



AUDIE SCIUMBATO
Licensed in Texas and New Mexico
Phone: 806.364.2626
Fax: 806.364.9368
www.uwlaw.com
Audie.Sciumbato@uwlaw.com

ADDRESS:
145 W. 3rd Street
Hereford, Texas
MAILING ADDRESS:
P.O. Box 1655
Hereford, TX 79045

August 5, 2015

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

Via Email and Federal Express

Re: 313 Application – Route 66 Wind II, LLC

Dear Jenny, John and Stephanie:

Enclosed please find an application for appraised value limitation on qualified property submitted to Claude ISD by Route 66 Wind II, LLC, on June 24, 2015, along with the schedules in Excel format. A CD containing these documents is also enclosed.

The Claude ISD Board elected to accept the application on June 24, 2015. The application was determined to be complete on August 5, 2015. We ask that the Comptroller's Office prepare the economic impact report for this development.

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

Sincerely,

A handwritten signature in black ink that reads "Audie Sciumbato". The signature is fluid and cursive, with a large initial "A" and a long, sweeping tail.

Audie Sciumbato, PhD

Encl.

J7Y14YC90D4Q1C

cc: Chief Appraiser, Armstrong County Appraisal District
Brandon Westlake, Cummings Westlake, LLC

ROUTE 66 WIND II, LLC

**CHAPTER 313 APPLICATION
FOR APPRAISED VALUE LIMITATION
TO CLAUDE ISD**

Comptroller Copy

TAB 1

Pages 1 through 9 of application.



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

Economic Development
and Analysis
Form 50-296-A

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

June 24, 2015

Date Application Received by District

Jeff

First Name

Superintendent

Title

Claude ISD

School District Name

500 W. 5th St.

Street Address

500 W. 5th St.

Mailing Address

Claude

City

(806) 226-7331 Ext.1

Phone Number

Mobile Number (optional)

Byrd

Last Name

TX

State

(806) 226-2244

Fax Number

Email Address

79019

ZIP

teresa.justiss@claudeisd.net

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

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

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

4. On what date did the district determine this application complete? August 5, 2015

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

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

<u>Aaron</u> First Name	<u>MacQueen</u> Last Name
<u>Assistant Secretary, First Wind Texas Renewables, LLC</u> Title	<u>Route 66 Wind II, LLC</u> Organization
<u>179 Lincoln St., Suite 500</u> Street Address	
<u>179 Lincoln St., Suite 500</u> Mailing Address	
<u>Boston</u> City	<u>MA</u> State
<u>(617) 960-9485</u> Phone Number	<u>02111</u> ZIP
<u></u> Mobile Number (optional)	<u>amacqueen@sunedison.com</u> Business Email Address

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

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

<u>Ben</u> First Name	<u>Fairbanks</u> Last Name
<u>Senior Director</u> Title	<u>Route 66 Wind II, LLC</u> Organization
<u>179 Lincoln St., Suite 500</u> Street Address	
<u>179 Lincoln St., Suite 500</u> Mailing Address	
<u>Boston</u> City	<u>MA</u> State
<u>(503) 867-1844</u> Phone Number	<u>02111</u> ZIP
<u></u> Mobile Number (optional)	<u>bfairbanks@sunedison.com</u> Business Email Address

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Brandon _____ Westlake _____
 First Name Last Name
 Tax Consultant _____
 Title
 Cummings Westlake, LLC _____
 Firm Name
 (713) 266-4456 _____ (713) 266-2333 _____
 Phone Number Fax Number
 bwestlake@cwlp.net _____
 Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? Yes No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A

3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? _____ Route 66 Wind II, LLC
 2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) _____ 32052684233
 3. List the NAICS code _____ 221115
 4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No
 4a. If yes, please list application number, name of school district and year of agreement _____

SECTION 5: Applicant Business Structure

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

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

<input checked="" type="checkbox"/> Land has no existing improvements	<input type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

- 1. Application approval by school board January 2016
- 2. Commencement of construction Q1 - 2016
- 3. Beginning of qualifying time period January 2016
- 4. First year of limitation 2017
- 5. Begin hiring new employees Q4 - 2016
- 6. Commencement of commercial operations Q4 - 2016
- 7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? Yes No
- Note:** Improvements made before that time may not be considered qualified property.
- 8. When do you anticipate the new buildings or improvements will be placed in service? Q4 - 2016

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Armstrong County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Armstrong CAD
- 3. Will this CAD be acting on behalf of another CAD to appraise this property? Yes No
- 4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

County: <u>Armstrong County, \$0.463579, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>High Plains UWC #1, \$0.008026, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Panhandle GCD #3, \$0.00802, 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
- 5. Is the project located entirely within the ISD listed in Section 1? Yes No
 - 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
- 6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 - 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at www.texasahead.org/tax_programs/chapter313/.

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

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (**Tab 11**).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? Yes No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (**Tab 9**);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (**Tab 9**);
 - c. owner (**Tab 9**);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (**Tab 9**); and
 - e. a detailed map showing the location of the land with vicinity map (**Tab 11**).
 3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (**Tab 16**);
 - b. legal description of reinvestment zone (**Tab 16**);
 - c. order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
 - d. guidelines and criteria for creating the zone (**Tab 16**); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (**Tab 11**)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? July 2015

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

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

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

Application for Appraised Value Limitation on Qualified Property

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2015
(year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 6

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 - 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 652.00
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 0.00
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 927.00

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 48,203.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 48,203.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No
 - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project vicinity b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

TAB 2

Proof of Payment of Application Fee

Please find on the attached page, copy of the check for the \$80,000 application fee to Claude Independent School District.

Proof of payment of filing fee received by the
Comptroller of Public Accounts per TAC Rule
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of Public
Accounts)*

TAB 3

Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation (if applicable).

Not Applicable

TAB 4

Detailed Description of the Project

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

Route 66 Wind II, LLC (Route 66 II) is requesting an appraised value limitation from Claude Independent School District (ISD) for the Route 66 Wind II Project (the “Project”), a proposed wind powered electric generating facility in Armstrong County. The proposed Claude ISD Project (this application) will be constructed within a Reinvestment Zone that will be created by Armstrong County in July or August of 2015. A map showing the location of the project is included in TAB 11.

The proposed Project is anticipated to have a capacity of 180 MW up to 250 MW, all of which will be located in Claude ISD. The exact number of wind turbines and size of each turbine could vary depending upon ongoing wind and siting analysis, manufacturer’s availability, prices, and the megawatt generating capacity of the Project when completed. Current plans are to install 1.8 MW GE turbines with an estimated 100 turbines located in Claude ISD. Route 66 II is also constructing generation tie line in Claude ISD which is estimated to be approximately 10 miles in length. The Applicant requests a value limitation for all materials and equipment installed for the Project, including but not limited to, wind turbines, towers, foundations, roadways, buildings and offices, anemometer towers, collection system, electric substation, transmission line and associated towers, and interconnection facilities.

Full construction of the Project is anticipated to begin in the 1st Quarter of 2016 with completion by December 31, 2016.

**NOTE:* The map in TAB 11 shows the potential locations of the turbines within Claude ISD boundaries for 100 turbines, however, the final number is dependent upon ongoing negotiations with power purchasers and factors mentioned above. Please be advised that the Northeast portion of the project boundary extends into Groom ISD and is therefore not applicable to this application.

TAB 5

Documentation to assist in determining if limitation is a determining factor.

Sun Edison is keen to develop and build the proposed Route 66 Wind II Project as per this application, but since this Project is still in the early stages of development, further investment could be, if necessary, redeployed to other counties and states competing for similar wind projects. Sun Edison is active in various states throughout the US, where each project individually competes for a finite pool of capital investment. State and local tax incentives contribute to the lowering of the cost of power sold to our customers and making our investment more viable and marketable. We are currently developing and constructing over 2,000 MW of wind throughout the country and are continually comparing investment opportunities and market viability of each project based upon project financial metrics.

Sun Edison's and its subsidiary's operates over 2,000 MW of wind projects from coast to coast across the U.S.

The Applicant is a national wind developer with the ability to locate projects of this type in other states within the United States and other regions within Texas with favorable wind characteristics. The Applicant is actively assessing and developing other projects that are competing for limited investment funds. This appraised value limitation is critical to the ability of the Project to move forward as currently sited.

Armstrong County has approved an abatement agreement with Route 66 Wind II, LLC. The terms of the abatement are as follows; 10 year 100% abatement with a PILOT payment of \$1,500 per MW installed capacity.

TAB 6

Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor (if applicable)

- | | |
|----------------------------------|--------|
| 1) Armstrong County | - 100% |
| 2) Panhandle GCD #3 | - 100% |
| 3) High Plains Water District #1 | - 100% |
| 4) Claude ISD | - 100% |

TAB 7

Description of Qualified Investment

Route 66 Wind II, LLC plans to construct an estimated 180 MW up to a 250 MW wind farm in Armstrong County.

This application covers all qualified property within Claude ISD necessary for the commercial operations of the proposed wind farm described in Tab 4. Approximately one hundred (100) turbines will be located in Claude ISD. For purposes of this application, the Project anticipates using 1.8 MW turbines manufactured by GE. Route 66 II is also constructing approximately 10 miles of generation transmission tie line that will be in Claude ISD.

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

Qualified Investment and qualified property includes, but is not limited to, turbines, towers, foundations, transformers, pad mounts, buildings and offices, underground collection systems, electric substation, transmission lines, electrical interconnections, met towers, roads, spare parts, and control systems necessary for commercial generation of electricity.

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

TAB 8

Description of Qualified Property

(See Tab 7)

TAB 9

Description of Land

See Attached

Route 66 II Reinvestment Zone

Legal Description

The Route 66 II reinvestment zone will be comprised of land located south of the Armstrong and Carson County line, north of Highway 287 and Hotel Road, west of 294 and east of State Route 207. The reinvestment zone covers the following sections.

Block	Section	Within Reinvestment Zone (Acres)
B3	131	100
B3	132	111
B3	149	626
B3	150	628
B3	151	647
B3	152	610
B3	153	610
B3	154	630
B3	155	638
B3	156	117
B3	163	120
B3	164	644
B3	165	638
B3	166	672
B3	167	626
B3	168	662
B3	169	645
B3	170	638

B3	181	623
B3	182	638
B3	183	664
B3	184	637
B3	185	669
B3	186	637
B3	187	651
B3	188	126
B3	195	132
B3	196	652
B3	197	640
B3	198	658
B3	199	647
B3	200	657
B3	201	649
B3	202	646
B4	115	639
B4	116	643
B4	117	649
B4	118	648
B4	119	648
B4	120	649
B4	121	664
B4	122	650
B4	123	644
B4	124	645
B4	125	645
B4	126	645
B4	155	655
B4	156	649
B4	157	655

B4	158	651
B4	159	651
B4	160	657
B4	161	651
B4	162	647
B4	163	647
B4	164	654
B4	165	649
B4	166	507
B4	196	123
B4	197	432
B4	198	645
B4	199	651
B4	200	644
B4	201	622
B4	202	388
B4	203	92
B4	75	171
B4	76	170
B4	77	170
B4	78	169
B4	79	159
B4	80	143
B4	81	650
B4	82	644
B4	83	644
B4	84	655
B4	85	655
B4	86	647

TAB 10

Description of all property not eligible to become qualified property (if applicable)

None

TAB 11

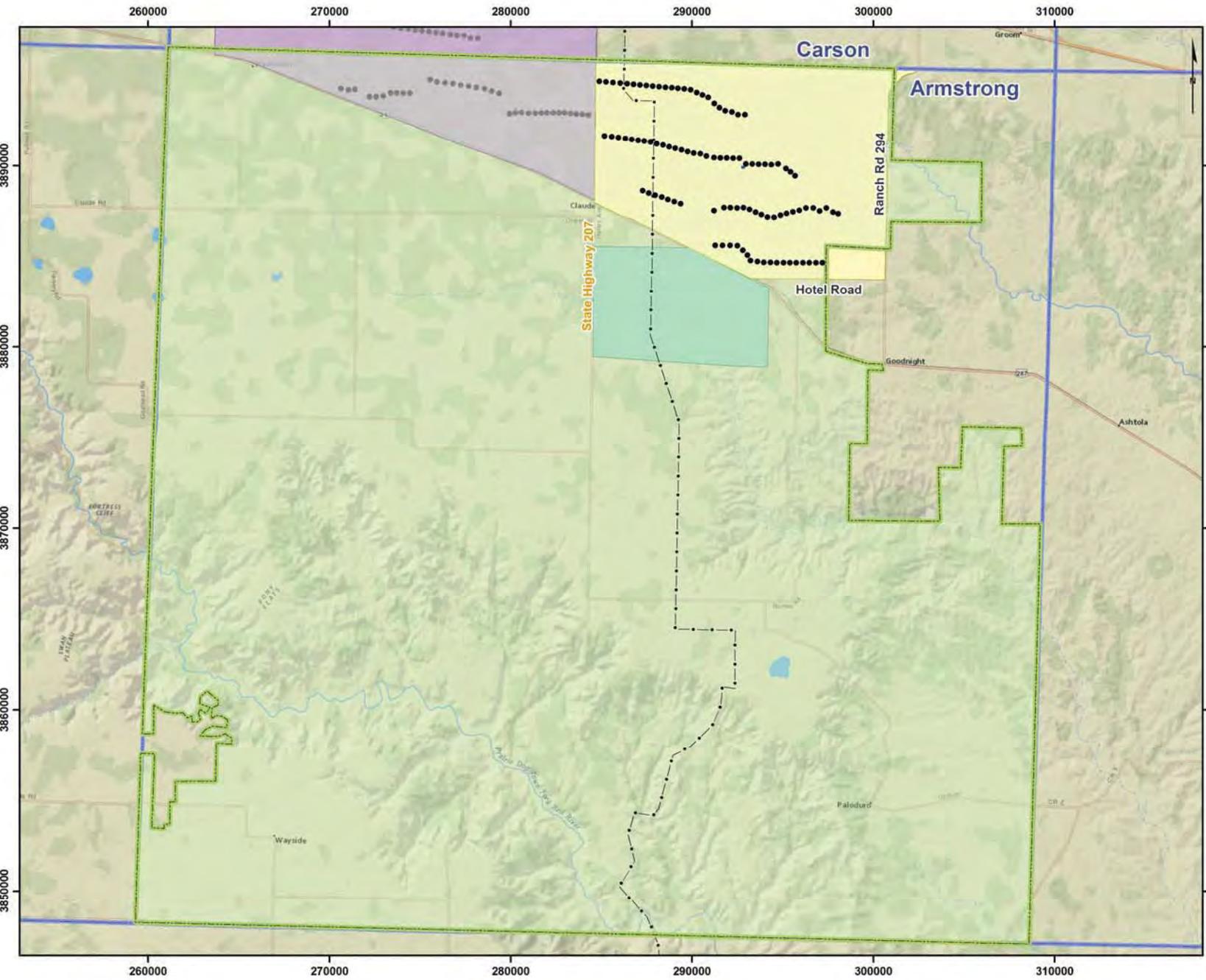
Maps that clearly show:

- a) Project vicinity
- b) Qualified investment including location of new building or new improvements
- c) Qualified property including location of new building or new improvements
- d) Existing property
- e) Land location within vicinity map
- f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size

11 d) THERE IS NO EXISTING PROPERTY

11 e) THERE IS NO LAND

11a & f) Project and Reinvestment Zone Vicinity Map



Legend

Project Components

- O&M Building
- Proposed Route 66 II Reinvestment Zone
- Goodnight Reinvestment Zone
- Route 66 I Reinvestment Zone
- Wind Turbine (100)
- Phase I Wind Turbine (75)

Other Components

- CREZ 345 kV Transmission Line
- County Boundary
- Claude ISD



firstwind
CLEAN ENERGY. MADE HERE.[®]

Route 66 II Wind Project

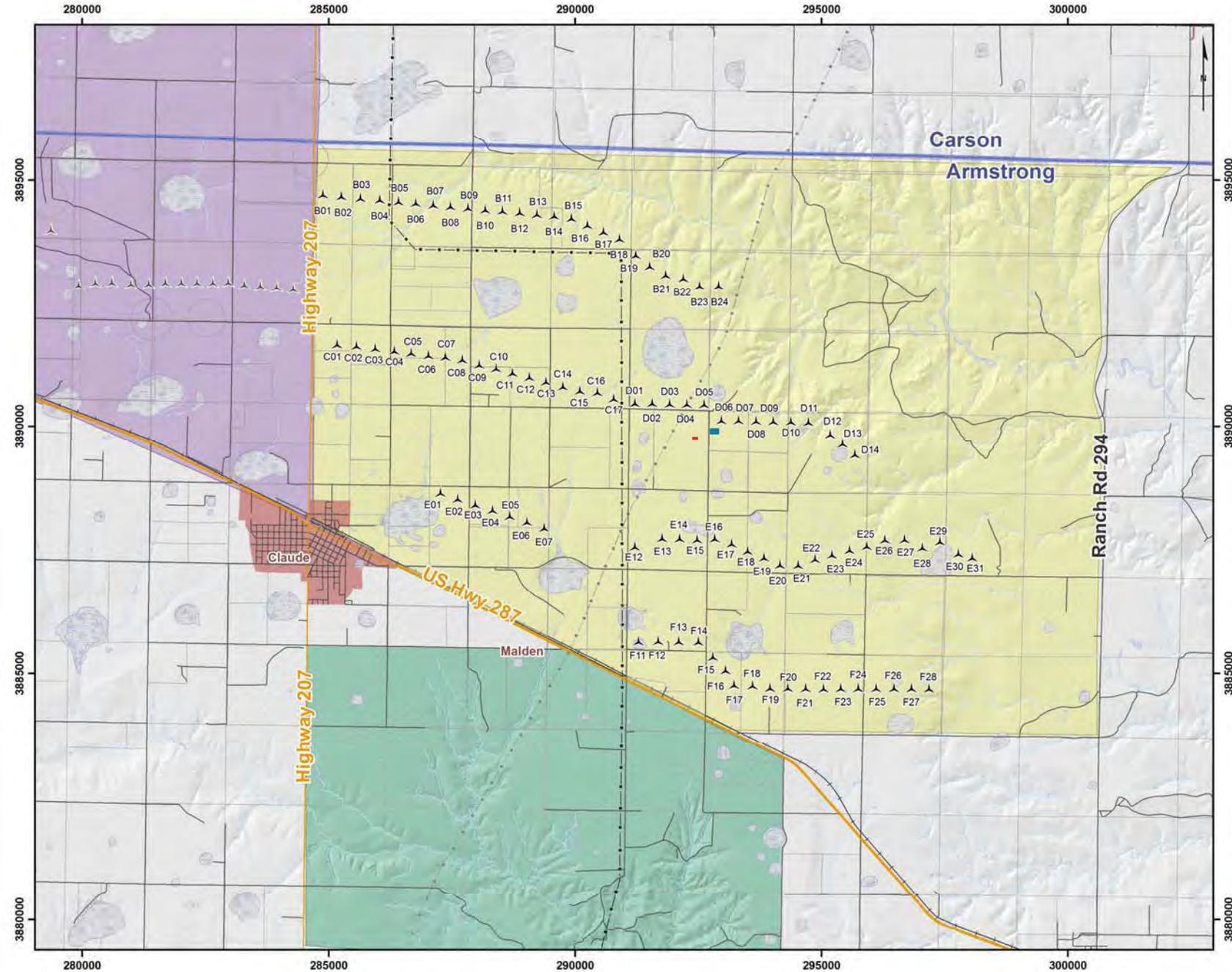
CLAUDE SCHOOL DISTRICT

DNV-GL

752871-150623-001-AD
June 23, 2015

Projection: UTM Zone 14, NAD83
Sources: ArcGIS Online, Texas School District Locator

11b&c) Qualified Investment & Property Map



Legend

Project Components

- O&M Building
- Proposed Route 66 II Reinvestment Zone
- Goodnight Reinvestment Zone
- Route 66 I Reinvestment Zone
- Wind Turbine (100)
- Phase I Wind Turbine (75)

Other Components

- Planned 345 kV Transmission Line

Infrastructure

- Natural Gas Pipeline
- Railway
- Highway
- Secondary Road
- Local Road
- Watercourse
- Urban Area
- Lot Line
- County Boundary
- Playa Lake
- Substation



firstwind
CLEAN ENERGY. MADE HERE®

Route 66 II Wind Project

REINVESTMENT ZONE MAP

752871-150528-001-AD
May 26, 2015

DNV•GL Projection: UTM Zone 14, NAD83

Sources: ArcGIS Online, EPA, FAA, FEMA, FCC, Google Earth, National Resources Defense Council, National Resources Conservation Service, RCT, PLM, ISSURGIO, TCEQ, USGS (TIGER, NED), USFWS (National Wetland Inventory), Venkyx

TAB 12

Request for Waiver of Job Creation Requirement and supporting information (if applicable)

See Attached

CUMMINGS WESTLAKE LLC

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

June 24, 2015

Mr. Jeff Boyd, Superintendent
Claude Independent School District
500 W. 5th St.
Claude, TX 79019

Re: Chapter 313 Job Waiver Request

Dear Mr. Boyd,

Route 66 Wind II, LLC (Route 66 II) requests that the Claude Independent School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the tax code. This waiver would be based on the school district's board findings that the jobs creation 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.

Route 66 Wind II, LLC requests that the Claude Independent School District makes such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, Route 66 II has committed to create 6 total jobs for the project, all of which will be in Claude ISD.

Wind projects create a large number of full and part-time, but temporary jobs during the construction phase of the project, but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences.

The industry standard for employment is typically one full-time employee for approximately every 15 turbines. This number may vary depending on the operations and maintenance requirements of the turbines selected as well as the support and technical assistance offered by the turbine manufacturer. 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. In addition to the onsite employees, there may be managers or technicians who support the project from offsite locations.

Sincerely,



Brandon Westlake

TAB 13

Calculation of three possible wage requirements with TWC documentation

- Armstrong County average weekly wage for all jobs (all industries)
- No data available for average weekly wage for all jobs (manufacturing)
- See attached Council of Governments Regional Wage Calculation and Documentation

**ROUTE 66 WIND II, LLC
TAB 13 TO CHAPTER 313 APPLICATION**

**ARMSTRONG COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2015	\$ 704	\$ 36,608
SECOND	2014	\$ 507	\$ 26,364
THIRD	2014	\$ 598	\$ 31,096
FOURTH	2014	\$ 797	\$ 41,444
AVERAGE		\$ 652	\$ 33,878

**ARMSTRONG COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS**

No Available Data

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
Panhandle	2014	\$ 843	\$ 43,821
	X	110%	110%
		\$ 927	\$ 48,203

* SEE ATTACHED TWC DOCUMENTATION

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
2014	1st Qtr	Armstrong County	Private	00	0	10	Total, All Industries	\$642
2014	2nd Qtr	Armstrong County	Private	00	0	10	Total, All Industries	\$507
2014	3rd Qtr	Armstrong County	Private	00	0	10	Total, All Industries	\$598
2014	4th Qtr	Armstrong County	Private	00	0	10	Total, All Industries	\$797
2015	1st Qtr	Armstrong County	Private	00	0	10	Total, All Industries	\$704

$$110\% \times \$43,821 = \$48,203$$

2014 Manufacturing Average Wages by Council of Government Region Wages for All Occupations

COG	Wages	
	Hourly	Annual
Texas	\$24.18	\$50,305
<u>1. Panhandle Regional Planning Commission</u>	<u>\$21.07</u>	<u>\$43,821</u>
<u>2. South Plains Association of Governments</u>	\$16.75	\$34,834
<u>3. NORTEX Regional Planning Commission</u>	\$20.23	\$42,077
<u>4. North Central Texas Council of Governments</u>	\$25.32	\$52,672
<u>5. Ark-Tex Council of Governments</u>	\$17.80	\$37,017
<u>6. East Texas Council of Governments</u>	\$19.87	\$41,332
<u>7. West Central Texas Council of Governments</u>	\$19.41	\$40,365
<u>8. Rio Grande Council of Governments</u>	\$17.82	\$37,063
<u>9. Permian Basin Regional Planning Commission</u>	\$23.65	\$49,196
<u>10. Concho Valley Council of Governments</u>	\$18.70	\$38,886
<u>11. Heart of Texas Council of Governments</u>	\$20.98	\$43,636
<u>12. Capital Area Council of Governments</u>	\$28.34	\$58,937
<u>13. Brazos Valley Council of Governments</u>	\$17.57	\$36,547
<u>14. Deep East Texas Council of Governments</u>	\$17.76	\$36,939
<u>15. South East Texas Regional Planning Commission</u>	\$29.21	\$60,754
<u>16. Houston-Galveston Area Council</u>	\$26.21	\$54,524
<u>17. Golden Crescent Regional Planning Commission</u>	\$23.31	\$48,487
<u>18. Alamo Area Council of Governments</u>	\$19.46	\$40,477
<u>19. South Texas Development Council</u>	\$13.91	\$28,923
<u>20. Coastal Bend Council of Governments</u>	\$25.12	\$52,240
<u>21. Lower Rio Grande Valley Development Council</u>	\$16.25	\$33,808
<u>22. Texoma Council of Governments</u>	\$20.51	\$42,668
<u>23. Central Texas Council of Governments</u>	\$18.02	\$37,486
<u>24. Middle Rio Grande Development Council</u>	\$20.02	\$41,646

Source: Texas Occupational Employment and Wages

Data published: July 2015

Data published annually, next update will be July 31, 2016

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

TAB 14

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

See attached Schedules A1, A2, B, C and D

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district				Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	0
Investment made after filing complete application with district, but before final board approval of application	-	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2015	0	0	0	0	0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				0	0	0	0	0
Complete tax years of qualifying time period	QTP1	2016-2017	2016	236,200,000	500,000	0	0	236,700,000
	QTP2	2017-2018	2017	0	0	0	0	0
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				236,200,000	500,000	0	0	236,700,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				236,700,000				

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.

Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

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

Date **6/23/2015**

Applicant Name **ROUTE 66 WIND II, LLC**

Form 50-296A

ISD Name **Claude ISD**

Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property {SEE NOTE}	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		236,200,000	500,000	0	0	236,700,000
<i>Enter amounts from TOTAL row in Schedule A1 in the row below</i>								
Each year prior to start of value limitation period** <small>Insert as many rows as necessary</small>	0	2015-2016	2015	0	0	0	0	0
	0	2016-2017	2016	0	0	0	0	0
Value limitation period***	1	2017-2018	2017	0	0	0	0	0
	2	2018-2019	2018	0	0	0	0	0
	3	2019-2020	2019	0	0	0	0	0
	4	2020-2021	2020	0	0	0	0	0
	5	2021-2022	2021	0	0	0	0	0
	6	2022-2023	2022	0	0	2,000,000	0	2,000,000
	7	2023-2024	2023	0	0	2,000,000	0	2,000,000
	8	2024-2025	2024	0	0	2,000,000	0	2,000,000
	9	2025-2026	2025	0	0	2,000,000	0	2,000,000
	10	2026-2027	2026	0	0	2,000,000	0	2,000,000
Total Investment made through limitation				236,200,000	500,000	10,000,000	0	246,700,000
Continue to maintain viable presence	11	2027-2028	2027			3,000,000		3,000,000
	12	2028-2029	2028			3,000,000		3,000,000
	13	2029-2030	2029			3,000,000		3,000,000
	14	2030-2031	2030			3,000,000		3,000,000
	15	2031-2032	2031			3,000,000		3,000,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2032-2033	2032			3,000,000		3,000,000
	17	2033-2034	2033			3,000,000		3,000,000
	18	2034-2035	2034			3,000,000		3,000,000
	19	2035-2036	2035			3,000,000		3,000,000
	20	2036-2037	2036			3,000,000		3,000,000
	21	2037-2038	2037			3,000,000		3,000,000
	22	2038-2039	2038			3,000,000		3,000,000
	23	2039-2040	2039			3,000,000		3,000,000
	24	2040-2041	2040			3,000,000		3,000,000
	25	2041-2042	2041			3,000,000		3,000,000

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row**.

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.

Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

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

Date

6/23/2015

Applicant Name

ROUTE 66 WIND II, LLC

Form 50-296A

ISD Name

Claude ISD

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2015-2016	2015	0	0	0	0	0	0
	0	2016-2017	2016	0	0	0	0	0	0
Value Limitation Period	1	2017-2018	2017	0	495,000	231,476,000	231,971,000	231,971,000	20,000,000
	2	2018-2019	2018	0	482,600	212,958,000	213,440,600	213,440,600	20,000,000
	3	2019-2020	2019	0	470,500	195,921,000	196,391,500	196,391,500	20,000,000
	4	2020-2021	2020	0	458,700	180,247,000	180,705,700	180,705,700	20,000,000
	5	2021-2022	2021	0	447,200	165,827,000	166,274,200	166,274,200	20,000,000
	6	2022-2023	2022	0	436,000	152,561,000	152,997,000	152,997,000	20,000,000
	7	2023-2024	2023	0	425,100	140,356,000	140,781,100	140,781,100	20,000,000
	8	2024-2025	2024	0	414,500	129,128,000	129,542,500	129,542,500	20,000,000
	9	2025-2026	2025	0	404,100	118,798,000	119,202,100	119,202,100	20,000,000
	10	2026-2027	2026	0	394,000	109,294,000	109,688,000	109,688,000	20,000,000
Continue to maintain viable presence	11	2027-2028	2027	0	384,200	100,550,000	100,934,200	100,934,200	100,934,200
	12	2028-2029	2028	0	374,600	92,506,000	92,880,600	92,880,600	92,880,600
	13	2029-2030	2029	0	365,200	85,106,000	85,471,200	85,471,200	85,471,200
	14	2030-2031	2030	0	356,100	78,298,000	78,654,100	78,654,100	78,654,100
	15	2031-2032	2031	0	347,200	72,034,000	72,381,200	72,381,200	72,381,200
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2032-2033	2032	0	338,500	66,271,000	66,609,500	66,609,500	66,609,500
	17	2033-2034	2033	0	330,000	60,969,000	61,299,000	61,299,000	61,299,000
	18	2034-2035	2034	0	321,800	56,091,000	56,412,800	56,412,800	56,412,800
	19	2035-2036	2035	0	313,800	51,604,000	51,917,800	51,917,800	51,917,800
	20	2036-2037	2036	0	306,000	47,476,000	47,782,000	47,782,000	47,782,000
	21	2037-2038	2037	0	298,400	43,678,000	43,976,400	43,976,400	43,976,400
	22	2038-2039	2038	0	290,900	40,184,000	40,474,900	40,474,900	40,474,900
	23	2039-2040	2039	0	283,600	36,969,000	37,252,600	37,252,600	37,252,600
	24	2040-2041	2040	0	276,500	34,011,000	34,287,500	34,287,500	34,287,500
	25	2041-2042	2041	0	269,600	31,290,000	31,559,600	31,559,600	31,559,600

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date 6/23/2015
 Applicant Name ROUTE 66 WIND II, LLC
 ISD Name Claude ISD

Form 50-296A

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying 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 non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2015-2016	2015	0	0	0	0	0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2016-2017	2016	100 FTE	40,000	0	0	0
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2017-2018	2017	N/A	N/A	0	6	48,203
	2	2018-2019	2018	N/A	N/A	0	6	48,203
	3	2019-2020	2019	N/A	N/A	0	6	48,203
	4	2020-2021	2020	N/A	N/A	0	6	48,203
	5	2021-2022	2021	N/A	N/A	0	6	48,203
	6	2022-2023	2022	N/A	N/A	0	6	48,203
	7	2023-2024	2023	N/A	N/A	0	6	48,203
	8	2024-2025	2024	N/A	N/A	0	6	48,203
	9	2025-2026	2025	N/A	N/A	0	6	48,203
	10	2026-2027	2026	N/A	N/A	0	6	48,203
Years Following Value Limitation Period	11 through 25	2027-2042	2027-2041	N/A	N/A	0	6	48,203

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

- C1.** Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts) Yes No
 If yes, answer the following two questions:
- C1a.** Will the applicant request a job waiver, as provided under 313.025(f-1)? Yes No
- C1b.** Will the applicant avail itself of the provision in 313.021(3)(F)? Yes No

Schedule D: Other Incentives (Estimated)

Date 6/23/2015
 Applicant Name ROUTE 66 WIND II, LLC
 ISD Name Claude ISD

Form 50-296A

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Tax Code Chapter 312	County: Armstrong County	2017	10 Years	Annual Avg. of \$760,730	see detail below	270,000
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Local Government Code Chapters 380/381	County:	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A
	Other:	N/A	N/A	N/A	N/A	N/A
Freeport Exemptions	N/A	N/A	N/A	N/A	N/A	N/A
Non-Annexation Agreements	N/A	N/A	N/A	N/A	N/A	N/A
Enterprise Zone/Project	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development Corporation	N/A	N/A	N/A		N/A	
Texas Enterprise Fund	N/A	N/A	N/A		N/A	
Employee Recruitment	N/A	N/A	N/A		N/A	
Skills Development Fund	N/A	N/A	N/A		N/A	
Training Facility Space and Equipment	N/A	N/A	N/A		N/A	
Infrastructure Incentives	N/A	N/A	N/A		N/A	
Permitting Assistance	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
Other:	N/A	N/A	N/A		N/A	
TOTAL				760,730		270,000

Additional information on incentives for this project:

County Terms:	100% abatement for 10 years with PILOT payment of \$1,500 per installed MW capacity
----------------------	---

TAB 15

Economic Impact Analysis, other payments made in the state or other economic information (if applicable)

None

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

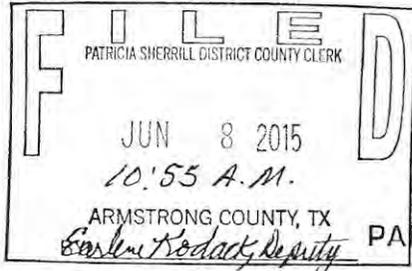
- a) Evidence that the area qualifies as a enterprise zone as defined by the Governor's office*
- b) Legal description of reinvestment zone**
- c) Order, resolution, or ordinance established the reinvestment zone**
- d) Guidelines and criteria for creating the zone**

16 a) Not Applicable

16 b) Will be submitted once Armstrong County creates the Reinvestment Zone

16 c) Will be submitted once Armstrong County creates the Reinvestment Zone

IN THE ARMSTRONG COUNTY COMMISSIONERS COURT
ARMSTRONG COUNTY, TEXAS



A RESOLUTION

EXPRESSING THE INTENT OF THE COUNTY TO
PARTICIPATE IN TAX ABATEMENT AGREEMENTS AND
ESTABLISHING GUIDELINES FOR SUCH AGREEMENTS JUNE 8, 2015

Pursuant to Chapter 312 of the Texas Tax Code, Armstrong County may consider an application for tax abatement, designate a reinvestment zone and enter into a tax abatement agreement in accordance with these Guidelines and Criteria. It is the express intent of the Armstrong County Commissioners Court to promote economic development, but not at the expense of the County's natural resources or services provided to the general public. No application submitted under the following schedule deemed to have a substantially adverse effect on natural resources in the County or on County infrastructure (including roads and bridges) will be approved, unless the applicant can demonstrate just cause for such an exception.

I. Abatement Application Procedure

A. Who May Apply. Any present or potential owner of taxable real property or interest

in real property in Armstrong County may submit an application for tax abatement conforming to the requirements herein.

- B. Eligible Improvements. Improvements eligible for abatement are limited to alternative and renewable energy and power facilities. Alternative or renewable energy and power facilities are the buildings and structures including fixed machinery and equipment used to produce electric power from a renewable or non-depletable power source.
- C. Eligible Property. Abatement may be granted for the following property: new, expanded or modernized buildings and structures, fixed machinery and equipment; site improvements; other tangible items necessary to the operation and administration of the project or facility; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code. Taxes on real property may be abated only to the extent the property's value for a given year exceeds its value for the year in which the agreement is executed. Tangible personal property located on the real property at any time before the period covered by the agreement is not eligible for abatement. Tangible personal property eligible for abatement shall not include inventory or supplies.

Property in a reinvestment zone that is owned or leased by a member of the County Commissioners Court is excluded from property tax abatement.

- D. Application Provisions. The application shall consist of a completed Armstrong County Tax Abatement Application Form, which shall contain the following:

(1) information showing how the project meets the requirements of the criteria outlined in Section II below;

(2) a map and description of the property;

- (3) a time schedule for completing the planned improvements;
- (4) the estimated taxable value or range of values of the project or facility; and
- (5) basic financial information about the applicant sufficient to enable evaluation of the application=s financial capacity.

E. Procedure for Consideration of Application. The procedure for consideration by the County of a Tax Abatement Application is as follows:

- (1) An applicant may request a Tax Abatement Application form from the County Clerk, County Judge or County Attorney.
- (2) After an applicant completes the Tax Abatement Application, the application must provide a copy to each member of the Armstrong County Commissioners Court and the County Clerk and the County Attorney.
- (3) The Commissioners Court shall issue a determination at any time before the expiration of sixty (60) days from the date of receipt of the application regarding how to proceed with the application. The Commissioners Court shall choose either to deny the application, consider the application or consider the application on an expedited basis.
 - a. *Denial of Application.* If the Commissioners Court chooses to deny the application, it shall make a finding by majority vote at a regularly

scheduled meeting that, after balancing the criteria described below in Section II, it is the judgment of the Commissioners Court that the application should be denied.

- b. *Consideration of Application.* If the County determines that the application should be further considered, the Commissioners Court must hold a public hearing to obtain public input on the application. Not later than the seventh (7th) day before the date of the hearing, notice of the hearing must be (1) delivered in writing to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, and (2) published in a newspaper of general circulation in the County. At the hearing, the Commissioners Court evaluates the application against the criteria in Section II and decides by majority vote whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is not designated, the application fails, although it may be amended and resubmitted. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect. An order designating an area as a reinvestment zone is valid for five (5) years from the date of designation. Once the area is designated as a reinvestment zone, the Commissioners Court may then arrange to consider for approval of the tax abatement agreement between the applicant and the County at its next regularly scheduled meeting. At least seven days prior to entering into a tax abatement agreement, the County must give written notice of its intent to do so to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the

proposed reinvestment zone, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County. A tax abatement agreement that is declined by the County may be amended and resubmitted to the County.

- c. Expedited Consideration of Application. If the County determines that the application should receive an expedited consideration, the Commissioners Court may combine the steps described in the preceding paragraph into a single, regularly scheduled meeting of the Commissioners Court, provided the County meets the procedural prerequisites for each step.

F. Confidentiality. As required by Chapter 312.003 of the Texas Tax Code, information that is provided to Armstrong County in connection with an application or request for tax abatement under this chapter and that described the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which tax abatement is sought is confidential and not subject to public disclosure until the tax abatement agreement is executed.

G. Effect of Error or Variance with Application Procedure. Except where not allowed by state law, the County may waive application procedures or grant procedural variances as they deem appropriate.

Armstrong County

A Resolution re: Tax Abatement, Page 5

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

- A. Minimum Requirements. To be designated a reinvestment zone, County Commissioners must find by majority vote that the designation would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the County.
- B. Criteria. In determining whether to designate a reinvestment zone and whether to enter into a tax abatement agreement, the Commissioners Court shall consider the following factors, among others determined appropriate by the Court:
- (1) the current value of land and existing improvements, if any;
 - (2) the type, value and purpose of proposed improvements, if any;
 - (3) the productive life of proposed improvements;
 - (4) the impact of proposed improvements and any other proposed expenditures on existing jobs;
 - (5) the number and type of new jobs, of any, to be created by proposed improvements and expenditures;
 - (6) any costs to be incurred by Armstrong County, if any, to provide facilities or services directly resulting from the new improvements;
 - (7) the types and values of public improvements, if any, to be made by applicant seeking abatement;
 - (8) an estimate of the amount of ad valorem property taxes to be paid to Armstrong

- County after expiration of the abatement agreement;
- (9) the impact on the business opportunities of existing businesses and the attraction of new businesses to the area; if any;
 - (10) the overall compatibility with the zoning ordinances and comprehensive plan, if any, for the area;
 - (11) whether the applicant's proposed facility or improvement or modernization is an industry which is new to Armstrong County;
 - (12) the impact upon County infrastructure including roads, bridges and the use of County services; and
 - (13) the impact upon depletion of natural resources of the County.

III. Format for Tax Abatement Agreement

A. Required Provisions. If the Armstrong County Commissioners Court designates a reinvestment zone, it may consider and execute a tax abatement agreement with the owner of the designated property as outlined above. Any tax abatement agreement shall include at least the following provisions:

- (1) the kind, number and location of all proposed improvements of the property;
- (2) provisions allowing for reasonable access to the property for initial and intermittent inspection purposes by County employees or designated representatives to ensure improvements are made in compliance with the agreement;
- (3) provisions limiting the use of the property consistent with the general purpose of encouraging development or redevelopment of the area during the period of the abatement;

- (4) provisions for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided in the agreement;
- (5) each term agreed to by the recipient of the abatement;
- (6) a requirement that the abatement recipient certify its compliance with the agreement annually to each taxing unit that is a party to the agreement; and
- (7) provisions allowing the County to cancel or modify the agreement if the recipient fails to comply with the agreement.

B. Optional Provisions. The tax abatement agreement may also contain any or all of the following items, in addition to any others deemed appropriate by the contracting parties:

- (1) the estimated taxable value or range of values for which taxes are to be abated;
- (2) the percent of value to be abated each year;
- (3) the commencement and termination dates of the abatement;
- (4) the proposed use of the property;
- (5) a time schedule, map and property designation;
- (6) contractual obligations in the event of default or violation of terms or conditions;
- (7) the size of investment and number of temporary and permanent jobs involved, if any;
- (8) provisions for dispute resolution.

C. Duration and Portion of Abatement. A tax abatement agreement granted by Armstrong County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100 percent (100%) in portion of ad valorem property taxes abated. At any

time before the expiration of the agreement, the parties may agree to modify the agreement or to delete provisions that were not necessary to the original agreement. The same procedural prerequisites for approval of the original agreement apply to modification of the agreement.

- D. Time Limit. Such agreement shall be executed with thirty (30) days after the passage of the resolution approving the agreement, unless the County and the applicant mutually agree otherwise.

IV. General Provisions

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

V. Sunset and Amendment of Guidelines and Criteria

These guidelines and criteria are effective upon the date of their adoption and will remain in force for two (2) years, unless amended by a three-fourths (3/4) vote of the Armstrong County Commissioners Court.

ADOPTED in the County Commissioners Court the 8th day of June, 2015.



County Judge

Armstrong County

A Resolution re: Tax Abatement, Page 9

ATTEST:

Patricia Sheiull

County Clerk

by: _____

Deputy

Armstrong County

A Resolution re: Tax Abatement, Page 10

TAB 17

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

See Attached

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here -> Jeff Byro
Print Name (Authorized School District Representative)

Superintendent
Title

sign here -> [Signature]
Signature (Authorized School District Representative)

Date 6/23/15

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

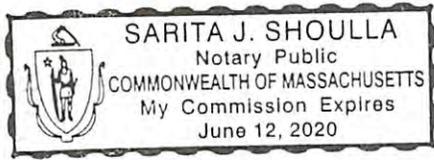
print here -> Aaron P. MacQueen
Print Name (Authorized Company Representative (Applicant))

Assistant Secretary of First Wind Texas Renewables, LLC, member of Route 66 II, LLC
Title

sign here -> [Signature]
Signature (Authorized Company Representative (Applicant))

Date June 18, 2015

Commonwealth of Massachusetts
County of Suffolk
GIVEN under my hand and seal of office this, the
18th day of June, 2015



(Notary Seal)

[Signature]
Notary Public in and for the State of Texas Commonwealth of Massachusetts
My Commission expires: 6/12/20

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