Biennial Progress Report for Texas Economic Development Act

Economic Development and Analysis

Form 50-773-A

INTRODUCTION

- You have been assigned an application number. Please verify this number on the website prior to completing the form. This form will indicate the sections you need to complete based on application number.
- This form must be filled out by each applicant that is party to a limitation agreement.
- If the original application was made by a group of two or more companies, each company must complete this form.
- If the original applicant split into two or more applicants after the original agreement, all current agreement holders must complete this form.
- Applicants should only complete the information for their years as an agreement holder, noting what year they were formed after the original agreement was approved.
- Each agreement holder should respond as a current agreement holder in Section 2.
- Applicants should report their proportionate share of required employment and investment information.
- In addition to the Biennial Progress Report required from each applicant that is a party to an agreement, a separate Biennial Progress Report summarizing the combined applicants' data for the entire agreement must be completed.
- If one of the applicants cannot provide this information, a summarization report must be completed by the school district and signed by the superintendent.
- Projects spanning more than one school district must complete forms for each school district.
- Please return signed hard copy forms and electronic spreadsheets to the school district before May 15 of each even-numbered year.

Note:

- The school district that is a party to the Chapter 313 agreement is collecting the data required by Chapter 313.032 on this form for the Comptroller of Public Accounts (CPA).
- The CPA requests companies complete the electronic spreadsheet version of the form. Please submit both an *electronic version* **and** a *signed hard copy version* of the spreadsheet (with any attachments) to the district. Please contact CPA if you have questions about the form. The spreadsheet version of this form can be downloaded at: **www.texasahead.org/tax_programs/chapter313/forms.php**.
- After ensuring that all forms are complete, the school district will forward that data to the CPA for inclusion in a statutorily required report to the Texas Legislature.

SECTION 1: Applicant Information

1. Application number 185
2. Name of school district Rotan Independent School District (RISD)
3. Name of central appraisal district (CAD) appraising the qualified property in this school district Kent and Stonewall Counties
4. Name of project on original application *(or short description of facility)* WKN Mozart, LLC
5. Name of applicant on original application WKN Mozart, LLC
6. Name of company entering into original agreement with district WKN Mozart, LLC
7. If you are one of two or more companies originally applying for a limitation, list all other applicants here and describe their relationships. *(Use attachments if necessary.)*

SECTION 2: Current Agreement Information

1. Name of current agreement holder(s): BayWa r.e Mozart, LLC

2. Complete mailing address of current agreement holder: 4365 Executive Drive, Suite 1470, San Diego, California 92121

3. Company contact person for agreement holder:

Florian Zerhusen	Managing Director
Name	Title
858-450-6800	brown@baywa-re.us
Phone	Email

4. Texas franchise tax ID number of current agreement holder: 32039364255

5. If the current agreement holder does not report under the franchise tax law, please include name and tax ID of reporting entity:

Name	Tax ID

6. NAICS Code of current agreement holder (6 Digit): 221118

7. If the authorized company representative is different from the contact person listed above:

Laura M. Brown	Authorized Signor
Name	Title
4365 Executive Drive, Suite 1470, San Diego, California 92121	
Complete Mailing Address	
858-450-6800	brown@baywa-re.us
Phone	Email

8. If you are a current agreement holder who was not an original applicant, please list all other current agreement holders. Please describe the chain of ownership from the original applicant to the new entities. *(Use attachments if necessary.)*

SECTION 3: Project Timeline

1. Date original limitation agreement approved by school district . . . . . July 28, 2011
2. First (complete) year of qualifying time period – after the date the application is approved. See Tax Code §313.021[4]. . . 2012
3. Date commercial operations began at the site of the project . . . . . December 21, 2012
4. First year of property value limitation 2014

SECTION 4: Value Limitation Details

1 Minimum limitation amount per Agreement *(for entire agreement)*: 10,000,000.00

2 Amount of qualified investment during the qualifying time period the recipient committed to spend or allocate for this project on application *(not total investment)*: 45,000,000.00

3 Total qualified investment made from the beginning of the qualifying time period through the end of the qualifying time period or the last complete tax year, if still in the qualifying time period. 35,000,000.00

4 Has the size and/or scope of the project changed, resulting in a material change in qualified property from that in the application? ..... ☐ Yes ☑ No

4a. If yes, please describe on an attachment how the actual qualified property — for which you are providing actual and estimated market values on subsequent pages — differs from that property described in the agreement. Include only property located in this school district.

5 What was the number of permanent existing jobs at this facility prior to application? *(See guidelines for definition of existing job.)* 0

SECTION 5: Job Details

1 For agreements before Jan. 1, 2014, does the agreement includes a definition of "new job" other than TAC §9.1051(14)(C), as the rule existed at the time of application? ..... ☐ Yes ☑ No

1a. If yes, please provide the definition of "new job" as used in the agreement. *(Use attachments if needed.)*

SECTION 6: Authorized Signature

After this report and charts are complete, they should be reviewed and certified to be complete by a company employee authorized to sign on behalf of the company listed in Section 2.

By signing below, I certify that I am an employee of authorized signor for BayWa r.e Mozart, LLC *, a current agreement holder of a limitation on appraised value who is authorized to sign on behalf of the company. I attest that the contents of this form and attachments are true and correct to the best of my knowledge and belief and have determined that the electronic copy is identical to the hard copy of this report.*

print here ▶ Laura M. Brown — Print Name of Company Employee | Authorized Signor for Mozart — Title | 858-450-6800 — Phone

sign here ▶ Laura M. Brown — authorized signor — Signature of Company Employee | May 15, 2014 — Date

NOTE: If you amend your report, you will need to resign and resubmit this section with your forms, charts or attachments.

Biennial Progress Report for Texas Economic Development Act

CHART A1: Job Data for Applications 1 through 999

App Number 185

Project Name BayWa r.e Mozart, LLC

Form 50-773A
Revised Jan 2014

District Name Rotan Independent School District (RISD)

1st Yr. of Qualifying Time Period 2012

Company Name BayWa r. e Mozart, LLC

CHART A1 - Only complete this for applications 1 through 999.		Qualifying Time Period		Limitation Period								Viable Presence Period		
		Year 1 (First Complete Tax Year)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
	Tax year (YYYY)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1	Number of qualifying jobs[1] applicant committed to create on application (cumulative)	0	3	3	3	3	3	3	3	3	3	3	3	3
2	Number of qualifying jobs[1] applicant actually created (cumulative)	3	3	3	3	3	3	3	3	3	3	3	3	3
3	Number of new jobs[2] created (cumulative)	3	3	3	3	3	3	3	3	3	3	3	3	3
4	Median annual wage of new jobs applicant created	$39,514	$39,514	$39,514	$39,514	$39,514	$39,514	$39,514	$39,514	$39,514	$39,514	$39,514	$39,514	$39,514
5	Total wages for new jobs applicant created	$169,028	$169,028	$169,028	$169,028	$169,028	$169,028	$169,028	$169,028	$169,028	$169,028	$169,028	$169,028	$169,028

Actual and projected data. Use actual data for prior years. Estimates are required for current and future years.

Notes:

1. Jobs meeting all of the requirements of Tax Code §313.021(3) as the statute existed before Jan. 1, 2014. Do not include construction jobs in counts of qualifying jobs.
2. For new job definition see TAC §9.1051(14) as rules existed before Jan. 1, 2014.

By signing below, I, Laura M. Brown, certify that I am the authorized signor of BayWa r.e Mozart, LLC, a current agreement holder of a limitation on appraised value, and the contents of this form and the attached documentation are true and correct to the best of my knowledge and belief.

Authorized Official Signature Laura M. Brown

Date: May 15, 2014

Print Name/Title: Laura M. Brown, Authorized Signor

Phone: (858) 450-6800

The CPA requests companies complete the electronic spreadsheet version of the form.
Please submit both an electronic version and a signed hard copy version of the spreadsheet (with any attachments) to the district.

Rotan Independent School District Application for Appraised Value Limitation on Qualified Property

WKN Mozart, LLC Wind Project

Attachment 14 (in response to "Wage and Employment Information," page 9

Methodology

110% of Stonewall County Average Weekly Wage for All Jobs

2009 4Q $636

2010 1Q $446

2010 2Q $530

2010 3Q $602

Total: $2,214.00/4 = $553.00 average weekly wage

X 1.1

$608.30

110% of Kent County Average Weekly Wage for all Jobs

2009 4Q $947

2010 1Q $639

2010 2Q $651

2010 3Q $667

Total: $2,904.00/4 = $726.00 average weekly wage

X 1.1

$798.60

Attachment 14 continued (responsive to Wage and Employment Information, cont. page 10)

110% Combined County Average Weekly Wage for all Jobs

Stonewall County $608.30

Kent County $798.60

$1,406.90/2 = *$703.45 average combined weekly wage*

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

N/A – Information is not provided for manufacturing jobs in Stonewall County.

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

N/A – Information is not provided for manufacturing jobs in Kent County.

110% of County Average Wage for Manufacturing Jobs in Region (West-Central Texas Council of Governments)

$17.27 per hour

X 40 hours per week:

$690.80

X 1.10 (110%):

$759.88

X 52 Weeks:

$39,513.76

2009 Manufacturing Wages by Council of Government Region
Wages for All Occupations

COG	Wages	
	Hourly	Annual
Texas	$21.43	$44,583
1. Panhandle Regional Planning Commission	$18.38	$38,227
2. South Plains Association of Governments	$15.67	$32,596
3. NORTEX Regional Planning Commission	$19.60	$40,768
4. North Central Texas Council of Governments	$23.44	$48,754
5. Ark-Tex Council of Governments	$15.14	$31,489
6. East Texas Council of Governments	$16.87	$35,091
7. West Central Texas Council of Governments	$17.27	$35,916
8. Rio Grande Council of Governments	$15.26	$31,732
9. Permian Basin Regional Planning Commission	$19.11	$39,757
10. Concho Valley Council of Governments	$14.80	$30,784
11. Heart of Texas Council of Governments	$17.41	$36,206
12. Capital Area Council of Governments	$25.60	$53,244
13. Brazos Valley Council of Governments	$15.33	$31,893
14. Deep East Texas Council of Governments	$15.46	$32,151
15. South East Texas Regional Planning Commission	$25.53	$53,095
16. Houston-Galveston Area Council	$22.90	$47,629
17. Golden Crescent Regional Planning Commission	$19.84	$41,273
18. Alamo Area Council of Governments	$16.82	$34,984
19. South Texas Development Council	$13.68	$28,445
20. Coastal Bend Council of Governments	$22.10	$45,967
21. Lower Rio Grande Valley Development Council	$13.52	$28,114
22. Texoma Council of Governments	$18.42	$38,305
23. Central Texas Council of Governments	$16.58	$34,484
24. Middle Rio Grande Development Council	$13.66	$28,416

Source: Texas Occupational Employment and Wages
Data published: July 2010
Data published annually, next update will be June 2011.

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
2009	1st Qtr	Kent County	Private	00	0	10	Total, All Industries	$431
2009	1st Qtr	Stonewall County	Private	00	0	10	Total, All Industries	$460
2009	2nd Qtr	Kent County	Private	00	0	10	Total, All Industries	$533
2009	2nd Qtr	Stonewall County	Private	00	0	10	Total, All Industries	$528
2009	3rd Qtr	Kent County	Private	00	0	10	Total, All Industries	$557
2009	3rd Qtr	Stonewall County	Private	00	0	10	Total, All Industries	$574
2009	4th Qtr	Kent County	Private	00	0	10	Total, All Industries	$547
2009	4th Qtr	Stonewall County	Private	00	0	10	Total, All Industries	$536
2010	1st Qtr	Kent County	Private	00	0	10	Total, All Industries	$539
2010	1st Qtr	Stonewall County	Private	00	0	10	Total, All Industries	$446
2010	2nd Qtr	Kent County	Private	00	0	10	Total, All Industries	$561
2010	2nd Qtr	Stonewall County	Private	00	0	10	Total, All Industries	$520
2010	3rd Qtr	Kent County	Private	00	0	10	Total, All Industries	$567
2010	3rd Qtr	Stonewall County	Private	00	0	10	Total, All Industries	$602

Biennial Progress Report for Texas Economic Development Act

CHART A2: Investment and Market Values for Applications 1 through 999

Application Number 185 **Form 50-773A**

Current Agreement Holder Name BayWa r.e Mozart, LLC *Revised Jan 2014*

ISD Name Rotan Independent School District (RISD)

CHART A2 - Only complete this for applications 1 through 999.	Year	School Year (YYYY-YYYY)	Tax Year (actual tax year) YYYY	Total Investment[1] (cumulative)	Market value of qualified property on Jan. 1 BEFORE any exemptions[2]	Market value less any exemptions (such as pollution control) and before limitation[3]	Taxable value of qualified property for purposes of M&O
Prior to start of value limitation period	1	2012-2013	2012	35,000,000.00	35,000,000.00	35,000,000.00	35,000,000.00
	2	2013-2014	2013	35,000,000.00	35,000,000.00	35,000,000.00	35,000,000.00
Value limitation period	3	2014-2015	2014	35,000,000.00	35,000,000.00	35,000,000.00	10,000,000.00
	4	2015-2016	2015	35,000,000.00	32,550,000.00	32,550,000.00	10,000,000.00
	5	2016-2017	2016	35,000,000.00	30,271,500.00	30,271,500.00	10,000,000.00
	6	2017-2018	2017	35,000,000.00	28,152,495.00	28,152,495.00	10,000,000.00
	7	2018-2019	2018	35,000,000.00	26,181,820.35	26,181,820.35	10,000,000.00
	8	2019-2020	2019	35,000,000.00	24,349,092.93	24,349,092.93	10,000,000.00
	9	2020-2021	2020	35,000,000.00	22,644,656.42	22,644,656.42	10,000,000.00
	10	2021-2022	2021	35,000,000.00	21,059,530.47	21,059,530.47	10,000,000.00
Viable presence period	11	2022-2023	2022	35,000,000.00	19,585,363.34	19,585,363.34	19,585,363.34
	12	2023-2024	2023	35,000,000.00	18,214,387.90	18,214,387.90	18,214,387.90
	13	2024-2025	2024	35,000,000.00	16,939,380.75	16,939,380.75	16,939,380.75

Notes:

1. Total investment is all investment at original cost, including land acquired after filing of application. Investments made in a year should be reflected in the subsequent year's market value.
2. Use appraisal values from CAD as available. For future years, use market value that the entity estimates will approximate the market value for ad volorem tax purposes in that year.
3. This amount is typically the taxable value for the purpose of I&S fund or debt service reserve fund.

By signing below, I, Laura M. Brown , certify that I am the authorized representative of BayWa r.e Mozart, LLC, a current agreement holder of a limitation on appraised value, and the contents of this form and the attached documentation are true and correct to the best of my knowledge and belief.

Authorized Official Signature Laura M. Brown Date: May 15, 2014

Print Name/Title: Laura M. Brown, Authorized Signor Phone Number: (858) 450-6800

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