339,500	N/A	31,450,000	10,000,000
		5	2017-2018	2017	N/A	104,000	29,496,000	N/A	29,600,000	10,000,000
		6	2018-2019	2018	N/A	97,500	27,652,500	N/A	27,750,000	10,000,000
		7	2019-2020	2019	N/A	91,000	25,809,000	N/A	25,900,000	10,000,000
		8	2020-2021	2020	N/A	84,500	23,965,500	N/A	24,050,000	10,000,000
		9	2021-2022	2021	N/A	78,000	22,122,000	N/A	22,200,000	10,000,000
		10	2022-2023	2022	N/A	71,500	20,278,500	N/A	20,350,000	10,000,000
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2023-2024	2023	N/A	65,000	18,435,000	N/A	18,500,000	18,500,000
		12	2024-2025	2024	N/A	58,500	16,591,500	N/A	16,650,000	16,650,000
		13	2025-2026	2025	N/A	52,000	14,748,000	N/A	14,800,000	14,800,000
Post- Settle-Up Period		14	2026-2027	2026	N/A	45,500	12,904,500	N/A	12,950,000	12,950,000
Post- Settle-Up Period		15	2027-2028	2027	N/A	39,000	11,061,000	N/A	11,100,000	11,100,000

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

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

3-22-12

DATE

SCHEDULE C

Schedule C- Application: Employment Information

Applicant Name Crosby County Wind Farm, LLC
ISD Name Lorenzo ISD

Form 50-296

					Construction		New Jobs		Qualifying Jobs	
		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Column A: Number of Construction FTE's or man-hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
		pre- year 1	2012-2013	2012	125 FTE's	38,000	0	0	0	0
	Complete tax years of qualifying time period	1	2013-2014	2013	0	0	3	38,000	3	38,000
		2	2014-2015	2014	0	0	3	38,000	3	38,000
	Value Limitation Period	3	2015-2016	2015	0	0	3	38,000	3	38,000
Tax Credit Period (with 50% cap on credit)		4	2016-2017	2016	0	0	3	38,000	3	38,000
		5	2017-2018	2017	0	0	3	38,000	3	38,000
		6	2018-2019	2018	0	0	3	38,000	3	38,000
		7	2019-2020	2019	0	0	3	38,000	3	38,000
		8	2020-2021	2020	0	0	3	38,000	3	38,000
		9	2021-2022	2021	0	0	3	38,000	3	38,000
		10	2022-2023	2022	0	0	3	38,000	3	38,000
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2023-2024	2023	0	0	3	38,000	3	38,000
		12	2024-2025	2024	0	0	3	38,000	3	38,000
		13	2025-2026	2025	0	0	3	38,000	3	38,000
Post- Settle-Up Period		14	2026-2027	2026	0	0	3	38,000	3	38,000
Post- Settle-Up Period		15	2027-2026	2027	0	0	3	38,000	3	38,000

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

CROSBY COUNTY WIND FARM, LLC

By: _____ Dated: March 22, 2012

Shannon Adkins, President

SCHEDULE D

Schedule D: (Rev. Ma 10 ther Tax Information

Applicant Name: Crosby County Wind Farm, LLC

ISD Name: Lorenzo ISD

Form 50-296

					Sales Tax Information		Franchise Tax	Other Property Tax Abatements Sought			
					Sales Taxable Expenditures		Franchise Tax	County	City	Hospital	Other
		Year	School Year (YYYY-YYYY)	Tax/ Calendar Year YYYY	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)			2012-2013	2012	4,000,000	32,800,000	0	0%	0%	0%	0%
	Complete tax years of qualifying time period	1	2013-2014	2013	0	444,474	0	100%	0%	0%	0%
		2	2014-2015	2014	0	445,493	0	100%	0%	0%	0%
	Value Limitation Period	3	2015-2016	2015	0	931,385	0	100%	0%	0%	0%
Tax Credit Period (with 50% cap on credit)		4	2016-2017	2016	0	978,900	0	100%	0%	0%	0%
		5	2017-2018	2017	0	1,020,354	0	100%	0%	0%	0%
		6	2018-2019	2018	0	1,078,298	2,509	100%	0%	0%	0%
		7	2019-2020	2019	0	1,100,897	7,834	100%	0%	0%	0%
		8	2020-2021	2020	0	1,119,752	18,658	100%	0%	0%	0%
		9	2021-2022	2021	0	1,288,203	21,654	100%	0%	0%	0%
		10	2022-2023	2022	0	1,293,603	20,838	100%	0%	0%	0%
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2023-2024	2023	626,511	781,934	21,950	0%	0%	0%	0%
		12	2024-2025	2024	639,041	765,974	20,952	0%	0%	0%	0%
		13	2025-2026	2025	651,822	750,231	21,216	0%	0%	0%	0%
Post- Settle-Up Period		14	2026-2027	2026	664,858	734,709	21,705	0%	0%	0%	0%
Post- Settle-Up Period		15	2027-2028	2027	678,155	719,412	22,207	0%	0%	0%	0%

*For planning, construction and operation of the facility.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

3-22-12

DATE

ATTACHMENT 1
PROJECT DESCRIPTION

PROJECT DESCRIPTION:

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. (Use attachments as necessary)

Crosby County Wind Farm, LLC is requesting an appraised value limitation from Lorenzo ISD for a proposed renewable energy project using wind turbines (wind farm) in Crosby County. The wind farm will be constructed within a reinvestment zone established by Crosby County, Texas. A map showing the location of the wind farm is included with this Application.

The wind farm will have a capacity of up to 20 megawatts. To construct the wind farm, Crosby County Wind Farm will install twelve wind turbines in Lorenzo ISD that will have a rated capacity of 1.6 – 2.0 megawatts each depending on the final turbine model selected. In addition to the wind turbines, roads will be constructed as necessary and transmission lines and substations will be installed to permit the interconnection and transmission of electricity generated by the wind turbines.

Construction of the wind farm is proposed to begin in the second quarter of 2012 and may take up to six months to complete, with the project achieving commercial operations in the fourth quarter of 2012.

Describe the ability of your company to locate or relocate in another state or another region of the state.

Wind farms are operating and under development in many states throughout the country. The Applicant can locate the Project anywhere in the U.S. with sufficient prevailing wind conditions conducive to power generation. However, Crosby County Wind Farm, LLC was formed for the purpose of developing a wind farm in Crosby County.

ATTACHMENT 2
QUALIFIED
INVESTMENT

Page 8 – QUALIFIED INVESTMENT:

Describe the qualified investment. [See 313.021(1).]
Attach 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 and a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment.

The Applicant is requesting an appraised value limitation on all of the property constructed or placed upon real property within Lorenzo ISD, Crosby County, Texas, as shown on the following map. The property for which the Applicant is requesting an appraised value limitation shall include, but is not limited to, the following: 12 wind turbines with a rated capacity of 1.6 – 2.0 MW; 12 towers to support the wind turbines; 12 reinforced concrete foundations supporting the weight of each turbine tower; up to 12 electric power transformers; electric poles and conductor cables used to transport electricity from each turbine tower to an electrical substation; and a small building to house maintenance supplies, replacement parts, and other miscellaneous related equipment.

Note: The Qualified Investment description is the same as the Qualified Property.

Attach a map of the qualified investment showing location of new buildings or new improvements with vicinity map.

Please see attached map. The locations of the turbines are not finalized due to micro-siting, but the representation of the number of turbines within the District will remain the same.

Turbine
Collector Substation
Pleasant Hill Sub SPEC

Transmission Line
69 kV
115 kV

20MW Circuit
Wind Farm Boundary

0 0.25 0.5 1 Miles

NORTH

Source: ESRI and Burns & McDonnell Engineering.

Burns & McDonnell
SINCE 1898

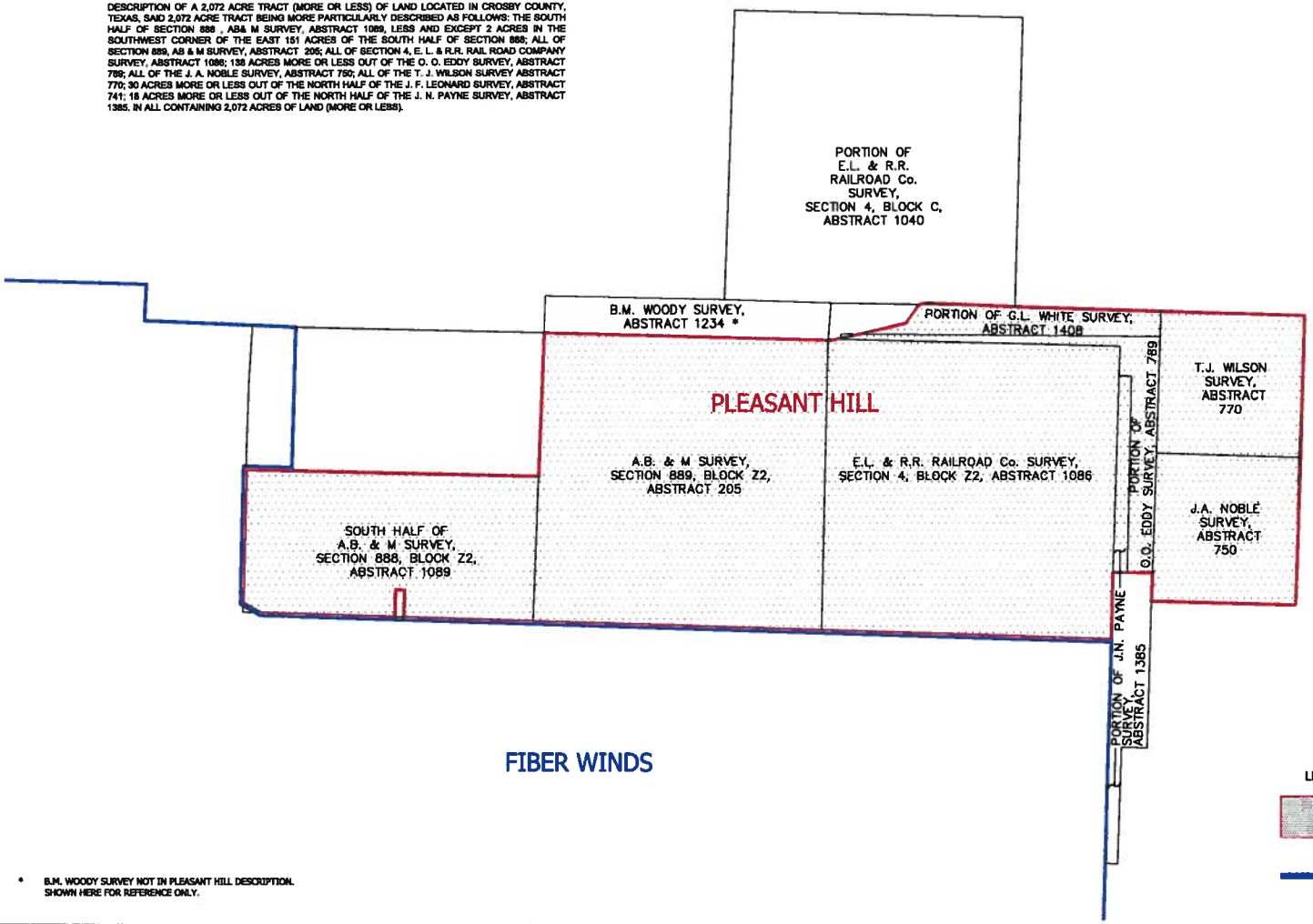
Crosby County Wind Farm
Preliminary Collector System Layout
20 MW

Issued: 3/9/2011

\\U\Projects\TrGlobalEnergy\46075\6\DataFiles\ArcDocs\Wind_Farm_Layout.mxd COPYRIGHT © 2011 BURNS & McDONNELL ENGINEERING COMPANY, INC.

PHASE ONE:

DESCRIPTION OF A 2,072 ACRE TRACT (MORE OR LESS) OF LAND LOCATED IN CROSBY COUNTY, TEXAS, SAID 2,072 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: THE SOUTH HALF OF SECTION 888 , AB& M SURVEY, ABSTRACT 1089, LESS AND EXCEPT 2 ACRES IN THE SOUTHWEST CORNER OF THE EAST 151 ACRES OF THE SOUTH HALF OF SECTION 888; ALL OF SECTION 889, AB & M SURVEY, ABSTRACT 205; ALL OF SECTION 4, E. L. & R.R. RAIL ROAD COMPANY SURVEY, ABSTRACT 1086; 138 ACRES MORE OR LESS OUT OF THE O. O. EDDY SURVEY, ABSTRACT 789; ALL OF THE J. A. NOBLE SURVEY, ABSTRACT 750; ALL OF THE T. J. WILSON SURVEY ABSTRACT 770; 30 ACRES MORE OR LESS OUT OF THE NORTH HALF OF THE J. F. LEONARD SURVEY, ABSTRACT 741; 18 ACRES MORE OR LESS OUT OF THE NORTH HALF OF THE J. N. PAYNE SURVEY, ABSTRACT 1385. IN ALL CONTAINING 2,072 ACRES OF LAND (MORE OR LESS).



* B.M. WOODY SURVEY NOT IN PLEASANT HILL DESCRIPTION.
SHOWN HERE FOR REFERENCE ONLY.

N

2000 1000 0 2000

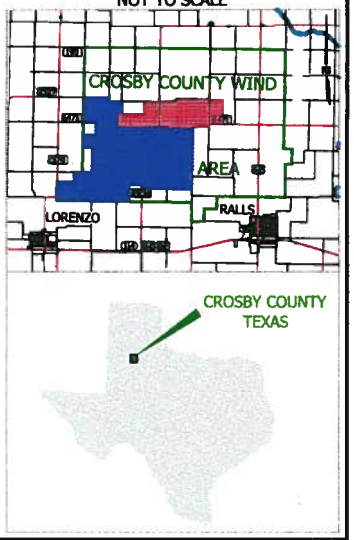
GRAPHIC SCALE

NOTE THIS DRAWING DOES NOT CONSTITUTE A BOUNDARY SURVEY AND SHOULD NOT BE USED FOR TRANSFER OF TITLE.

THIS MAP IS CONCEPTUAL IN NATURE.

THE DATA SHOWN WAS NOT FIELD VERIFIED.

VICINITY MAP
NOT TO SCALE



LEGEND

PHASE ONE (PLEASANT HILL)

PHASE TWO (FIBER WINDS)

SAM
4801 SOUTHWEST PARKWAY
PARKWAY TWO, SUITE 100
AUSTIN TEXAS, 78735
(512) 447-0575
Fax:(512)326-3620
EMAIL: SAM@SAMINCAUS.COM

PROJECT:	TRI-GLOBAL ENERGY CROSS COUNTY WIND
JOB NUMBER:	11084
DATE:	10/27/11
SCALE:	1"=2000'
DRAWN BY:	BGS
TECHNICIAN:	GMF
DRAWING:	CCW_PHASE ONE
FIELDNOTES:	N/A
PARTY CHIEF:	N/A
FIELDBOOK:	N/A

TRI GLOBAL ENERGY

CROSBY COUNTY WIND FARM
PHASE ONE (PLEASANT HILL)
PROJECT AREA TOTAL ACRES 2,072

SHEET 1
OF 1

DWG. SECTION: CCW_PHASE ONE

PHASE "1"

DESCRIPTION OF A 2,072 ACRE TRACT (MORE OR LESS) OF LAND LOCATED IN CROSBY COUNTY, TEXAS, SAID 2,072 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: THE SOUTH HALF OF SECTION 888 , AB& M SURVEY, ABSTRACT 1089, LESS AND EXCEPT 2 ACRES IN THE SOUTHWEST CORNER OF THE EAST 151 ACRES OF THE SOUTH HALF OF SECTION 888; ALL OF SECTION 889, AB & M SURVEY, ABSTRACT 205; ALL OF SECTION 4, E. L. & R.R. RAIL ROAD COMPANY SURVEY, ABSTRACT 1086; 138 ACRES MORE OR LESS OUT OF THE O. O. EDDY SURVEY, ABSTRACT 769; ALL OF THE J. A. NOBLE SURVEY, ABSTRACT 760; ALL OF THE T. J. WILSON SURVEY ABSTRACT 770; 30 ACRES MORE OR LESS OUT OF THE NORTH HALF OF THE J. F. LEONARD SURVEY, ABSTRACT 741; 18 ACRES MORE OR LESS OUT OF THE NORTH HALF OF THE J. N. PAYNE SURVEY, ABSTRACT 1385. IN ALL CONTAINING 2,072 ACRES OF LAND (MORE OR LESS).

ATTACHMENT 3
QUALIFIED PROPERTY

Page 8 – QUALIFIED PROPERTY:

The Qualified Property description is the same as the Qualified Investment.

ATTACHMENT 4
REINVESTMENT ZONE

RESOLUTION OF THE COMMISSIONERS COURT
OF CROSBY COUNTY, TEXAS
DESIGNATING REINVESTMENT ZONE NUMBER
2-B

A RESOLUTION DESIGNATING A CERTAIN AREA AS A REINVESTMENT ZONE FOR A COMMERCIAL-INDUSTRIAL TAX ABATEMENT IN CROSBY COUNTY, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Commissioners Court of Crosby County, Texas desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Property Tax Code § 312.001, *et seq.),* and the Guidelines and Criteria of the Commissioners Court of Crosby County for Granting a Tax Abatement, in a Reinvestment Zone Created in Crosby County, Texas (the "Guidelines"); and

WHEREAS, on Nov. 28, 2011, a hearing before the Commissioners Court of Crosby County, Texas was held, such date being at least seven (7) days after the date of publication of the notice of such public hearing in the local newspaper of general circulation in Crosby County and the delivery of written notice to the respective presiding officers of each taxing entity that includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

WHEREAS, the Commissioners Court of Crosby County, Texas at such public hearing invited any interested person to appear and speak for or against the creation of the reinvestment zone and whether all or part of the territory described should be included in the proposed reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone and opponents, if any, of the reinvestment zone appeared, to contest the creation of the reinvestment zone.

BE IT RESOLVED BY THE COMMISSIONERS COURT OF CROSBY COUNTY, TEXAS:

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the Commissioners Court of Crosby County, Texas, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

(a) That the public hearing on adoption of the Crosby County Reinvestment Zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and mailed to the respective presiding officers of the

governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone;

(b) That the boundaries of the Crosby County Reinvestment Zone should be the area described in the metes and bounds description attached hereto as Exhibit "A", which is incorporated herein by reference for all purposes;

(c) That creation of the Crosby County Reinvestment Zone will result in benefits to Crosby County, Texas and to land included in the zone and that the improvements sought are feasible and practical; and

(d) The Crosby County Reinvestment Zone meets the criteria set forth in Texas Property Tax Code Chapter 312 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property and that would contribute to the economic development of Crosby County, Texas, and that the entire tract of land is located entirely within an unincorporated area of Crosby County, Texas.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, Crosby County Commissioner's Court hereby creates Crosby County Reinvestment Zone Number 2-B; a reinvestment zone for commercial-industrial tax abatement encompassing only the area described by the metes and bounds in "Exhibit B", and such reinvestment zone is hereby designated and shall hereafter be referred to as Crosby County Reinvestment Zone Number 2-B.

SECTION 4. That Crosby County Reinvestment Zone Number 2-B shall take effect on Nov. 28, 2011 and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation, and may be renewed for an additional five (5) year period thereafter.

SECTION 5. That if any section, paragraph, clause or provision of this Resolution shall for any reason beheld to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject, of the meeting of the Crosby County Commissioners Court at which this Resolution was adopted was posted at a place convenient and readily accessible at all times as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of general circulation within the County, and furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this the 28th day of November 2011.

CROSBY COUNTY, TEXAS

By: David Wigley
DAVID WIGLEY, County Judge

Date: 28 November 2011

By: _____
Commissioner, Precinct 1

By: Frank Mullins
Frank Mullins
Commissioner, Precinct 2

By: Larry Wampler
LARRY WAMPLER
Commissioner, Precinct 3

By: Steven Henn
Steven Henn
Commissioner, Precinct 4

Linda S. Jones
Attest: LINDA S. JONES, County Clerk

LEGAL DESCRIPTION

EXHIBIT B

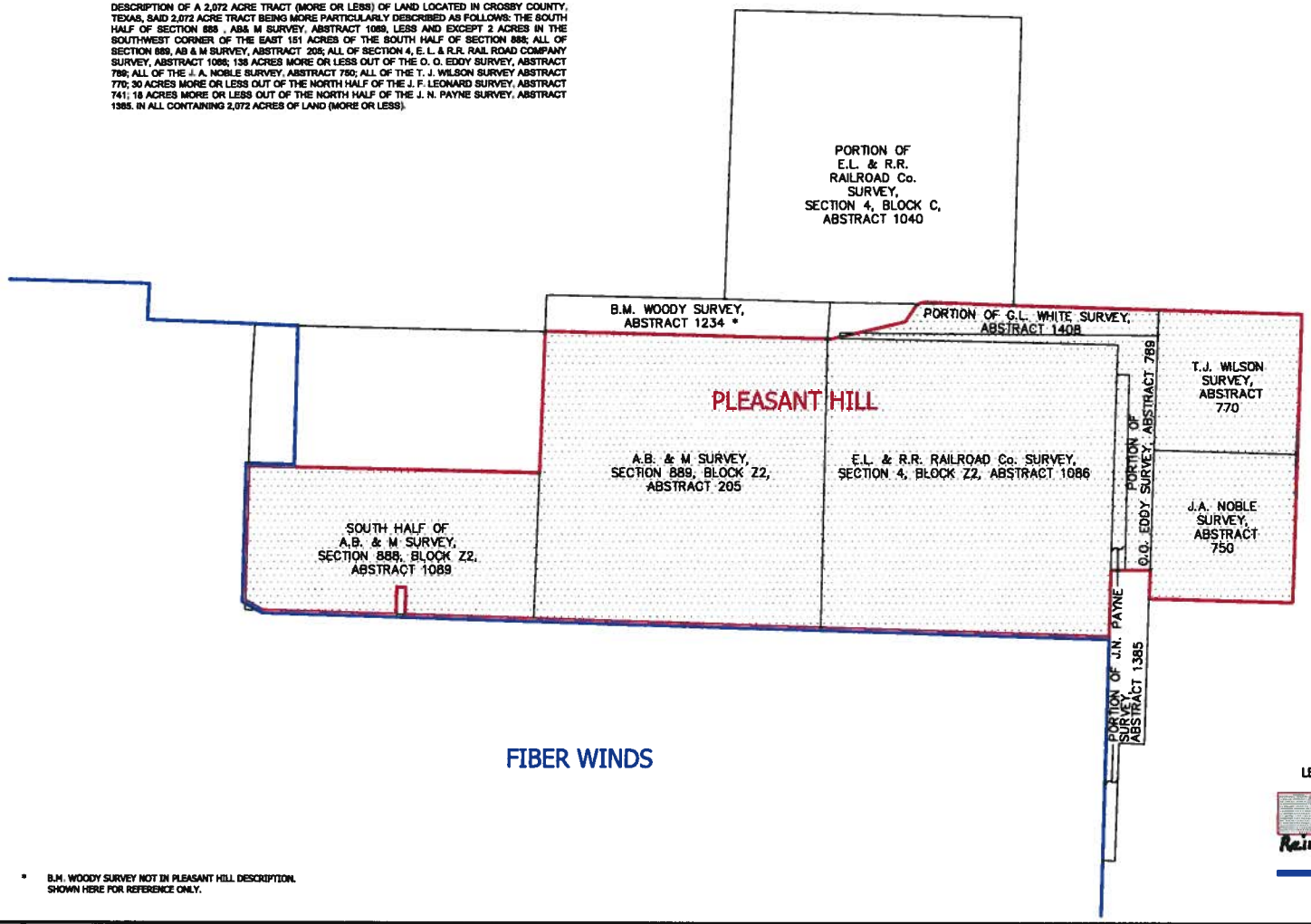
PHASE "A" B ZONE 2-B

DESCRIPTION OF A 2,072 ACRE TRACT (MORE OR LESS) OF LAND LOCATED IN CROSBY COUNTY, TEXAS, SAID 2,072 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: THE SOUTH HALF OF SECTION 888 , AB& M SURVEY, ABSTRACT 1089, LESS AND EXCEPT 2 ACRES IN THE SOUTHWEST CORNER OF THE EAST 151 ACRES OF THE SOUTH HALF OF SECTION 888; ALL OF SECTION 889, AB & M SURVEY, ABSTRACT 205; ALL OF SECTION 4, E. L. & R.R. RAIL ROAD COMPANY SURVEY, ABSTRACT 1086; 138 ACRES MORE OR LESS OUT OF THE O. O. EDDY SURVEY, ABSTRACT 789; ALL OF THE J. A. NOBLE SURVEY, ABSTRACT 750; ALL OF THE T. J. WILSON SURVEY ABSTRACT 770; 30 ACRES MORE OR LESS OUT OF THE NORTH HALF OF THE J. F. LEONARD SURVEY, ABSTRACT 741; 18 ACRES MORE OR LESS OUT OF THE NORTH HALF OF THE J. N. PAYNE SURVEY, ABSTRACT 1385. IN ALL CONTAINING 2,072 ACRES OF LAND (MORE OR LESS).

FILED
2011 NOV 28 AM 11:32
LINDA S. JONES
COUNTY CLERK
CROSBY CO., TX
DEPUTY

PHASE ONE:

DESCRIPTION OF A 2,072 ACRE TRACT (MORE OR LESS) OF LAND LOCATED IN CROSBY COUNTY, TEXAS, SAID 2,072 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: THE SOUTH HALF OF SECTION 888 , AB& M SURVEY, ABSTRACT 1089, LESS AND EXCEPT 2 ACRES IN THE SOUTHWEST CORNER OF THE EAST 151 ACRES OF THE SOUTH HALF OF SECTION 888; ALL OF SECTION 889, AB & M SURVEY, ABSTRACT 205; ALL OF SECTION 4, E. L. & R.R. RAIL ROAD COMPANY SURVEY, ABSTRACT 1086; 138 ACRES MORE OR LESS OUT OF THE O. O. EDDY SURVEY, ABSTRACT 789; ALL OF THE J. A. NOBLE SURVEY, ABSTRACT 750; ALL OF THE T. J. WILSON SURVEY ABSTRACT 770; 30 ACRES MORE OR LESS OUT OF THE NORTH HALF OF THE J. F. LEONARD SURVEY, ABSTRACT 741; 18 ACRES MORE OR LESS OUT OF THE NORTH HALF OF THE J. N. PAYNE SURVEY, ABSTRACT 1385. IN ALL CONTAINING 2,072 ACRES OF LAND (MORE OR LESS).



* B.M. WOODY SURVEY NOT IN PLEASANT HILL DESCRIPTION. SHOWN HERE FOR REFERENCE ONLY.

N

2000 1000 0 2000

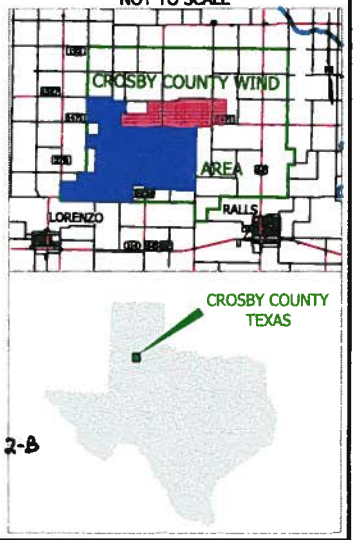
GRAPHIC SCALE

NOTE THIS DRAWING DOES NOT CONSTITUTE A BOUNDARY SURVEY AND SHOULD NOT BE USED FOR TRANSFER OF TITLE.

THIS MAP IS CONCEPTUAL IN NATURE.

THE DATA SHOWN WAS NOT FIELD VERIFIED.

VICINITY MAP
NOT TO SCALE



LEGEND

PHASE ONE (PLEASANT HILL)

Reinvestment Zone 2-B

PHASE TWO (FIBER WINDS)

SAM

4801 SOUTHWEST PARKWAY
PARKWAY TWO, SUITE 100
AUSTIN TEXAS, 78735
(512) 447-0878
FAX:(512)326-3029
EMAIL: SAM@SAMINCAUS.COM

PROJECT:	119-GLOBAL ENERGY CROSS COUNTY WIND
JOB NUMBER:	11004
DATE:	07/27/11
SCALE:	1"=2000'
DRAWN BY:	CDB
REVIEWED BY:	CDB
DRAWING:	CCWF_PHASE ONE
PARTICIPANT:	N/A
PARTICIPANT:	N/A
PARTICIPANT:	N/A

TRI GLOBAL ENERGY

CROSBY COUNTY WIND FARM
PHASE ONE (PLEASANT HILL)
PROJECT AREA TOTAL ACRES 2,072

SHEET 1
OF 1

DWG. SECTION: CCWF_PHASE ONE

ATTACHMENT 5
WAGE & EMPLOYMENT INFO.

ATTACHMENT
WAGE AND EMPLOYMENT INFORMATION

CALCULATION OF WAGE REQUIREMENTS-CROSBY COUNTY

110% of County Average Weekly Wage for all Jobs

2010	4Q	964
2011	1Q	626
2011	2Q	572
2011	3Q	574

2736/4 = $684.00 average weekly salary
X 1.1 (110%)
752.40 110% of County Average Weekly Wage for all Jobs

110% of County Average Weekly Wage for Manufacturing Jobs in County

2010	4Q	621
2011	1Q	513
2011	2Q	501
2011	3Q	835

2470/4 = $617.50 average weekly salary
X 1.1 (110%)
679.25 110% of County Average Weekly Wage Manufacturing Jobs

110% of County Average Weekly Wage for Manufacturing Jobs in Region (South Plains Region)

2010	4Q	783
2011	1Q	669
2011	2Q	705
2011	3Q	783

2960/4 = $740.00 average weekly salary
X 1.1 (110%)
808.50 110% of County Average Weekly Wage Manufacturing Jobs

2010 Manufacturing Wages by Council of Government Region
Wages for All Occupations

COG	Wages Hourly	Wages Annual
Texas		
1. Panhandle Regional Planning Commission	$18.60	$38,683
2. South Plains Association of Governments	$16.21	$33,717
3. NORTEX Regional Planning Commission	$18.34	$38,153
4. North Central Texas Council of Governments	$23.45	$48,777
5. Ark-Tex Council of Governments	$15.49	$32,224
6. East Texas Council of Governments	$17.63	$36,672
7. West Central Texas Council of Governments	$17.48	$36,352
8. Rio Grande Council of Governments	$15.71	$32,683
9. Permian Basin Regional Planning Commission	$19.90	$41,398
10. Concho Valley Council of Governments	$15.33	$31,891
11. Heart of Texas Council of Governments	$17.91	$37,257
12. Capital Area Council of Governments	$25.37	$52,778
13. Brazos Valley Council of Governments	$15.24	$31,705
14. Deep East Texas Council of Governments	$15.71	$32,682
15. South East Texas Regional Planning Commission	$27.56	$57,333
16. Houston-Galveston Area Council	$24.52	$51,002
17. Golden Crescent Regional Planning Commission	$20.07	$41,738
18. Alamo Area Council of Governments	$17.28	$35,952
19. South Texas Development Council	$13.27	$27,601
20. Coastal Bend Council of Governments	$21.55	$44,822
21. Lower Rio Grande Valley Development Council	$14.35	$29,846
22. Texoma Council of Governments	$18.10	$37,651
23. Central Texas Council of Governments	$17.21	$35,788
24. Middle Rio Grande Development Council	$13.21	$27,471

Source: Texas Occupational Employment and Wages
Data published: June 2011
Data published annually, next update will be June 2012.

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.

Quarterly Employment and Wages (QCEW)

Back

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2011	1st Qtr	Crosby County Total All	00	0	10		Total, All Industries	$626
2011	2nd Qtr	Crosby County Total All	00	0	10		Total, All Industries	$572
2011	3rd Qtr	Crosby County Total All	00	0	10		Total, All Industries	$574

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2010	4th Qtr	Crosby County	Total All	00	0	10	Total, All Industries	$964

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2011	1st Qtr	Crosby County	Total All	31	2	31-33	Manufacturing	$513
2011	2nd Qtr	Crosby County	Total All	31	2	31-33	Manufacturing	$501
2011	3rd Qtr	Crosby County	Total All	31	2	31-33	Manufacturing	$835

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2010	4th Qtr	Crosby County	Total All	31	2	31-33	Manufacturing	$621

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2011	1st Qtr	South Plains WDA	Total All	31	2	31-33	Manufacturing	$669
2011	2nd Qtr	South Plains WDA	Total All	31	2	31-33	Manufacturing	$705
2011	3rd Qtr	South Plains WDA	Total All	31	2	31-33	Manufacturing	$783

Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2010	4th Qtr	South Plains WDA	Total All	31	2	31-33	Manufacturing	$783

STATEMENT REGARDING
INDUSTRY STANDARD vs. JOBS CREATION REQUIREMENT

Applicant understands that it must provide documentation on which it intends to rely that demonstrates that the applicable jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility described in this Application. Applicant further understands that, in the case of wind farms, such documentation usually consists of a statement from the turbine manufacturer that addresses the number of jobs needed. Please be aware that Applicant has not yet determined which turbine will be used for this facility. Applicant will supplement this Application with a statement from the turbine manufacturer as soon as possible.

CROSBY COUNTY WIND FARM, LLC
1120 W. Loop 289, Suite 101
Lubbock, Texas 79416
(806) 785-7770

March 14, 2012

Re: Benefits for Qualified Job Holders

To Whom It May Concern:

It is our intention to offer qualified employees of Crosby County Wind Farm, LLC a benefits package that includes medical, dental, and vision insurance, with at least 80% of the premiums being paid by the LLC. In addition, each qualifying employee will receive area wide competitive vacation time, sick leave, and skills training.

Sincerely,

Shannon Adkins
President

CROSBY COUNTY WIND FARM, LLC

1120 W. Loop 289, Suite 101
Lubbock, Texas 79416
(806) 785-7770

March 14, 2012

Mr. Dick Van Hoose, Superintendent
Lorenzo Independent School District
3rd and Polk
P.O. Box 520
Lorenzo, Texas 79343-5928

Re: Chapter 313 Job Waiver Request

Mr. Van Hoose,

This letter is to advise you that Crosby County Wind Farm, LLC is requesting a waiver of the requirement to create ten full-time jobs in conjunction with its Chapter 313 Application for Appraised Value Limitation on Qualified Property. As you are aware, school districts have the option of providing a waiver for the jobs requirement if they determine that the job creation requirement set forth in the Texas Tax Code (i.e., 10 jobs) would exceed the industry standard for the number of employees necessary for the operation of the facility. Crosby County Wind Farm, LLC requests that the Lorenzo Independent School District's Board of Trustees make such a finding and waive the minimum job creation requirement.

Based on the industry standard, the size and scope of this project will require fewer than 10 permanent jobs. While wind-farm projects involve a large number of part-time jobs during the construction period, the long term operational phase only requires scheduled and unscheduled maintenance typically performed by highly skilled technical contractors. We find it necessary to create three (3) new full-time, permanent positions.

The wages for these positions will likely be above the Crosby County average wage rate. Additionally, benefits such as medical, dental and vision insurance, vacation time, sick leave, and skills training will be provided.

We appreciate your consideration of our application and our job requirement waiver request. Please feel free to contact me if you need any additional information.

Sincerely,

Shannon Adkins
President

234816

TAX ABATEMENT CRITERIA AND GUIDELINES FOR CROSBY COUNTY, TEXAS

Effective as of the 12th day of October, 2010

SECTION I. General Purpose:

Crosby County (the "County") is committed to the promotion of high quality economic development in the area and to an ongoing improvement in the quality of life for the citizens residing within the County. The County recognizes that these objectives are generally served by enhancement and expansion of the local economy. The County will, on a case by case basis, give consideration to providing tax abatement, as authorized by V.T.C.A., Tax Code, Chapter 312, as stimulation for economic development within the County. It is the policy of the County that said consideration will be provided in accordance with the guidelines and criteria herein set forth and in conformity with the Tax Code.

Nothing contained herein shall imply, suggest or be understood to mean that the County is under any obligation to provide tax abatement to any Applicant (as defined below) and attention is called to V.T.C.A., Tax Code, Section 312.002(d). With the above rights reserved all applications for tax abatement will be considered on a case by case basis.

SECTION II. Definitions:

Capitalized words or phrases used within these guidelines and criteria shall have the meanings set forth in Exhibit A.

SECTION III. Intent of Criteria and Guidelines:

The intent of these criteria and guidelines, as herein set forth, is to establish the minimum standards which an Applicant must meet in order for the County to consider tax abatement.

SECTION IV. Criteria and Guidelines for Tax Abatement:

A Facility will be eligible for tax abatement consideration provided such Facility meets the following guidelines and criteria:

1. To qualify for tax abatement, the Owner or Applicant must meet both of the following criteria:

    a) the Project entails the Modernization/Renovation of Existing Facilities, Expansion of Existing Facilities or construction of a New Facility; and

    b) the Project entails the production, manufacturing, or distribution of goods and services of which fifty percent (50%) or more are distributed outside of the County.

2. In addition to the aforementioned, the County will consider abatement only if the Owner or Applicant meets one of the following criteria:

a) the Project consists of at least one of the following target industries:

i. Advanced Technologies and Manufacturing;
ii. Value-added Agricultural Production including Food Processing and Machinery;
iii. Research and Development;
iv. Medical Services;
v. Manufacturing;
vi. Warehouse/Distribution;
vii. Corporate Headquarters of a Regional/National Service Center;
viii. Information and Data Centers; or
ix. Wind-Energy Production;

b) the Project is not included as a target industry, but has the potential of generating additional significant economic development opportunities for the County.

3. The Applicant must also meet one of the following criteria:

a) the Project will add at least (i) $500,000 in Improvements to Real Property, (ii) $1 million in new personal property, or (iii) five (5) New Permanent Jobs if the Applicant is new to the County; or

b) the Project will add at least (i) $200,000 in Improvements to Real Property, (ii) $500,000 in new personal property, or (iii) three (3) New Permanent Jobs if the facility is an Existing Facility.

4. New or Existing Facilities located in a County Reinvestment Zone or upon Real Property eligible for such status may be eligible for consideration for tax abatement status provided that all other criteria and guidelines are satisfied.

5. Improvements to Real Property must be eligible for tax abatement status.

6. The following items shall be ineligible for tax abatement status and shall be fully taxed:

a) real property;
b) inventories or supplies;
c) tools;
d) furnishings and other forms of movable personal property;
e) vehicles;
f) aircraft;
g) housing;
h) boats;
i) hotel accommodations;
j) motel accommodations;

k) retail businesses; and
l) property owned by the State of Texas or any State agency.

7. In order for a Facility to qualify for abatement, the following conditions must apply:

   a) the Owner or leaseholder of Real Property must make eligible Improvements to Real Property; and

   b) in the case of lessees, the leaseholder must have a lease commitment of at least five (5) years.

8. In County Reinvestment Zones, the amount and term of abatement shall be determined on a case by case basis, but in no event shall taxes be abated for a term in excess of ten (10) years. The amount of the taxable value of Improvements to be abated and the term of the abatement shall be determined by the County, except that a County Reinvestment Zone that is a state enterprise zone is designated for the same period as a state enterprise zone as provided by Chapter 2303, Government Code.

   In enterprise zones, the governing body of each taxing jurisdiction may execute a written agreement with the Applicant or Owner of the property. The agreement may, but is not required to, contain terms that are identical to those contained in the Abatement Agreement with the County, and the only terms for the agreement that may vary are the those dealing with the portion of the property that is to be exempt from taxation under the agreement and the duration of the agreement.

9. No Property shall be eligible for tax abatement under these criteria and guidelines unless such property is located in a County Reinvestment Zone in accordance with V.T.C.A., Tax Code, Section 312.401 and the tax abatement application is filed with the County before construction begins.

10. Notwithstanding any of the requirements set forth in Section IV Subsection 3, the governing body of the County, upon the affirmative vote of three-fourths (3/4) of its members, may vary any of the above requirements when the Applicant demonstrates that variation is in the best interest of the County or to do so and will significantly enhance the economic development of the County. By way of example only and not by limitation, the governing body of the County may consider the following or similar terms in determining whether a variance shall be granted:

    a) that the increase in productivity of the Facility will be substantial and hence directly benefit the economy;

    b) that the increase of goods or services produced by the Facility will be substantial and directly benefit the economy;

c) that the employment maintained at the Facility will be increased;

d) that the waiver will contribute and provide for the retention of existing jobs within the County; and/or

e) any other evidence showing a direct economic benefit to the County.

11. Taxability

a) Tax abatement shall be granted in accordance with the terms and provisions of an Abatement Agreement executed between the County and the Applicant or Owner of Real Property and/or Tangible Personal Property, which Abatement Agreement shall be in accord with the provisions of V.T.C.A., Tax Code, Section 312.402.

b) All ineligible property, if otherwise taxable, shall be fully taxed.

12. The governing body of the County shall have total discretion as to whether tax abatement is to be granted. Such discretion, as herein retained, shall be exercised on a case by case basis. The adoption of these guidelines and criteria by the governing body of the County does not:

a) limit the discretion of the governing body to decide whether to enter into a specific Abatement Agreement;

b) 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

c) 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.

13. The burden to demonstrate that an application for tax abatement should be granted shall be upon the Applicant. The County shall have full authority to request any additional information from the Applicant that the governing body of such County deems necessary to assist it in considering such application.

SECTION V. Criteria and Guidelines for Creation of a County Reinvestment Zone:

1. No Property shall be eligible for tax abatement through the County unless such property is located in an Enterprise Zone, in accordance with V.T.C.A., Tax Code, Section 312.4011, or a County Reinvestment Zone in accordance with V.T.C.A., Tax Code, Section 312.401. The County commissioners court, by order, if eligible to do so under V.T.C.A., Tax Code, Section 312.002 may

designate as a County Reinvestment Zone an area of the County that does not include area in the taxing jurisdiction of a municipality.

2. The governing body of the County, as required by Tax Code, Section 312.401, shall hold a public hearing on the designation of an area within its jurisdiction as a County Reinvestment Zone.

3. Notice of the hearing must be given in the same manner as provided under V.T.C.A., Tax Code, Section 312.201.

4. Property may be located both in a County Reinvestment Zone designated by the County under this subchapter and in a reinvestment zone designated by a municipality under V.T.C.A., Tax Code, Section 312 Subchapter B.

5. The designation of a County Reinvestment Zone expires five years after the date of the designation and may be renewed for periods not to exceed five years, except that a County Reinvestment Zone that is a state enterprise zone is designated for the same period as a state enterprise zone as provided by Chapter 2303, Government Code. The expiration of the designation does not affect an existing Abatement Agreement made in accordance with V.T.C.A., Tax Code, Section 312.402.

6. Designation of an area as an enterprise zone under the Texas Enterprise Zone Act, Chapter 2303, Subchapter C, Texas Government Code, constitutes designation of the area as a County Reinvestment Zone under V.T.C.A., Tax Code, Section 312 Subchapter C without further hearing or other procedural requirements other than those provided by the Texas Enterprise Zone Act, Chapter 2303, Subchapter C, Texas Government Code.

SECTION VI. Abatement Agreement:

1. An Abatement Agreement shall not exempt from taxation a portion of the value of the Facilities or Improvements for a period greater than ten (10) years.

2. An Abatement Agreement shall be subject to the rights of holders of outstanding bonds of the County.

3. Abatement Agreements made with multiple Owners must contain identical terms for the portion of the value of the property that is to be exempt and the duration of the exemption.

4. Property that is in a reinvestment zone owned or leased by a person who is a member of the governing body of the County is excluded from tax abatement.

5. Property that is subject to an Abatement Agreement when a person becomes a member of the governing body of the County does not cease to be eligible for

property tax abatement.

6. An Abatement Agreement shall:

a) provide access to and authorize inspection of the property by County employees to ensure that the improvements or repairs are made according to the conditions of the Abatement Agreement;

b) limit the uses of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect;

c) provide for recapturing property tax revenue lost as a result of the Abatement Agreement if the Owner fails to make the improvements or repairs as provided by the Abatement Agreement;

d) contain each term agreed to by the Owner of the property;

e) require the owner of the property to certify annually to the County that the Owner is in compliance with each applicable term of the Abatement Agreement;

f) provide that the governing body of the County may cancel or modify the Abatement Agreement if the Owner fails to comply with the Abatement Agreement;

g) establish and set forth the Base Year Value of the property for which tax abatement is sought;

h) provide that the taxes paid on the Base Year Value shall not be abated as a result of the execution of said Abatement Agreement;

i) provide for the exemption of Improvements in each year covered by the Abatement Agreement only to the extent the value of such Improvements for each such year exceeds the value for the year in which the Abatement Agreement is executed;

j) set forth the estimated value of all Improvements to Real Property;

k) clearly provide that tax abatement shall be granted only to the extent:

i. the Improvements to Real Property increase the value of the Real Property for the year in which the Abatement Agreement is executed; and

ii. the Tangible Personal Property or Improvements to Real Property

were not located on the Real Property prior to the execution of the Abatement Agreement;

l) list the kind, number, and location of all proposed Improvements, including:

i. whether the Improvements are for a New Facility, Modernization/Renovation of Existing Facilities, or Expansion of Existing Facilities;

ii. the nature of the construction, proposed time table of completion, and a map or drawings of the Improvements above mentioned;

iii. the amount of investment and the commitment for the creation of New Permanent Jobs;

iv. any other information required by the County;

m) provide a legal description of the Real Property upon which Improvements are to be made;

n) provide contractual obligations in the event of default by Owner, violation of the terms or conditions by Owner, recapturing property tax revenue in the event Owner defaults or otherwise fails to make Improvements as provided in said Abatement Agreement and any other provision as may be required or authorized by State Law; and

o) meet any other statutory or regulatory requirements.

2. Not later than the seventh day before the County enters into an Abatement Agreement for tax abatement under V.T.C.A., Tax Code, Section 312.402, the governing body of such County or a designated officer or employee thereof shall deliver to the presiding officer of the governing body of each of the taxing units in which the property to be subject to the Abatement Agreement is located, a written notice that the County intends to enter into the Abatement Agreement. The notice must include a copy of the proposed Abatement Agreement and is presumed delivered when placed in the mail, postage paid and properly addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee.

3. Failure to deliver the notice does not affect the validity of the Abatement Agreement.

SECTION VII. Application:

1. Any present Owner of taxable property located within the County may apply for tax abatement by filing an application with the governing body of the County.

2. The application shall consist of a completed application containing:

   a) the name, contact information, and brief description of the Applicant;

   b) a descriptive list of the kind, number and location of all proposed Improvements to Real Property or Existing Facility;

   c) a map indicating the approximate location of proposed Improvements to Real Property or Existing Facilities;

   d) a list of any and all Tangible Personal Property presently existing on the Real Property or located in an Existing Facility;

   e) a proposed time schedule for completing the proposed Improvements;

   f) a general description stating whether the proposed Improvements are in connection with:

      i. the Modernization/Renovation of Existing Facilities;
      ii. construction of a New Facility;
      iii. the Expansion of Existing Facilities; or
      iv. any combination of the above;

   g) a statement of the additional value to the Real Property or Facility as a result of the proposed Improvements;

   h) a statement of the assessed Base Year Value of the Real Property, Facility or Existing Facility;

   i) information concerning the number of New Permanent Jobs created or the number of existing jobs retained as result of the Improvements; and

   j) any other information which the County deems appropriate.

3. Information that is provided to the County in connection with an application or request for tax abatement and which describes the specific processes or business activity 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 Abatement Agreement is executed.

4. If the County determines that the property described is not within a current

County Reinvestment Zone, they shall so notify the Applicant and the application shall then be considered both as an application for the creation of a County Reinvestment Zone and a request for tax abatement to be effective after the zone is created.

5. An application or request for tax abatement submitted to the County under this chapter must be accompanied by an application fee of one thousand dollars and no/100 ($1,000.00).

6. At the discretion of the County, the Applicant may be responsible for any third party fees or out-of-pocket expenses incurred by the County, including without limitation any legal, accounting, economist, appraiser fees.

SECTION VIII. Default Options

1. In the event that the Applicant or Owner has entered into an Abatement Agreement but has failed to make Improvements or is otherwise in default of any of the terms or conditions contained in the Abatement Agreement; then in such event the County shall give the Applicant or Owner sixty (60) days notice of such failure. The Applicant or Owner shall demonstrate to the satisfaction of the County above mentioned that the Applicant or Owner has commenced to cure such failure within the 60 days above mentioned. In the event the Applicant or Owner fails to demonstrate that he is taking affirmative action to cure his failure, the County shall have three options:

   a) the County may renegotiate the Agreement with the Applicant or Owner, in which case the then-current guidelines and criteria shall apply to the new Agreement;

   b) the County may determine that good cause exists to cancel the Agreement and all tax abatements shall terminate immediately; or

   c) the County may terminate the Agreement and recapture taxes abated under Section IX below.

2. In any of the three above options, the County shall determine whether Applicant or Owner is in default of the Abatement Agreement and shall so notify all other local taxing authorities. Cancellation or termination of the Abatement Agreement by the County shall constitute simultaneous action to all Abatement Agreements between the County and Applicant.

SECTION IX. Recapture

1. In the event that a facility is completed and begins producing goods or services, but subsequently discontinues producing goods or services for any reason, excepting fire, explosion or other casualty or accident or natural disaster or other

event beyond the reasonable control of Applicant or Owner for a period of 180 days during the term of an Abatement Agreement, then in such event the Abatement Agreement shall terminate and all tax abatements shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to the County within sixty (60) days of the date of termination. Taxes abated in years prior to the year of termination shall be payable to the County no later than twelve (12) months after the date of termination. The burden shall be upon the Applicant or Owner to prove to the satisfaction of the County that the discontinuance of producing goods or services was as a result of fire, explosion, or other casualty or accident of natural disaster or other event beyond the control of Applicant or Owner. In the event that Applicant or Owner meets this burden and the County is satisfied that the discontinuance of the production of goods or services was the result of events beyond the control of the Applicant or Owner, then such Applicant or Owner shall have a period of one (1) year, commencing upon written notification from the County to the Applicant or Owner, in which to resume the production of goods and services. In the event that the Applicant or Owner fails to resume the production of goods or services within one year, then the Abatement Agreement shall terminate and the Abatement of all taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to the County within sixty (60) days of the date of termination. Taxes abated in years prior to the year of termination shall be payable to the County no later than twelve (12) months after the date of termination.

2. In the event that the Applicant or Owner has entered into an Abatement Agreement to make Improvements to a facility but fails to undertake or complete such Improvements or fails to create all or a portion of the number of new jobs provided by the Abatement Agreement, then in such event the County shall give the Applicant or Owner sixty (60) days notice of such failure. The Applicant or Owner shall demonstrate to the satisfaction of the County that the Applicant or Owner has commenced to cure such failure within the 60 days above mentioned. In the event that the Applicant or Owner fails to demonstrate that he is taking affirmative action to cure his failure, then in such event the Abatement Agreement shall terminate and all tax abatements shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to the County within 60 days of the date of termination. Taxes abated in years prior to the year of termination shall be payable to the County no later than twelve (12) months after the date of termination.

3. In the event that the County determines that the Applicant or Owner is in default of any of the terms or conditions contained in the Abatement Agreement, the County shall give the Applicant or Owner sixty (60) days written notice to cure such default. In the event such default is not cured to the satisfaction of the County within the sixty (60) days notice period, then the Abatement Agreement shall terminate and all tax abatements shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to the

County within sixty (60) days of the date of termination. Taxes abated in years prior to the year of termination shall be payable to the County no later than twelve (12) months after the date of termination.

4. In the event that the Applicant or Owner allows ad valorem taxes owed to the County to become delinquent and fails to timely and properly follow the legal procedures for their protest or contest, then in such event this Abatement Agreement shall terminate and all tax abatements shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to the County within sixty (60) days of the date of termination. Taxes abated in years prior to the year of termination shall be payable to the County no later than twelve (12) months after the date of termination.

5. In the event that the Applicant or Owner relocates the business for which tax abatement has been granted to a location outside of the designated County Reinvestment Zone, the Abatement Agreement shall terminate after sixty (60) days written notice by the County to the Owner or Applicant. Taxes abated during the calendar year in which termination takes place shall be payable to the County within sixty (60) days of the date of termination. Taxes abated in years prior to the year of termination shall be payable to the County no later than twelve (12) months after the date of termination.

6. The date of termination as that term is used in this Section IX shall, in every instance, be sixty (60) days after the day the County mails notice of default to the address shown in the Abatement Agreement to the Applicant or Owner. Should the default be cured by the Owner or Applicant within the 60 day notice period, the Owner or Applicant shall be responsible for so advising the County and obtaining a release from the notice of default from the County, failing in which, the abatement remains terminated and the abated taxes must be paid.

7. In the event that an Abatement Agreement is terminated for any reason what so ever and taxes are not paid within the time period herein specified, then in such event, the provisions of V.T.C.A., Tax Code, Section 33.01 will apply.

SECTION X. Miscellaneous:

1. Any notice required to be given by these criteria or guidelines shall be given in the following manner:

   a) Owner or Applicant: the address appearing on the Abatement Agreement.

   b) County: the address appearing on the Abatement Agreement.

2. The Chief Appraiser of the County Appraisal District shall annually assess the Real and Personal Property comprising the County Reinvestment Zone. Each year, the Applicant or Owner receiving tax abatement shall furnish the Chief

Appraiser with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the County of the assessment amount.

3. Upon the completion of Improvements made to any type of Facility, a designated employee or employees of the County shall have access to the Facility to insure compliance with the Abatement Agreement.

4. An Abatement Agreement may be assigned to a new Owner but only after written consent has been obtained from the County.

5. These guidelines and criteria are effective upon the date of their adoption by the County and shall remain in force for two (2) years. At the end of the 2 year period these guidelines and criteria may be readopted, modified, amended or rewritten as the conditions may warrant.

6. In the event of a conflict between these guidelines and criteria and V.T.C.A., Tax Code, Chapter 312, the Tax Code shall prevail and these guidelines and criteria interpreted accordingly.

7. These guidelines and criteria may be amended or repealed by a vote of three-fourths (3/4) of the members of the governing body of the County during the 2 year term in which these guidelines and criteria are effective.

RESOLUTION

NO. _____

PROVIDING THAT THE COUNTY OF CROSBY, TEXAS ELECTS TO BE ELIGIBLE TO PARTICIPATE IN TAX ABATEMENTS AS AUTHORIZED BY CHAPTER 312 OF THE TEXAS TAX CODE

WHEREAS, a Texas county may enter into tax abatement agreements authorized by Chapter 312 of the Texas Tax Code ("Code") only if the governing body of such county has previously adopted a resolution stating that the county elects to be eligible to participate in tax abatement.

NOW, THEREFOR, BE IT RESOLVED BY THE COUNTY COMMISSIONERS' COURT OF CROSBY COUNTY, TEXAS, THAT:

1. THE COUNTY hereby elects to be eligible to participate in tax abatement in accordance with Chapter 312 of the Code.

Adopted this the 12th day of October, 2010 in Crosby County Commissioners' Court.

Davey Abell, County Judge

Gary Jordan, Commissioner, Precinct 1

Frank Mullins, Commissioner, Precinct 2

Larry Wampler, Commissioner, Precinct 3

Charles Thorton, Commissioner, Precinct 4

Attest:

Linda S. Jones, Crosby County Clerk

FILED
2010 OCT 13 AM 11:48
LINDA S. JONES
COUNTY CLERK
CROSBY CO., TX
DEPUTY

Exhibit A

1. **Abatement Agreement**: A contract between a property Owner or Applicant and the County for the abatement of taxes on qualified property located within a County Reinvestment Zone.

2. **Advanced Technologies and Manufacturing**: Advanced manufacturing which requires higher skills and results in higher wages and investment.

3. **Applicant:** Any party seeking the designation of a County Reinvestment Zone or to enter into an Abatement Agreement with the County.

4. **Base Year Value**: The assessed value of property eligible for tax abatement as of January 1 preceding the execution of an Abatement Agreement as herein defined.

5. **County**: Crosby County, Texas.

6. **Existing Facility**: A Facility located in or on Real Property eligible for tax abatement as of the date of execution of the Abatement Agreement.

7. **Expansion of Existing Facilities**: The addition of buildings, structures, machinery or equipment to a Facility located in or on Real Property eligible for tax abatement as of the date of execution of the Abatement Agreement.

8. **Facility**: Any Improvement made to Real Property eligible for tax abatement, including the building or structure erected on such Real Property and/or any Tangible Personal Property to be located in or on such property.

9. **Information and Data Center:** Any Facility used to house computer systems and associated components, such as telecommunications and storage systems. The main purpose of the facility is running applications that handle the core business and operational data of organizations, off-site backups and other informational operations.

10. **Improvements to Real Property or Improvements**: The construction, addition to, structural upgrading of, replacement of, or completion of any Facility located upon or to be located upon Real Property, or any Tangible Personal Property placed in or on said Real Property.

11. **Manufacturing:** The production of goods or materials or the processing or change of goods or materials to a finished product.

12. **Medical Services**: Facilities such as hospitals, specialty hospitals and other like facilities that are classified under North American Industrial Classification System Code 622.

FILED
2010 OCT 13 PM 12:50
LINDA S. ...
COUNTY CLERK
CROSBY COUNTY, TEXAS
DEPUTY