



# 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

Date application received by district

### Authorized School District Representative

First Name

Clifton

Last Name

Gilmore

Title

Superintendent

School District Name

Aspermont Independent School District

Street Address

528 E SEVENTH ST ASPERMONT, TX 79502-0549

Mailing Address

P O BOX 549

City

ASPERMONT

State

TX

ZIP

79502-0549

Phone Number

(940) 989-3355

Fax Number

(940) 989-3353

Mobile Number (optional)

E-mail Address

cgilmore@aspermont.esc14.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 <b>Dan</b>	Last Name <b>Casey</b>	
Title <b>Consultant</b>		
Firm Name <b>Moak Casey &amp; Associates</b>		
Street Address <b>400 W. 15th Street, Suite 1410 Austin, TX 78701</b>		
Mailing Address <b>400 W. 15th Street, Suite 1410</b>		
City <b>Austin</b>	State <b>TX</b>	ZIP <b>78701</b>
Phone Number <b>512-485-7878</b>	Fax Number <b>512-485-7888</b>	
Mobile Number (Optional)	E-mail Address <b>dcasey@moakcasey.com</b>	

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 <b>9-19-11</b>
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Has the district determined this application complete? .....  Yes  No

If yes, date determined complete. \_\_\_\_\_

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 <b>Roy</b>		Last Name <b>Phillips</b>	
Title <b>Chief Operating Officer</b>			
Organization <b>Baryonyx Corporation</b>			
Street Address <b>106 E. Sixth Street, Suite 900 Austin, TX 78701</b>			
Mailing Address <b>106 E. Sixth Street, Suite 900</b>			
City <b>Austin</b>		State <b>TX</b>	ZIP <b>78701</b>
Phone Number <b>512-322-3953</b>		Fax Number	
Mobile Number (optional)		Business e-mail Address <b>rphillips@baryonyxcorp.com</b>	

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 <b>Graeme</b>		Last Name <b>Walker</b>	
Title <b>Chief Financial Officer</b>			
Organization <b>Baryonyx Corporation</b>			
Street Address <b>106 E. Sixth Street, Suite 900 Austin, TX 78701</b>			
Mailing Address <b>106 E. Sixth Street, Suite 900</b>			
City <b>Austin</b>		State <b>TX</b>	ZIP <b>78701</b>
Phone Number <b>512-322-3953</b>		Fax Number	
Mobile Number (optional)		E-mail Address <b>gwalker@baryonyxcorp.com</b>	

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

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



APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name: N/A; Last Name:

Title:

Firm Name:

Street Address:

Mailing Address:

City: ; State: ; ZIP:

Phone Number: ; Fax Number:

Business email Address:

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)): [Handwritten Signature]; Date: 9/21/2011

GIVEN under my hand and seal of office this 21 day of September, 2011



(Notary Seal)

[Handwritten Signature]; Notary Public, State of Texas

My commission expires 1/20/2015

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

**Baryonyx Corporation**

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

**32039510782**

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.)

**Corporation**

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.)

**ELIGIBILITY 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**

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

**See Attachment**

**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 December 2011      Begin Hiring New Employees July 2012  
 Construction Complete December 2012      Fully Operational December 2012  
 Purchase Machinery & Equipment January 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.)

Project is applying to County and Hospital District for abatements. Percentages are as set forth in Schedule D.

**THE PROPERTY**

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

Central Appraisal District (CAD) that will be responsible for appraising the property Stonewall 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: Stonewall (100%) City: \_\_\_\_\_  
(Name and percent of project) (Name and percent of project)

Hospital District: Stonewall County Hospital District (100%) Water District: \_\_\_\_\_  
(Name and percent of project) (Name and percent of project)

Other (describe): \_\_\_\_\_ Other (describe): \_\_\_\_\_  
(Name and percent of project) (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.

**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](http://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? \$5,000,000

What is the amount of appraised value limitation for which you are applying? \$5,000,000

What is your total estimated *qualified* investment? \$37,500,000

**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? December 19, 2011

What is the anticipated date of the beginning of the qualifying time period? December 19, 2011

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? \$37,500,000

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? October 10, 2011

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) (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?  
5

**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 1

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? 1

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 626.18

110% of the county average weekly wage for manufacturing jobs in the county is \*\*No manufacturing wage for Stonewall County

110% of the county average weekly wage for manufacturing jobs in the region is 769.12

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? 39,994.24

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? 39,994.24

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.)

**See Attached**

**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.



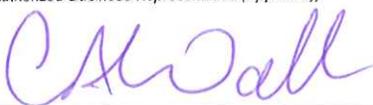
APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

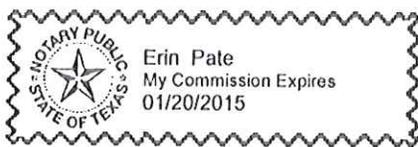
First Name N/A		Last Name	
Title			
Firm Name			
Street Address			
Mailing Address			
City		State	ZIP
Phone Number		Fax Number	
Business email Address			

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 9/21/2011
---	-------------------

GIVEN under my hand and seal of office this 21 day of September, 2011



(Notary Seal)

  
Notary Public, State of Texas

My commission expires 1/20/2015

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.



**Cliff Gilmore, Superintendent**

P O Box 549

Aspermont, Texas 79502

(940) 989-3355

(940) 989-3353 (fax)

## Receipt

Date: September 19, 2011

Received From: Baryonyx Corporation

Amount: Sixty Thousand Dollars, \$60,000.00

For: 313 Agreement Application Fees

Check Number: 1037

Received By: Allison Martin

**ATTACHMENT 3**

**N/A**

#### ATTACHMENT 4

Baryonyx Corporation ("the Company") is requesting an appraised value limitation from Aspermont ISD for a proposed renewable energy project using wind turbines (wind farm) in Stonewall County. The wind farm will be constructed within a reinvestment zone established by Stonewall County. A map showing the location of the wind farm is included as Attachment 9. The resolution establishing the reinvestment zone is included as Attachment 22.

The wind farm will have a capacity of 25 megawatts. To construct the wind farm, the Company will install an estimated ten (10) wind turbines in the Aspermont ISD that will have a rated capacity of 2.0 MW to 4.5 MW each. In addition to the wind turbines, electrical connections 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 fourth quarter of 2011 and will take approximately twelve (12) months. The wind farm is slated to begin commercial operations in the 4<sup>th</sup> quarter of 2012. At the peak of construction, an estimated eight construction workers will be employed at the project site.

#### Ability to relocate

Wind farms are currently being developed, built, and installed in numerous other states, including but not limited to Colorado, Kansas, New Mexico, Oklahoma, California, and Minnesota. Within Texas, at least 25 other counties currently have wind farms proposed, under construction, or are currently operating with potential new sites are growing yearly. The Company could invest its resources in any of these locations.

ATTACHMENT 5

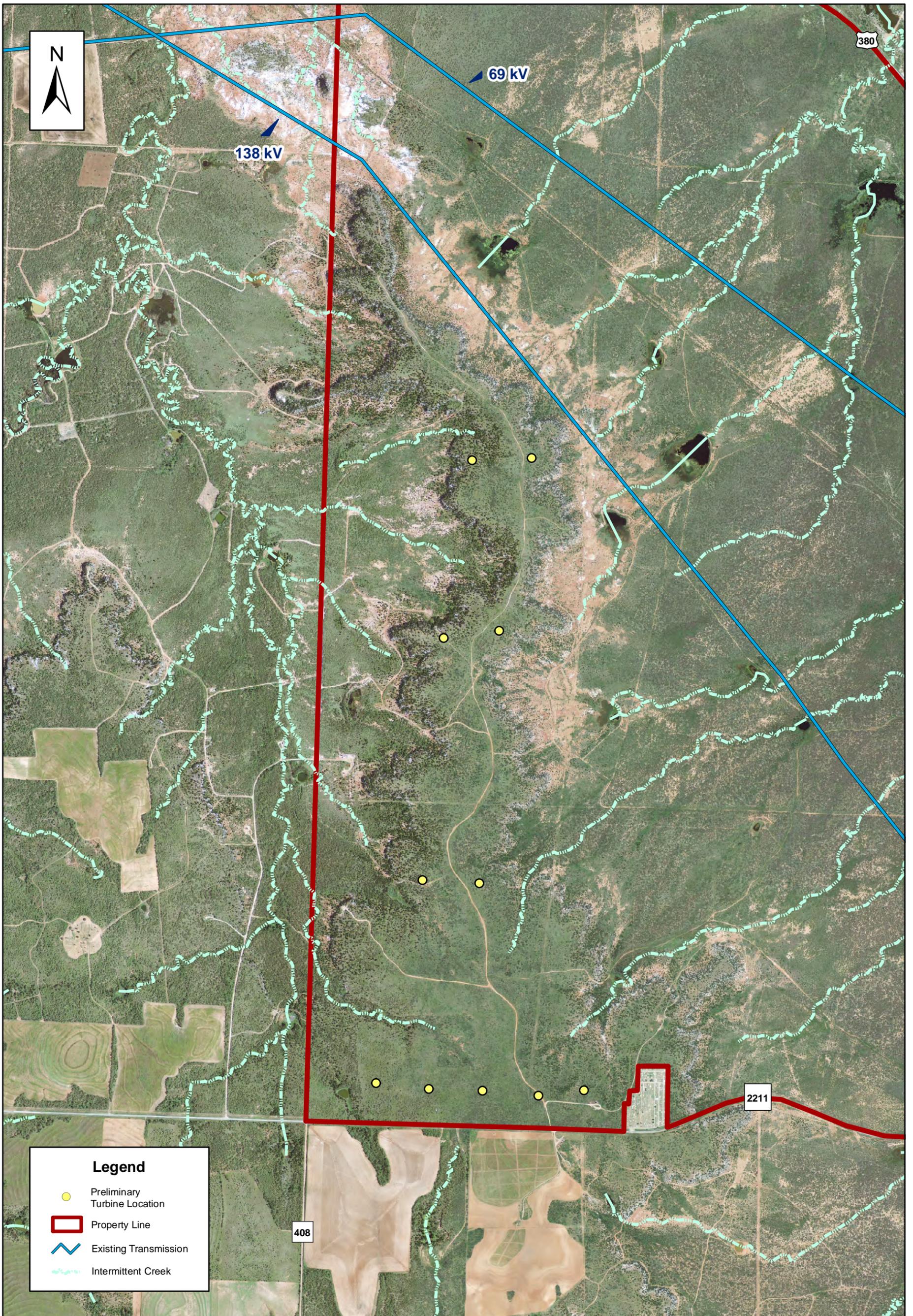
N/A

## ATTACHMENT 6

The qualified investment will consist of an estimated ten (10) wind turbines in the Aspermont ISD that will have a rated capacity of 2.0MW to 4.5 MW each. In addition to the wind turbines, electrical connections will be installed to permit the interconnection and transmission of electricity generated by the wind turbines. The size and number of turbines will ultimately be determined by the time of the project and availability of turbines. There will be an electrical sub-station within the project boundary, a transmission line to the inter-connection, permanent meteorological towers, foundations, roadwork, fencing and other equipment as needed for safety and security and related office and control buildings and personal property supporting the project.

ATTACHMENT 7

See attached map.



**Legend**

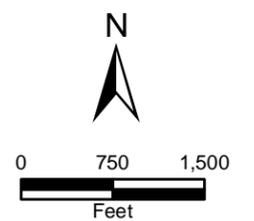
- Preliminary Turbine Location
- Property Line
- ~ Existing Transmission
- Intermittent Creek

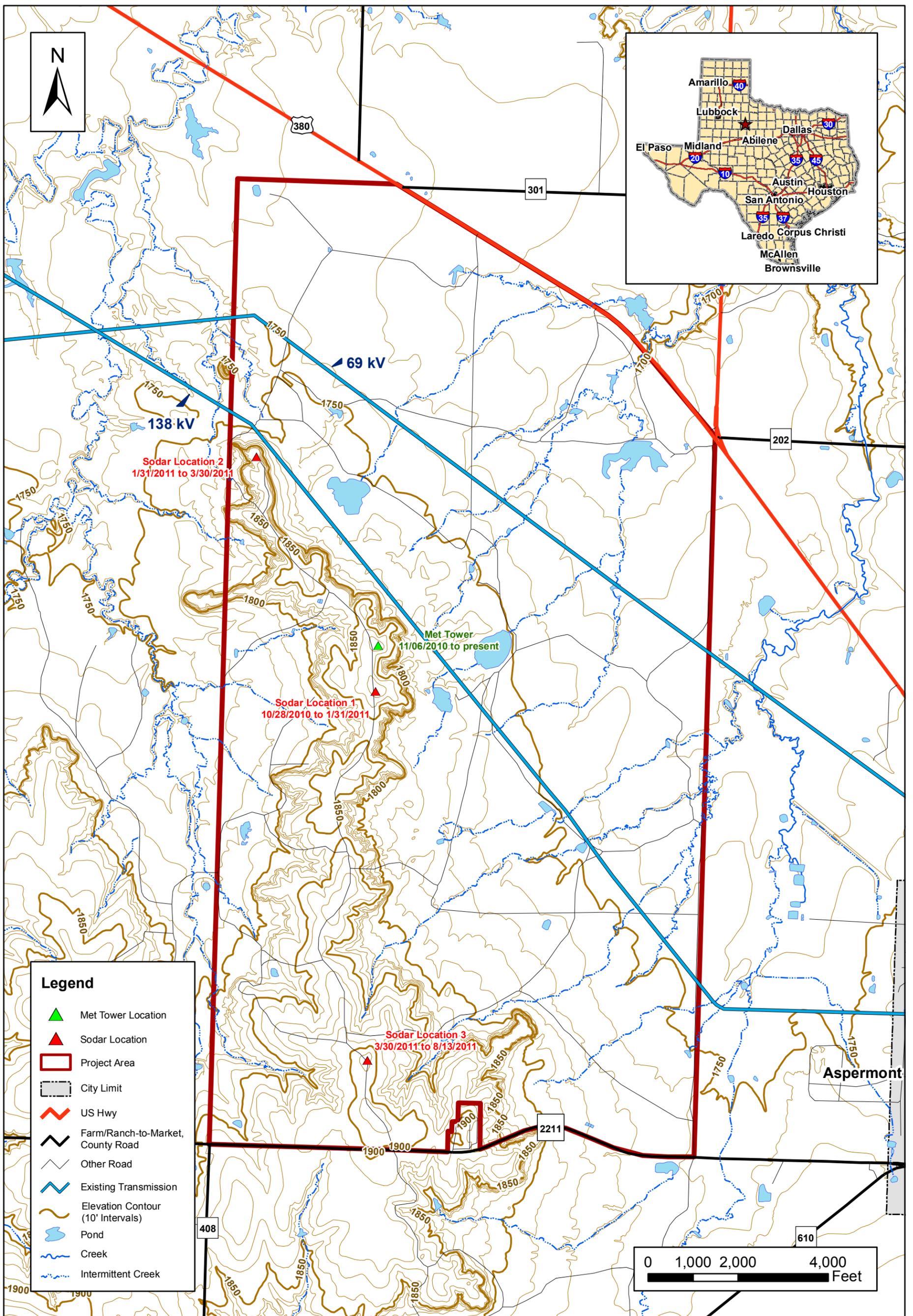


## Comanche Ridge Wind Project

Project Area - 2010 Aerial Imagery

*Source: USDA NAIP, 2010*



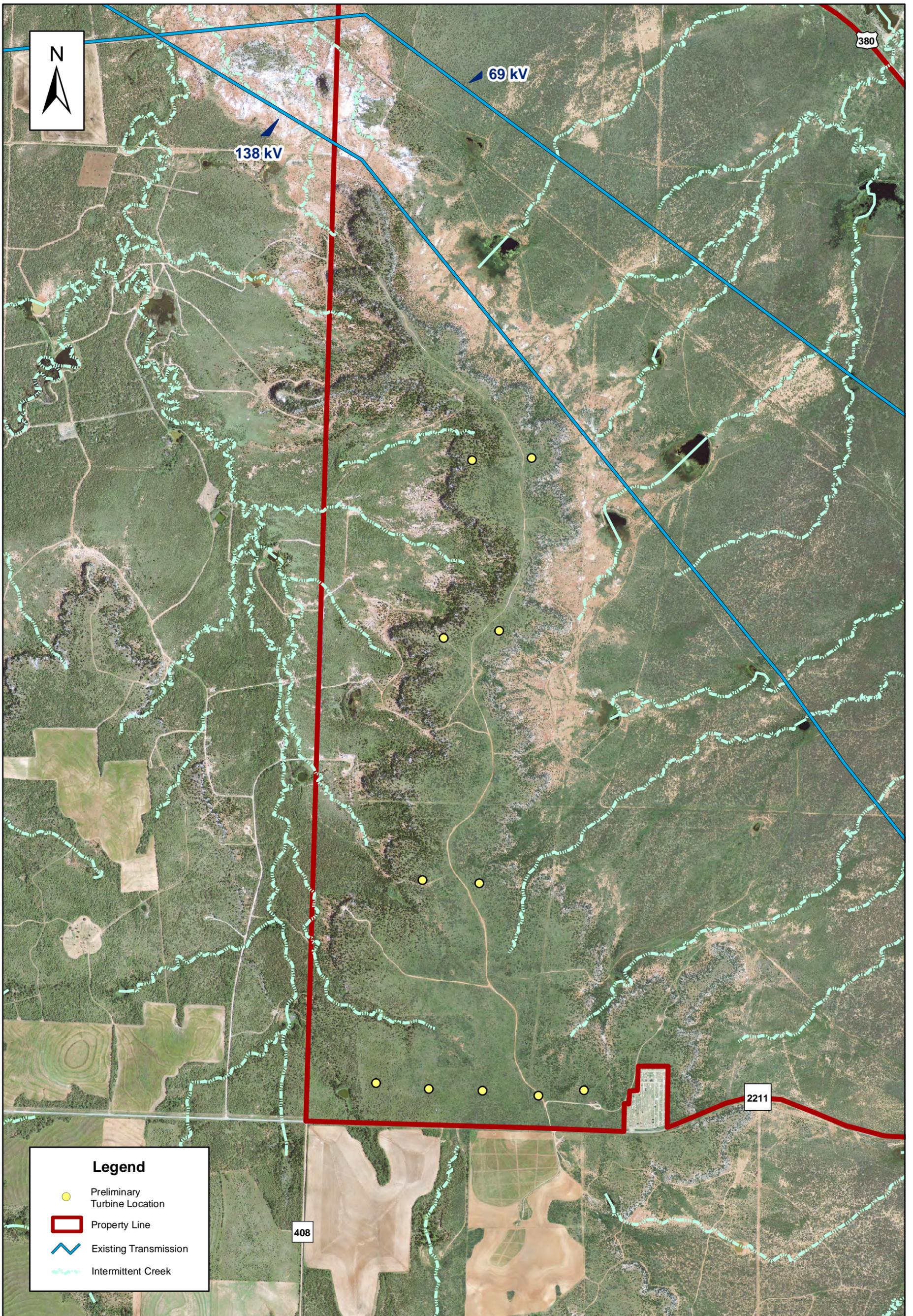


## ATTACHMENT 8

The qualified property will consist of an estimated ten (10) wind turbines in the Aspermont ISD that will have a rated capacity of 2.0MW to 4.5MW each. In addition to the wind turbines, electrical connections will be installed to permit the interconnection and transmission of electricity generated by the wind turbines. The size and number of turbines will ultimately be determined by the time of the project and availability of turbines. There will be an electrical sub-station within the project boundary, a transmission line to the inter-connection, permanent meteorological towers, foundations, roadwork, fencing and other equipment as needed for safety and security and related office and control buildings and personal property supporting the project.

ATTACHMENT 9

See Attached Map



**Legend**

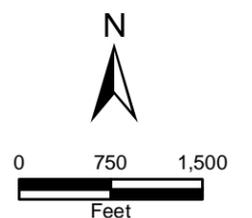
- Preliminary Turbine Location
- Property Line
- ~ Existing Transmission
- Intermittent Creek

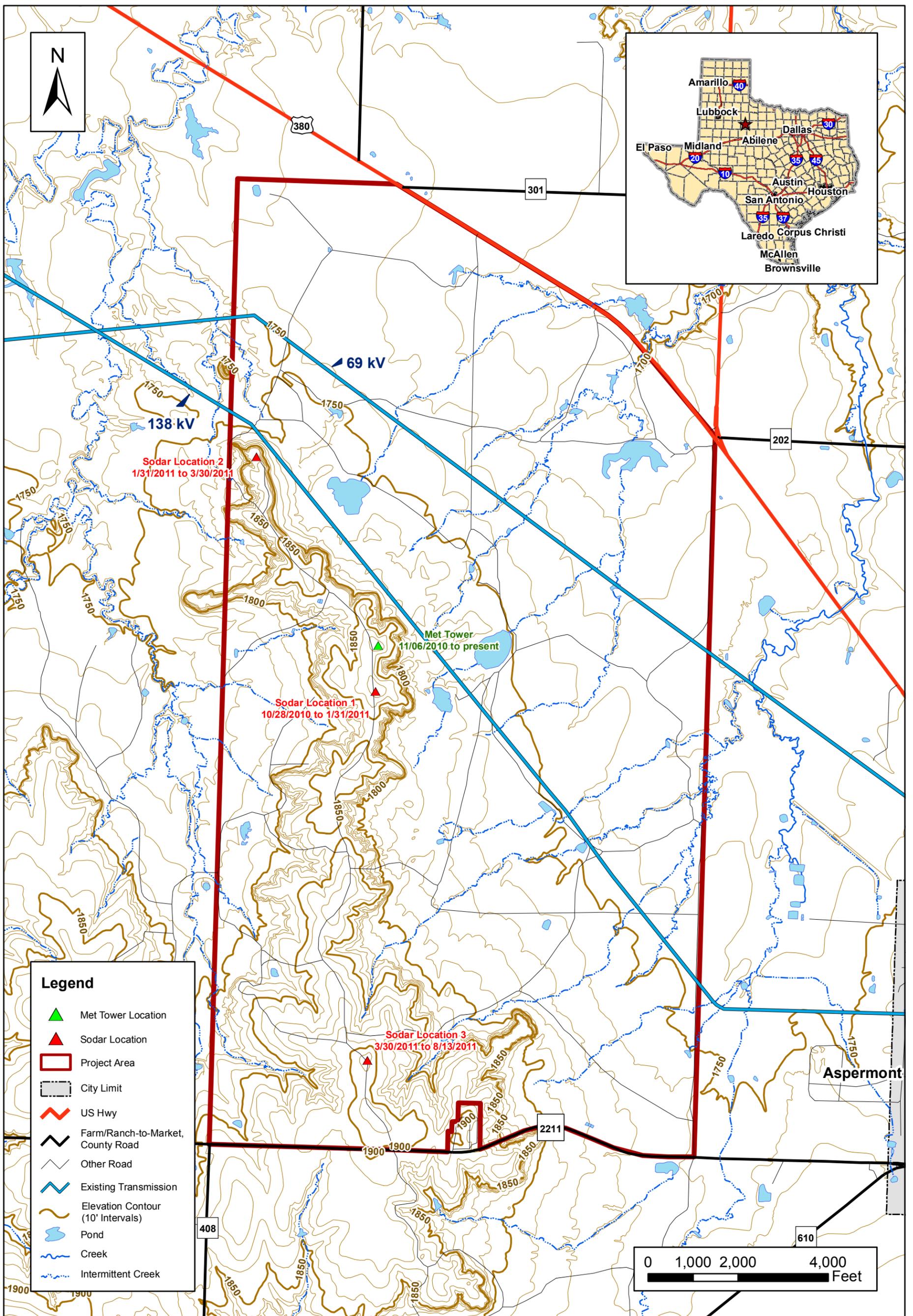


# Comanche Ridge Wind Project

Project Area - 2010 Aerial Imagery

Source: USDA NAIP, 2010





# Comanche Ridge Wind Project

## Wind Data Collection

ATTACHMENT 10

Legal Description of Land

EXHIBIT A

COMANCHE RIDGE WIND FARM

Land Located in Stonewall County, Texas

Block D H & TC Railway Survey

South one-half of Section 155	containing 327.85 Acres
Section 156	containing 658 Acres
Section 157	containing 658 Acres
Section 158	containing 595.20 Acres
Section 167	containing 650 Acres
Section 168	containing 658 Acres
Section 169	containing 658.9 Acres
Section 170	containing 640.50 Acres

Total Acres 4,846.45 +/-

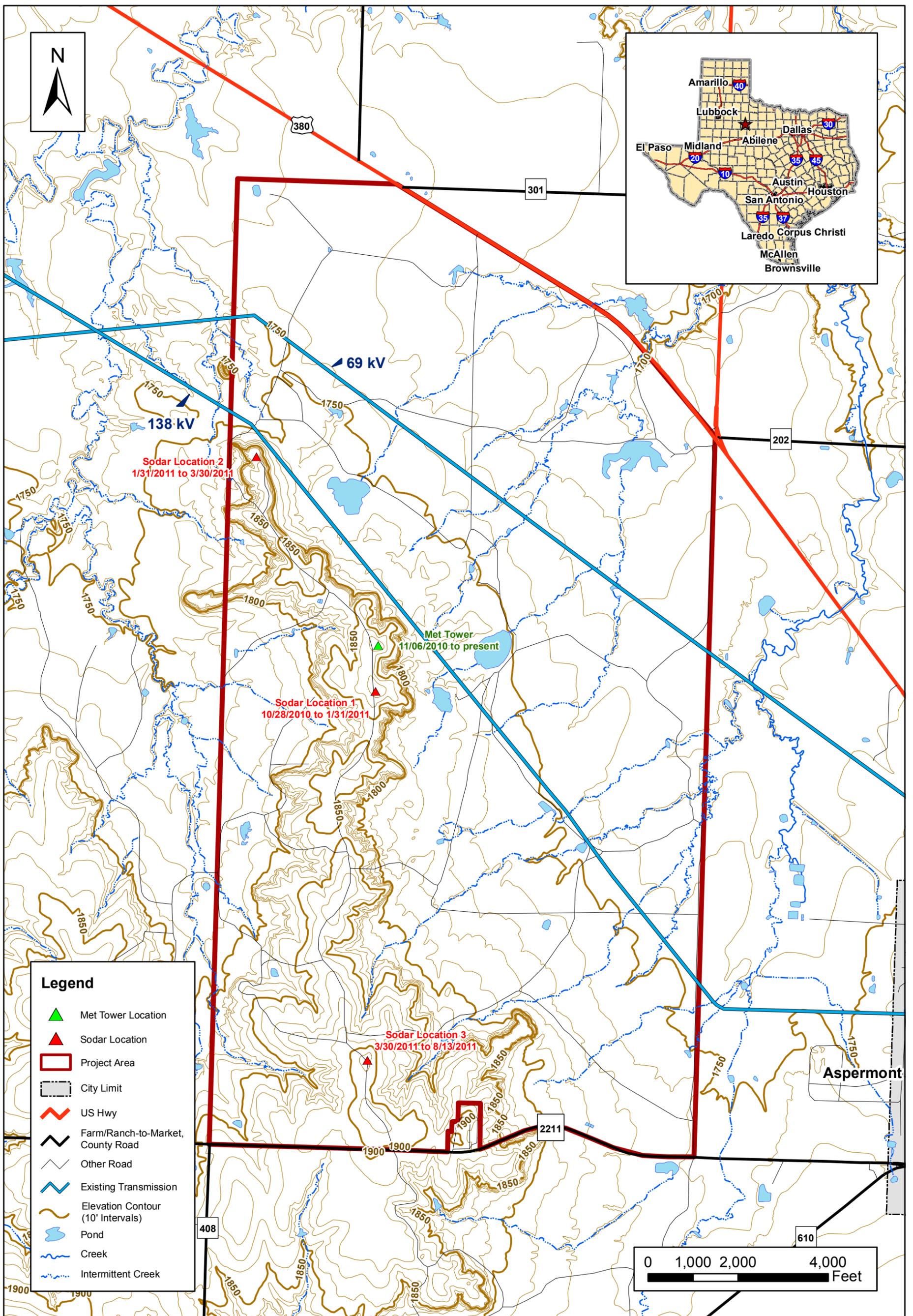
ATTACHMENT 11

See Attached Map



EXHIBIT B

COMANCHE RIDGE WIND FARM



# Comanche Ridge Wind Project

## Wind Data Collection

ATTACHMENT 12

N/A

## ATTACHMENT 13

### Job Requirement Waiver

The Baryonyx Wind Energy Project will create one qualifying job, as that term is defined in Chapter 313.021 (3). House Bill 1470 altered the jobs requirement by adding Section 313.025 (f-1) to permit a school district's board of trustees to make a finding that the job requirement could be waived if the job requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

Baryonyx Corporation requests that the Aspermont Independent School District's Board of Trustees make such a finding and waive the job creation requirement. Based on the industry standard, the size and scope of this project will require less than ten permanent jobs.

Wind projects create a number of part time jobs during the construction phase, but require a small number of highly skilled technicians to operate a wind project once commercial operations start. The permanent employees of a wind project maintain and service wind turbines, underground electrical connections, substations, and other infrastructure associated with the safe and reliable operation of the project. Based on its operating procedures, Baryonyx staffs a wind farm in a ratio of one full-time employee for every ten to fifteen turbines, although this number can and does vary depending upon the turbine selected and the support and technical assistance offered by the turbine manufacturer. In addition to the onsite employees described above, there may be asset managers or technicians who supervise, monitor, and support wind project operations from offsite locations in Texas and elsewhere.

**Attachment 14**  
**Calculations of wages information---Based on Most Recent Data Available**

**110% of County Average Weekly Wage for all Jobs**

Year	Period	Wages
2010	2Q	530
2010	3Q	598
2010	4Q	641
2011	1Q	508

Average= \$569.25 average weekly salary  
 X 1.1 (110%)  
**\$626.18** 110% of County Average Weekly Wage for all Jobs

**110% of County Average Weekly Wage for manufacturing Jobs**

Year	Period	Wages
------	--------	-------

*% of County Average Weekly Wage for Manufacturing Jobs*  
*Stonewall County has no Manufacturing Wage Information Available*

**110 % of County Average Weekly Wage for Manufacturing Jobs in Region**  
**(West Central Texas)**

\$17.48 per hour  
 X 40 hr per week  
 \$ 699.20 average weekly salary  
 X 1.10 (110%)  
**\$769.12**  
 X 52 weeks  
**\$39,994.24** 110% of County Average Weekly Wage for all Jobs in Region

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

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

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2011	1st Qtr	Stonewall County	Private	00	0	10	Total, All Industries	\$508
2010	2nd Qtr	Stonewall County	Private	00	0	10	Total, All Industries	\$530
2010	3rd Qtr	Stonewall County	Private	00	0	10	Total, All Industries	\$598
2010	4th Qtr	Stonewall County	Private	00	0	10	Total, All Industries	\$641

ATTACHMENT 15

In addition to the annual salary, each qualified position will receive Medical, Dental, Vision, Life, and Short & Long Term Disability Insurance. Additional benefits will include a 401K will 100% match up to 6%, and a retirement fund based upon age and years of service.

ATTACHMENT 16

N/A

Schedule A (Rev. May 2010): Investment

Form 50-296

Applicant Name  
USD Name

PROPERTY INVESTMENT AMOUNTS									
(Estimated investment in each year. Do not put cumulative totals.)									
	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)  Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)  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)  Complete tax years of qualifying time period  Value Limitation Period  Continue to Maintain Viable Presence  Post- Settle-Up Period  Post- Settle-Up Period	2011-2012	2011							
	1	2012-13	2012	\$ 500,000	\$ 37,000,000			\$ 500,000	
	2	2013-14	2013					\$ 37,000,000	
	3	2014-15	2014						
	4	2015-16	2015						
	5	2016-17	2016						
	6	2017-18	2017						
	7	2018-19	2018						
	8	2019-20	2019						
	9	2020-21	2020						
	10	2021-22	2021						
	11	2022-23	2022						
	12	2023-24	2023						
	13	2024-25	2024						
	14	2025-26	2025						
15	2026-27	2026							

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].

Column B: Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.  
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).

Column C: For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.  
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.

*C. Wall*

9/21/2011

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

Schedule B (Rev. May 2010): Estimated Market And Taxable Value

Form 50-296

Applicant Name  
ISD Name

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Reductions from Market Value		Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new 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	2011-12	2011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Tax Credit Period (with 50% cap on credit)	1	2012-13	2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	2	2013-14	2013	\$ -	\$ -	\$ 37,500,000	\$ -	\$ 37,500,000	\$ 37,500,000	\$ 37,500,000	
	3	2014-15	2014	\$ -	\$ -	\$ 35,437,500	\$ -	\$ 35,437,500	\$ 35,437,500	\$ 5,000,000	
	4	2015-16	2015	\$ -	\$ -	\$ 33,488,438	\$ -	\$ 33,488,438	\$ 33,488,438	\$ 5,000,000	
	5	2016-17	2016	\$ -	\$ -	\$ 31,646,573	\$ -	\$ 31,646,573	\$ 31,646,573	\$ 5,000,000	
	6	2017-18	2017	\$ -	\$ -	\$ 29,906,012	\$ -	\$ 29,906,012	\$ 29,906,012	\$ 5,000,000	
	7	2018-19	2018	\$ -	\$ -	\$ 28,261,181	\$ -	\$ 28,261,181	\$ 28,261,181	\$ 5,000,000	
	8	2019-20	2019	\$ -	\$ -	\$ 26,706,816	\$ -	\$ 26,706,816	\$ 26,706,816	\$ 5,000,000	
	9	2020-21	2020	\$ -	\$ -	\$ 25,237,941	\$ -	\$ 25,237,941	\$ 25,237,941	\$ 5,000,000	
	10	2021-22	2021	\$ -	\$ -	\$ 23,849,855	\$ -	\$ 23,849,855	\$ 23,849,855	\$ 5,000,000	
	Credit Settle-Up Period	11	2022-23	2022	\$ -	\$ -	\$ 22,538,113	\$ -	\$ 22,538,113	\$ 22,538,113	\$ 22,538,113
		12	2023-24	2023	\$ -	\$ -	\$ 21,298,516	\$ -	\$ 21,298,516	\$ 21,298,516	\$ 21,298,516
		13	2024-25	2024	\$ -	\$ -	\$ 20,127,098	\$ -	\$ 20,127,098	\$ 20,127,098	\$ 20,127,098
	Post-Settle-Up Period	14	2025-26	2025	\$ -	\$ -	\$ 19,020,108	\$ -	\$ 19,020,108	\$ 19,020,108	\$ 19,020,108
		15	2026-27	2026	\$ -	\$ -	\$ 17,974,002	\$ -	\$ 17,974,002	\$ 17,974,002	\$ 17,974,002

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.

*Chadwell*

9/21/11

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

Schedule C- Application: Employment Information

Form 50-296

Applicant Name  
ISD Name

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs		
				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	2011-12	2011							
	1	2012-13	2012	8 FTE	35,360	1	39,994.24	1	39,994.24	
	2	2013-14	2013			1	39,994.24	1	39,994.24	
	3	2014-15	2014			1	39,994.24	1	39,994.24	
	4	2015-16	2015			1	39,994.24	1	39,994.24	
	5	2016-17	2016			1	39,994.24	1	39,994.24	
	6	2017-18	2017			1	39,994.24	1	39,994.24	
	7	2018-19	2018			1	39,994.24	1	39,994.24	
	8	2019-20	2019			1	39,994.24	1	39,994.24	
	9	2020-21	2020			1	39,994.24	1	39,994.24	
	10	2021-22	2021			1	39,994.24	1	39,994.24	
	11	2022-23	2022			1	39,994.24	1	39,994.24	
	12	2023-24	2023			1	39,994.24	1	39,994.24	
	13	2024-25	2024			1	39,994.24	1	39,994.24	
	14	2025-26	2025			1	39,994.24	1	39,994.24	
	15	2026-27	2026			1	39,994.24	1	39,994.24	
Tax Credit Period (with 50% cap on credit)										
		Complete tax years of qualifying time period								
		Value Limitation Period								
		Continue to Maintain Viable Presence								
		Post- Settle-Up Period								
		Post- Settle-Up Period								

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

9/21/2011

DATE

Schedule D: (Rev. May 2010): Other Tax Information

Form 50-296

Applicant Name

		ISD Name		Sales Tax Information			Other Property Tax Abatements Sought			
				Franchise Tax	County	City	Hospital	Other		
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Sales Taxable Expenditures		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
				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					
		2011-12	2011	\$ 1,532,224	\$ 500,000	0	0	N/A	0	N/A
Complete tax years of qualifying time period	1	2012-13	2012	\$ 1,532,224	\$ 35,467,776	\$ 13,500	60	N/A	60	N/A
	2	2013-14	2013	0	0	\$ 13,500	60	N/A	60	N/A
	3	2014-15	2014	0	0	\$ 13,500	60	N/A	60	N/A
	4	2015-16	2015	0	0	\$ 13,500	60	N/A	60	N/A
	5	2016-17	2016	0	0	\$ 13,500	60	N/A	60	N/A
	6	2017-18	2017	0	0	\$ 13,500	40	N/A	40	N/A
	7	2018-19	2018	0	0	\$ 13,500	40	N/A	40	N/A
	8	2019-20	2019	0	0	\$ 13,500	40	N/A	40	N/A
	9	2020-21	2020	0	0	\$ 13,500	40	N/A	40	N/A
	10	2021-22	2021	0	0	\$ 13,500	40	N/A	40	N/A
Tax Credit Period (with 50% cap on credit)	11	2022-23	2022	0	0	\$ 13,500	0	N/A	0	N/A
	12	2023-24	2023	0	0	\$ 13,500	0	N/A	0	N/A
	13	2024-25	2024	0	0	\$ 13,500	0	N/A	0	N/A
Credit Settle-Up Period	14	2025-26	2025	0	0	\$ 13,500	0	N/A	0	N/A
	15	2026-27	2026	0	0	\$ 13,500	0	N/A	0	N/A

\*For planning, construction and operation of the facility.

*Chad*  
9/21/2011



EXHIBIT B

COMANCHE RIDGE WIND FARM

**ATTACHMENT 22**

Applicant will supplement application with approved resolution upon adoption by Stonewall County on October 10, 2011.

EXHIBIT A

COMANCHE RIDGE WIND FARM

Land Located in Stonewall County, Texas

Block D H & TC Railway Survey

South one-half of Section 155	containing 327.85 Acres
Section 156	containing 658 Acres
Section 157	containing 658 Acres
Section 158	containing 595.20 Acres
Section 167	containing 650 Acres
Section 168	containing 658 Acres
Section 169	containing 658.9 Acres
Section 170	containing 640.50 Acres

Total Acres 4,846.45 +/-

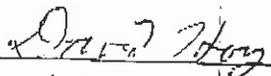
State of Texas  
County of Stonewall

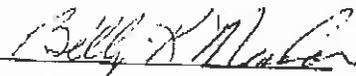
TAX ABATEMENT GUIDELINES AND CRITERIA

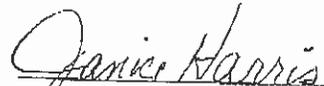
WHEREAS, the Commissioners' Court extends these guidelines and criteria for an additional two years unless amended by a three quarters vote of the Commissioners' Court, these guidelines and criteria will remain in effect until March 9, 2013.

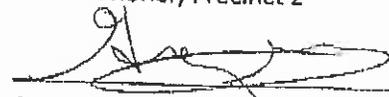
ADOPTED February 28, 2011

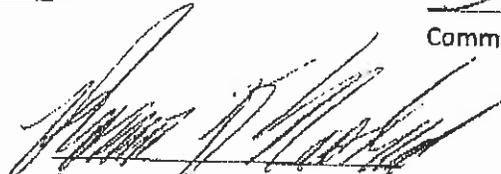
STONEWALL COUNTY COMMISSIONERS' COURT

  
Commissioner, Precinct 1

  
Commissioner, Precinct 3

  
Commissioner, Precinct 2

  
Commissioner, Precinct 4

  
County Judge

# Stonewall County State of Texas

## Tax Abatement Guidelines and Criteria

The purpose of this document is to establish guidelines, and a uniform policy of tax abatement for owners or lessees of eligible facilities willing to execute tax abatement contracts designed to provide long term significant positive economic impact to the community by utilizing the area contractors and work force to the maximum extent feasible, and by developing, redeveloping, and improving property.

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

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

In addition to the criteria set forth above, the Stonewall County Commissioners Court reserves the right to negotiate a tax abatement agreement in order to compete favorably with other communities.

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

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

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

This policy is effective as of March 9, 2009 and shall at all times be kept current with regard to the needs of Stonewall County and reflective of the official views of the County Commissioners Court and shall be reviewed every two years.

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

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

## Section 1 Definitions

- A. "Abatement" means the full or partial exemption from ad valorem taxes of certain property in a reinvestment zone designated by Stonewall County or the City of Aspermont for economic development purposes.
- B. "Agreement" means a contractual agreement between a property owner and/or Lessee and Stonewall County.
- C. "Base year value" means the assessed value on the eligible property as of January 1 preceding the execution of the agreement.
- D. "Deferred maintenance" means improvements necessary for continued operation which do not improve productivity or alter the process technology.
- E. "Eligible facilities" means new, expanded, or modernized buildings and structures, including fixed machinery and equipment, which is reasonably likely as a result of granting abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment zone that would be a benefit to the property and that would contribute to the economic development of Stonewall County, but does not include facilities which are intended to be primarily to provide goods or services to residents for existing businesses located in Stonewall County, such as, but not limited to, restaurants and retail sales establishments, eligible facilities may include, but shall not be limited to hotels and office buildings.
- F. "Expansion" means the addition of building structures, machinery, equipment, or payroll for purposes of increasing production capacity.
- G. "Facility" means property improvement completed or in process of construction which together comprise an interregional whole.
- H. "Modernization" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, or equipment, or both.

- I. "New facility" means property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- J. "Productive life" means the number of years a property improvement is expected to be in service in a facility.

## Section 2 Abatement Authorized

- A. Eligible facilities. Upon application, eligible facilities shall be considered for tax abatement as hereinafter provided.
- B. Creation of New Values. Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between Stonewall County and the property owner of Lessee, subject to such limitations as Stonewall County may require.
- C. New and existing facilities. Abatement may be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between Stonewall County and the property owner of Lessee, subject to such limitations as Stonewall County may require.
- D. Eligible property. Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements and related fixed improvements necessary to the operation and administration of the facility.
- F. Ineligible Property. The following types of property shall be fully taxable and ineligible for tax abatement: land, supplies, tools, furnishings, and other forms of movable personal property, housing, deferred maintenance, property to be rented or leased except as provided in Section 2 F, property which has a productive life of less than ten years.
- F. Owned/leased facilities. If a leased facility is granted abatement, the agreement shall be executed with the Lessor and the Lessee.
- G. Economic Qualifications. In order to be eligible for designation as a reinvestment zone and receive tax abatement, the planned improvement:
  - 1. Must be reasonably expected to have an increase in positive net benefit to Stonewall County of at least \$1,000,000.00 over the life of the abatement, computed to include (but not limited to) new sustaining payroll and/or capital improvement. The creation of (number and type) new jobs will also factor into the decision to grant an abatement; and
  - 2. Must not be expected to solely or primarily have the effect of transferring employment from Stonewall County to another.

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

1. Value of existing improvements, if any;
2. Type and value of proposed improvements;
3. Productive life of proposed improvements;
4. Number of existing jobs to be retained by proposed improvements;
5. Number and type of new jobs to be created by proposed improvements;
6. Amount of local payroll to be created;
7. Whether the new jobs to be created will be filled by persons residing or projected to reside within affected taxing jurisdiction;
8. Amount which property tax base valuation will be increased during term of abatement and after abatement, which shall include a definitive commitment that such valuation shall not, in any case, be less than \$1,000,000.00;
9. The costs to be incurred by Stonewall County to provide facilities directly resulting from the new improvements;
10. The amount of ad valorem taxes to be paid to Stonewall County during the abatement period considering:
  - a. the existing values;
  - b. the percentage of new value abated;
  - c. the abatement period; and
  - d. the value after expiration of the abatement period.
11. The population growth of Stonewall County that occurs directly as a result of new improvements;
12. The types and values of public improvements, if any, to be made by Applicant seeking abatement;
13. Whether the proposed improvements compete with existing businesses to the detriment of the local economy;
14. The impact on the business opportunities of existing businesses;
15. The attraction of other new businesses to the area;
16. The overall compatibility with the zoning ordinances and comprehensive plan for the area;
17. Whether the project obtains all necessary permits from the applicable environmental agencies.

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

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

1. There would be substantial adverse affect on the provision of government services or tax base;
2. The applicant has insufficient financial capacity;

3. Planned or potential use of the property would constitute a hazard to public health, safety or morals;
  4. Violation of other codes or laws; or
  5. Any other reason deemed appropriate by Stonewall County.
- J. Taxability. From the execution of the abatement to the end of the agreement period, taxes shall be payable as follows:
1. The value of ineligible property as provided in Section 2 E shall be fully taxable; and
  2. The base year value of existing eligible property as determined each year shall be fully taxable.

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

### Section 3 Application

- A. Any present or potential owner of taxable property in Stonewall County may request the creation of a reinvestment zone and tax abatement by filing a written application with the County Judge.
- B. The Application shall consist of a general description of the new improvements to be undertaken, a descriptive list of the improvements for which an abatement is requested, a list of the kind, number and location of all proposed improvements of the property, a map and property description, a time schedule for undertaking and completing the proposed improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the Application. The County may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the Applicant, to be attached to the Application. The completed Application must be accompanied by the payment of a non-refundable application fee for administrative costs associated with the processing of the tax abatement request. All checks in payment of the administrative fee shall be made payable to Stonewall County. For abatement requests for improvements with a planned value equal to or in excess of \$1,000,000.00 the fee shall be one thousand and no/100 dollars (\$1000.00), accompanied by the agreement that the Applicant shall pay reasonable consulting fees as may be incurred by Stonewall County in the examination of the application as well as the preparation and negotiation of any tax abatement agreement.
- C. Stonewall County shall give notice as provided by the Property Tax Code, i.e. written notice, to the presiding officer of the governing body of each taxing unit in which the property to be subject of the agreement is located not later than the seventh day before the public hearing and publication in a newspaper of general circulation within such taxing jurisdiction not later than the seventh day before the public hearing. Before acting upon

Application, Stonewall County shall, through public hearing, afford the Applicant and the designated representative of any governing body referenced hereinabove opportunity to show cause why the abatement should or should not be granted.

- D. If a city within Stonewall County designates a reinvestment zone within its corporate limits and enters into or proposes to enter into an abatement agreement with a present or potential owner of taxable property, such present or potential owner of taxable property may request tax abatement by Stonewall County by following the same application process described in Section 3 A hereof. No other notice or hearing shall be required except compliance with the Open Meetings Act, unless the Commissioners Court deems them necessary in a particular case.

#### Section 4 Agreement

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

3. Owner shall agree that it and its contractors, if any, will use reasonably commercial efforts to maximize its use of goods and services available through Stonewall County businesses in the construction, operation, and maintenance of the improvements and the project; provided, however, that there shall be no requirement to use goods and services provided by Stonewall County residents that are not:
  - a. of similar quality to those provided by nonresidents; or
  - b. made available on terms and conditions (including pricing) comparable to those offered by nonresidents. Comparable price shall be defined as less than or equal to 105% of the nonresident price for equivalent quality, conditions and terms.
4. Owner or its construction contractor, if any, shall designate a coordinator of local services who will act as liaison between any individuals, businesses, and contractors residing or doing business in Stonewall County who are interested in obtaining information about providing goods or services related to the construction of the project. Additionally, Owner or its construction contractor, if any, shall advertise in local newspapers in Stonewall County for local contractors to perform work on the construction of the project.
5. Owner shall agree to maintain a viable presence (as below defined) within the Reinvestment Zone for a period of time, as set by the Stonewall County Commissioners Court, not to exceed twenty (20) years from the date that the abatement agreement first takes effect. For purposes hereof, "Maintain a Viable Presence" means (i) the operation of the Eligible Facilities, as the same may from time to time be expanded, upgraded, improved, modified, changed, remodeled, repaired, restored, reconstructed, reconfigured and/or reengineered, and (ii) the retention of not fewer than three (3) Qualifying Jobs as defined by Texas Tax Code Section 313.021(3)(E) to be located and performed within the County.
5. On May 1<sup>st</sup> of each year that the agreement shall be in effect, Owner shall certify to the County Judge of Stonewall County, and to the governing body of each taxing unity, that Owner is in compliance with each applicable term set forth above.

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

## Section 5 Recapture

- A. In the event that the company or individual:
1. Allows its ad valorem taxes owed Stonewall County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or
  2. Violates any of the terms and conditions of the abatement agreement and fails to cure during the cure period, the agreement then may be terminated and all taxes

previously abated by virtue of the agreement will be recaptured and paid within thirty (30) days of the termination.

- B. Should Stonewall County determine that the company or individual is in default according to the terms and conditions of its agreement, Stonewall County shall notify the company or individual in writing at the address stated in the agreement, and if such is not cured within thirty (30) days from the date of such notice (cure period) then the agreement may be terminated.

## Section 6 Administration

- A. The Chief Appraiser of the Stonewall County Appraisal District will annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the Appraiser with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser will notify the Commissioners Court of Stonewall County of the amount of the assessment.
- B. Stonewall County may execute a contract with any other jurisdictions to inspect the facility to determine if the terms and conditions of the abatement agreement are being met. The abatement agreement shall stipulate that employees and/or designated representatives of Stonewall County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.
- C. Upon completion of construction, the designated representative of Stonewall County shall annually evaluate each facility receiving abatement to insure compliance with the agreement. A formal report shall be made to the Commissioners Court.

## Section 7 Assignment

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

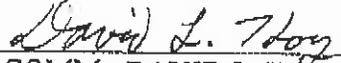
## Section 8 Sunset Provision

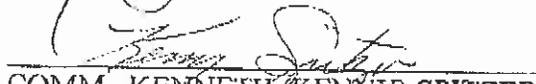
These guidelines and criteria are effective upon the date of their adoption and will remain in force for two years unless amended by three quarters vote of the Commissioners Court of Stonewall County. At which time all reinvestment zones and tax abatement agreements created pursuant to these provisions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

ADOPTED March 9, 2009

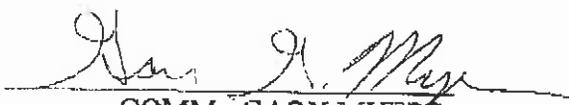
STONEWALL COUNTY COMMISSIONERS COURT

  
JUDGE BOBBY F. MCGOUGH

  
COMM. DAVID L. HOY

  
COMM. KENNETH (KENNY) SPITZER

  
COMM. KIRK MEADOR

  
COMM. GARY MYERS