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November 4, 2015

John Villarreal  
Jenny Hicks  
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 – Cotton Plains Wind I, LLC

Dear John, Jenny and Stephanie:

Enclosed please find an application for appraised value limitation on qualified property submitted to Floydada ISD by Cotton Plains Wind I, LLC, on October 21, 2015, along with the schedules in Excel format. A CD containing these documents is also enclosed.

The Floydada ISD Board elected to accept the application on October 21, 2015. The application was determined to be complete on November 3, 2015. We ask that the Comptroller's Office prepare the economic impact report for this development as soon as the Amendment No. 2 to Application 1045 is approved and executed.

A copy of the application will also be submitted to the Floyd 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.  
JP05603M0D8H3I  
cc: Chief Appraiser, Floyd County Appraisal District  
Bob Kirby, Director, Cotton Plains Wind I  
CJ Evans, Merit Advisors

# **Cotton Plains Wind I, LLC**

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Application for Appraised Value Limitation on  
Qualified Property

Presented to:

Floydada Independent School District

Tab 1

**Page 1 through 11 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/](http://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

October 21, 2015

Date Application Received by District

Gilbert Trevino

First Name Last Name

Superintendent

Title

Floydada ISD

School District Name

226 W. California Street

Street Address

226 W. California Street

Mailing Address

Floydada TX 79235

City State ZIP

806-983-3498 806-983-5739

Phone Number Fax Number

gtrevino@floydadaisd.esc17.net

Mobile Number (optional) Email Address

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)**

James First Name	Wester Last Name
Attorney Title	
Underwood Law Firm, P.C. Firm Name	
806-379-0354 Phone Number	806-379-0316 Fax Number
	james.wester@uwlaw.com Email Address
Mobile Number (optional)	

4. On what date did the district determine this application complete? ..... November 3, 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)**

Bob First Name	Kirby Last Name
Director Title	Apex Clean Energy Organization
310 4th St. N.E., Suite 200 Street Address	
310 4th St. N.E., Suite 200 Mailing Address	
Charlottesville City	VA State
434.220.6353 Phone Number	22902 ZIP
Mobile Number (optional)	bob.kirby@apexcleanenergy.com 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.

_____ First Name	_____ Last Name
_____ Title	_____ Organization
_____ Street Address	
_____ Mailing Address	
_____ City	_____ State
_____ Phone Number	_____ ZIP
_____ Mobile Number (optional)	_____ Fax Number
	_____ 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)**

C.J. Evans Jr.  
 First Name Last Name  
 Principal  
 Title  
 Merit Advisors, L.P.  
 Firm Name  
 813-289-5600 813-289-1213  
 Phone Number Fax Number  
 cjevans@meritatc.com  
 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? Cotton Plains Wind I, LLC  
 2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32053076652  
 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 Company  
 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 ..... March 2016
- 2. Commencement of construction ..... Q2 2016
- 3. Beginning of qualifying time period ..... 2016
- 4. First year of limitation ..... 2017
- 5. Begin hiring new employees ..... Q3 2016
- 6. Commencement of commercial operations ..... Q3 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
- 8. When do you anticipate the new buildings or improvements will be placed in service? ..... Q4 2016

**Note:** Improvements made before that time may not be considered qualified property.

**SECTION 10: The Property**

- 1. Identify county or counties in which the proposed project will be located Floyd County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Floyd 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>Floyd County, \$0.63512, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: _____ <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>Caprock Hospital, \$0.14060, 100%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>High Plains UWCD #1, \$0.00810, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): _____ <small>(Name, tax rate and percent of project)</small>	Other (describe): _____ <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/](http://www.texasahead.org/tax_programs/chapter313/).

- 1. At the time of application, what is the estimated minimum qualified investment required for this school district? ..... 20,000,000.00
- 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? .....

**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.

**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? ..... 2

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 ..... 652.25

b. 110% of the average weekly wage for manufacturing jobs in the county is ..... 836.55

c. 110% of the average weekly wage for manufacturing jobs in the region is ..... 736.87

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? ..... 38,318.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 38,318.00

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"> <li>a) Project vicinity</li> <li>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</li> <li>c) Qualified property including location of new buildings or new improvements</li> <li>d) Existing property</li> <li>e) Land location within vicinity map</li> <li>f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size</li> </ul> <p><b>Note:</b> 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"> <li>a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office</li> <li>b) legal description of reinvestment zone*</li> <li>c) order, resolution or ordinance establishing the reinvestment zone*</li> <li>d) guidelines and criteria for creating the zone*</li> </ul> <p><b>* To be submitted with application or before date of final application approval by school board</b></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**

Proof of payment attached.

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.

**Detailed description of the project**

Apex Clean Energy Holdings, LLC (“Apex”) is requesting an appraised value limitation from Floydada Independent School District (“ISD”) for the Cotton Plains Wind I, LLC Project (“Project”). Apex is proposing to construct, operate, and maintain a renewable energy facility primarily utilizing wind-powered electric generation equipment to be located in Floyd County (“County”), which will expand the local tax base in this rural community and contribute to employment in the County without triggering any new burden to shared services.

The Project is initially anticipated to have a capacity of 50 MW located in Floydada ISD. The exact number and placement of the wind turbines (and/or solar panels) and size of each will vary depending on the final design package. Construction of the Project is expected to begin in the 2nd Quarter of 2016 with completion by the end of 2016. The Cotton Plains Project is expected to be operational for 30 years or more.

Overall, the proposed Cotton Plains Project is sized to achieve up to 400 MW in total capacity when combined with the Old Settler and Pumpkin Farms projects located adjacently. The Project site is well-suited for energy development alongside current agricultural use and is considered low-risk in terms of potential impact to sensitive wildlife species due to active farming locally with comparable habitats/avian use to other existing renewable generation located in the vicinity. The Project’s wildlife study protocols are consistent with the industry’s best practices for similar habitats. Threatened and endangered species concerns are considered minimal. No mitigation, curtailment or habitat conservation plans are anticipated, as well as, no impacts to federal Department of Defense or Department of Commerce.

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

Apex Clean Energy Holdings, LLC (“Apex”), the parent company of Cotton Plains Wind I, LLC, has been in the renewable energy sector for over five (5) years and has the capabilities to develop, finance, construct and operate renewable facilities with a current development pipeline of over 10,000 MW of independent power assets located throughout the United States, of which, currently 1,500 MW have the opportunity to be developed in Texas.

The Cotton Plains Wind project is in the mid stage of development as of the date of this application. This project was selected as a candidate to explore for development because of the robust wind resource in Floyd County and access to the ERCOT market and the new CREZ White River substation plus the potential to access the SPP market as well. The Project is seeking property tax incentives under the Tax Code Chapter 312 Tax Abatement and Chapter 313 Appraised Value Limitation.

Apex would like to develop and build its proposed project but given the myriad of variables undetermined at this early stage, resources could be reallocated to other developable counties and/or states competing for similar projects where Apex has land interests.

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)**

Not applicable.

### **Description of Qualified Investment**

The qualified investment would initially consist of up to twenty one (21) wind turbines or more located in Floydada ISD with an initial operating capacity of 50 MW, depending on the wind turbine model selected and the nameplate capacity of each turbine and may be augmented by utility scale solar depending on market demand and interest. In addition to the wind turbines and potential solar equipment, 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 timing of development and construction of the project and availability of turbines. There will be an electrical collector substation within the project boundary, a short transmission line to the point of interconnection, permanent buildings and offices, office equipment and computers, anemometer towers, electrical transmission interconnects, cables, towers, spare parts, control systems for commercial generation of electricity, fencing and other equipment as needed for safety and security and related office and control buildings and personal property supporting the Project.

Tab 8

**Description of Qualified Property**

Same as Tab 7. See above description.

Tab 9

**Description of Land**

Not applicable.

Tab 10

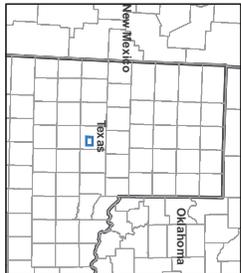
**Description of all property not eligible to become qualified property (if applicable)**

Not applicable.

Tab 11

**Maps**

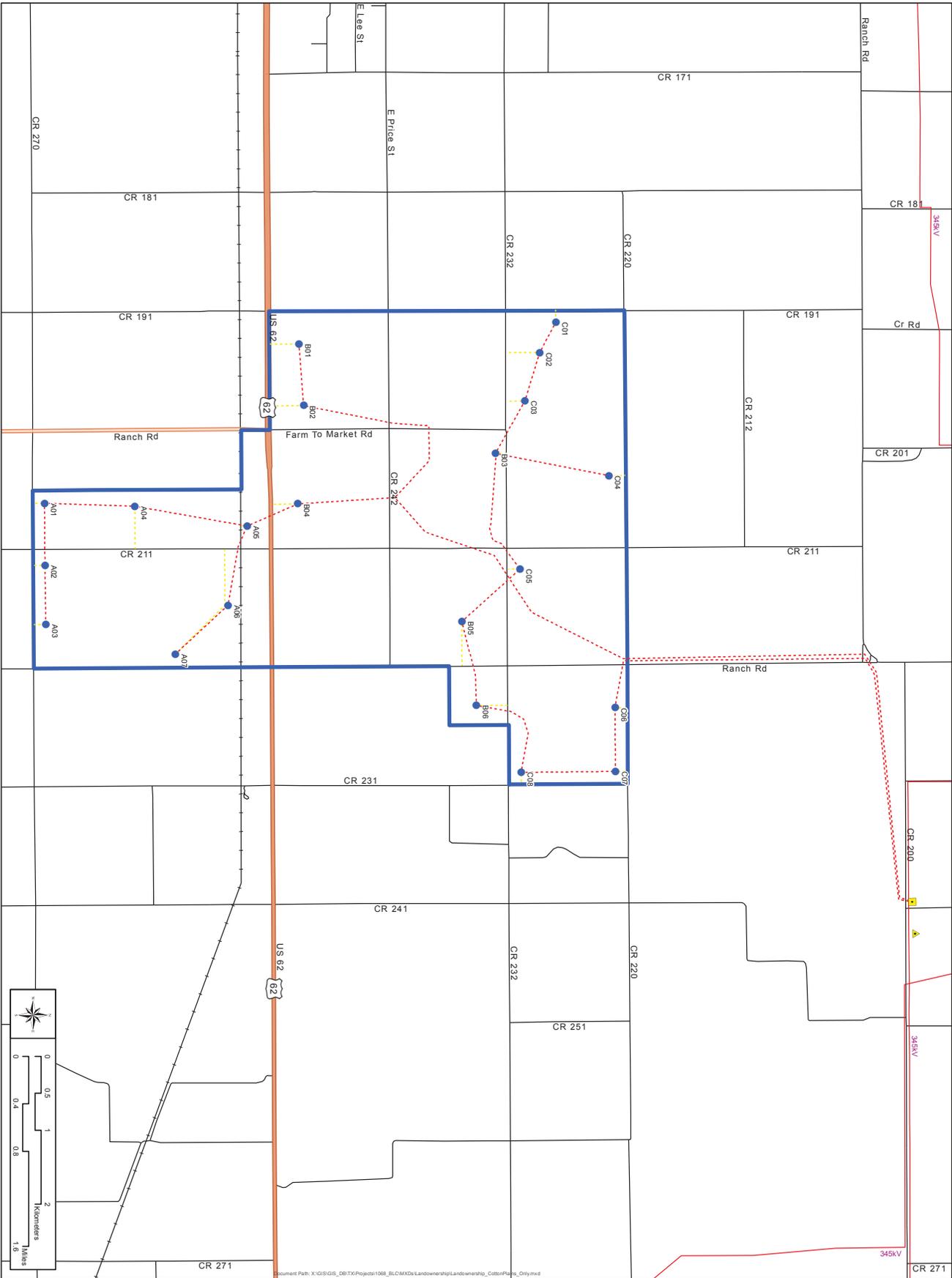
See attached.

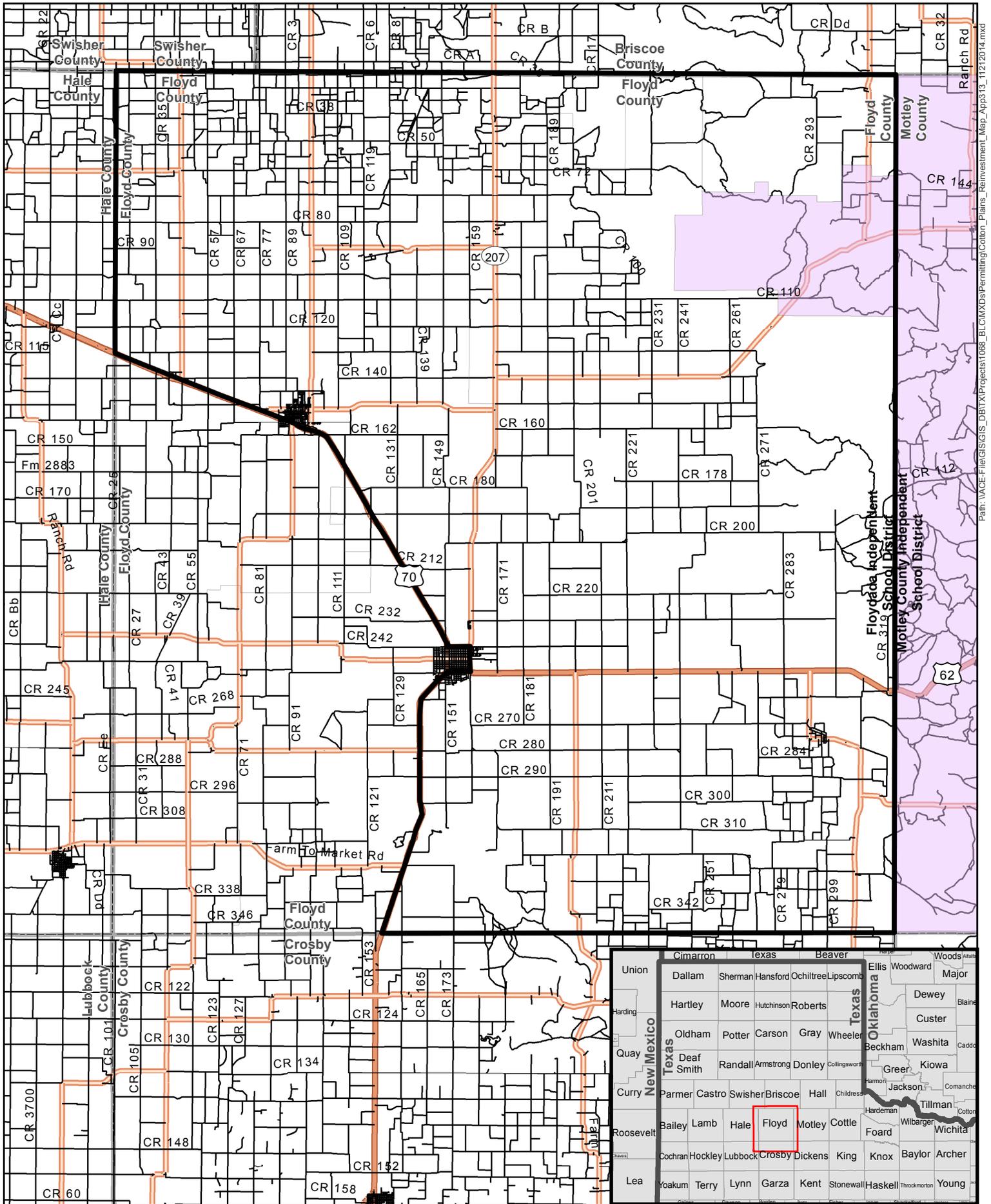


# Cotton Plains

- ▲ Point of Interconnect
- Project Substation
- Proposed Turbine-Layout 43 (21)
- Project Boundary
- Collection Lines
- Access Roads
- Access Roads

Date: 8/19/2015 Author: JF  
 Project: Cotton Plains  
 Project Location: Cotton Plains, Oklahoma  
 Project Number: 1088  
 Drawing Number: 1088-01



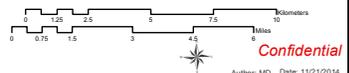


Path: \\ACE-Filer\GIS\GIS\_DB\TX\Projects\1068\_BLC\MapDocs\Permitting\Cotton\_Plains\_Reinvestment\_Map\_App313\_11212014.mxd

Union	Cimarron	Texas	Beaver	Woods	Major
Dallam	Sherman	Hanford	Ochiltree	Lipscomb	Ellis
Hartley	Moore	Hutchinson	Roberts	Texas	Oklahoma
Oldham	Potter	Carson	Gray	Wheeler	Beckham
Deaf Smith	Randall	Armstrong	Donley	Collingsworth	Green
Curry	Parmer	Castro	Swisher	Briscoe	Hall
Bailey	Lamb	Hale	Floyd	Motley	Cottle
Cochran	Hockley	Lubbock	Crosby	Dickens	King
Lea	Yoakum	Terry	Lynn	Garza	Kent

**Cotton Plains Wind:  
Reinvestment  
Zone #1 and Map**

- Floyd County Reinvestment Zone
- County Boundary
- Floydda ISD
- Motley County ISD



**Confidential**  
 APEX CLEAN ENERGY  
 Author: MD Date: 11/21/2014  
 NAD 1983 UTM Zone 14N  
 Projection: Transverse Mercator  
 Datum: North American 1983

\* Turbine Locations Will Change Due to Final Survey/Design

Tab 12

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

See the attached letter.



Court Square Building  
310 4<sup>th</sup> Street NE, Suite 200  
Charlottesville, VA 22902  
T 434.220.7595 / F 434.220.3712  
[apexcleanenergy.com](http://apexcleanenergy.com)

September 17, 2015

Re: Cotton Plains Wind, LLC Employment Estimate

To whom it may concern:

Wind projects create a large number of construction jobs but require a small number of highly skilled technicians to operate a wind project once commercial operations begin. The permanent employees of a wind farm maintain and service the wind turbines, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. Based upon Apex's extensive experience in wind development and a survey of experienced developers and operators of large scale wind projects, we find that the industry standard for ratio for permanent employment is one (1) full-time employee for every fifteen (15) turbines. This number can and does vary depending upon the operator, turbine type and size, and support and technical assistance offered by the turbine manufacturer. In addition to the on-site employees described above, there may be asset managers or technicians who supervise, monitor and support wind project operations from off-site locations.

Therefore, we respectfully request that the job creation requirement be waived for this project.

If you have any questions please do not hesitate to contact me at 434.220.6353.

Sincerely,

A handwritten signature in blue ink that reads "Bob Kirby". The signature is written in a cursive, flowing style.

Bob Kirby

Calculation of three possible wage requirements with TWC documentation

Chapter 313 Wage Calculation – Floyd County – All Industries

Quarter	Year	Avg. Weekly Wages*	Annualized
Second	2014	\$688	\$35,776
Third	2014	\$595	\$30,940
Fourth	2014	\$739	\$38,428
First	2015	\$587	\$30,524
	Average	\$652.25	\$33,917
	110%	\$717.48	

Chapter 313 Wage Calculation – Floyd County – Manufacturing Jobs

Quarter	Year	Avg. Weekly Wages*	Annualized
Second	2014	\$806	\$41,912
Third	2014	\$928	\$48,256
Fourth	2014	\$790	\$41,080
First	2015	\$518	\$26,936
	Average	\$760.50	\$39,546
	110%	\$836.55	

Chapter 313 Wage Calculation – Regional Wage Rate – Manufacturing Jobs

Region	Year	Avg. Weekly Wages*	Annualized
South Plains	2014	\$669.88	\$34,834
	110%	\$736.87	

\*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	2nd Qtr	Floyd County	Private	00	0	10	Total, All Industries	\$688
2014	3rd Qtr	Floyd County	Private	00	0	10	Total, All Industries	\$595
2014	4th Qtr	Floyd County	Private	00	0	10	Total, All Industries	\$739

# 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
2015	1st Qtr	Floyd County	Private	00	0	10	Total, All Industries	\$587

## 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	2nd Qtr	Floyd County	Private	31	2	31-33	Manufacturing	\$806
2014	3rd Qtr	Floyd County	Private	31	2	31-33	Manufacturing	\$928
2014	4th Qtr	Floyd County	Private	31	2	31-33	Manufacturing	\$790

# 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
2015	1st Qtr	Floyd County	Private	31	2	31-33	Manufacturing	\$518

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

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

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

Date 9/21/2015  
 Applicant Name Cotton Plains Wind I, LLC  
 ISD Name Floydada

Form 50-296A  
 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 <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> 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]	<b>Total Investment</b> (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.]	
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)	2016					
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				\$67,500,000				\$67,500,000
Complete tax years of qualifying time period	QTP1	2016 - 2017	2017					
	QTP2	2017 - 2018	2018					
<b>Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]</b>				\$67,500,000				\$67,500,000
				Enter amounts from TOTAL row above in Schedule A2				
<b>Total Qualified Investment (sum of green cells)</b>				\$67,500,000				

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 9/21/2015  
 Applicant Name Cotton Plains Wind I, LLC  
 ISD Name Floydada

Form 50-296A  
 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 <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> 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*	--	<b>TOTALS FROM SCHEDULE A1</b>			\$67,500,000			\$67,500,000
Enter amounts from TOTAL row in Schedule A1 in the row below								
Each year prior to start of value limitation period** Insert as many rows as necessary	0	2016 - 2017	2016	\$67,500,000				\$67,500,000
Value limitation period***	1	2017 - 2018	2017					
	2	2018 - 2019	2018					
	3	2019 - 2020	2019					
	4	2020 - 2021	2020					
	5	2021 - 2022	2021					
	6	2022 - 2023	2022					
	7	2023 - 2024	2023					
	8	2024 - 2025	2024					
	9	2025 - 2026	2025					
	10	2026 - 2027	2026					
		<b>Total Investment made through limitation</b>			\$67,500,000			\$67,500,000
Continue to maintain viable presence	11	2027 - 2028	2027					
	12	2028 - 2029	2028					
	13	2029 - 2030	2029					
	14	2030 - 2031	2030					
	15	2031 - 2032	2031					
	16	2032 - 2033	2032					
Additional years for 25 year economic impact as required by 313.026(c)(1)	17	2033 - 2034	2033					
	18	2034 - 2035	2034					
	19	2035 - 2036	2035					
	20	2036 - 2037	2036					
	21	2037 - 2038	2037					
	22	2038 - 2039	2038					
	23	2039 - 2040	2039					
	24	2040 - 2041	2040					
	25	2041 - 2042	2041					

\* All investments made through the qualifying time  
 \*\* Only investment made during deferrals of the start of the limitation (after the end of qualifying time  
 \*\*\* 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  
 Only tangible personal property that is specifically  
 Column B: The total dollar amount of planned investment  
 Column C: Dollar value of other investment that may affect economic impact and total value. Examples of  
 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)**

9/21/2015

Date  
 Applicant Name  
 ISD Name

Cotton Plains Wind I, LLC  
 Floydada

**Form 50-296A**

*Revised May 2014*

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Pre-Year	0	2016 - 2017	2016			\$64,125,000			
Value Limitation Period	1	2017 - 2018	2017			\$60,750,000	\$64,125,000	\$64,125,000	\$20,000,000
	2	2018 - 2019	2018			\$57,375,000	\$60,750,000	\$60,750,000	\$20,000,000
	3	2019 - 2020	2019			\$54,000,000	\$57,375,000	\$57,375,000	\$20,000,000
	4	2020 - 2021	2020			\$50,625,000	\$54,000,000	\$54,000,000	\$20,000,000
	5	2021 - 2022	2021			\$47,250,000	\$50,625,000	\$50,625,000	\$20,000,000
	6	2022 - 2023	2022			\$43,875,000	\$47,250,000	\$47,250,000	\$20,000,000
	7	2023 - 2024	2023			\$40,500,000	\$43,875,000	\$43,875,000	\$20,000,000
	8	2024 - 2025	2024			\$37,125,000	\$40,500,000	\$40,500,000	\$20,000,000
	9	2025 - 2026	2025			\$33,750,000	\$37,125,000	\$37,125,000	\$20,000,000
	10	2026 - 2027	2026			\$30,375,000	\$33,750,000	\$33,750,000	\$20,000,000
Continue to maintain viable presence	11	2027 - 2028	2027			\$27,000,000	\$30,375,000	\$30,375,000	\$30,375,000
	12	2028 - 2029	2028			\$23,625,000	\$27,000,000	\$27,000,000	\$27,000,000
	13	2029 - 2030	2029			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	14	2030 - 2031	2030			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	15	2031 - 2032	2031			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2032 - 2033	2032			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	17	2033 - 2034	2033			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	18	2034 - 2035	2034			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	19	2035 - 2036	2035			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	20	2036 - 2037	2036			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	21	2037 - 2038	2037			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	22	2038 - 2039	2038			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	23	2039 - 2040	2039			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	24	2040 - 2041	2040			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000
	25	2041 - 2042	2041			\$23,625,000	\$23,625,000	\$23,625,000	\$23,625,000

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

Notes: Only include market value for eligible property on this schedule.

**Schedule C: Employment Information**

Date 9/21/2015  
 Applicant Name Cotton Plains Wind I, LLC  
 ISD Name Floydada

**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
Pre-Year	0	2016 - 2017	2016	62,500 man-hours	\$50,000	0	2	\$38,318
Value Limitation Period	1	2017 - 2018	2017			0	2	\$38,318
	2	2018 - 2019	2018			0	2	\$38,318
	3	2019 - 2020	2019			0	2	\$38,318
	4	2020 - 2021	2020			0	2	\$38,318
	5	2021 - 2022	2021			0	2	\$38,318
	6	2022 - 2023	2022			0	2	\$38,318
	7	2023 - 2024	2023			0	2	\$38,318
	8	2024 - 2025	2024			0	2	\$38,318
	9	2025 - 2026	2025			0	2	\$38,318
	10	2026 - 2027	2026			0	2	\$38,318
Years Following Value Limitation Period	11 through 25	2025 - 2042	2026 - 2041			0	2	\$38,318

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  
 Applicant Name  
 ISD Name

9/21/2015  
 Cotton Plains Wind I, LLC  
 Floydada

**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					
	City: N/A					
	Other: N/A					
Tax Code Chapter 312	County: Floyd County	2017	10	\$354,348	\$215,729	\$138,619
	Other:					
	Other:					
Local Government Code Chapters 380/381	County: N/A					
	City: N/A					
	Other: N/A					
Freeport Exemptions	N/A					
Non-Annexation Agreements	N/A					
Enterprise Zone/Project	N/A					
Economic Development Corporation	N/A					
Texas Enterprise Fund	N/A					
Employee Recruitment	N/A					
Skills Development Fund	N/A					
Training Facility Space and Equipment	N/A					
Infrastructure Incentives	N/A					
Permitting Assistance	N/A					
Other:	N/A					
Other:	N/A					
Other:	N/A					
Other:	N/A					
<b>TOTAL</b>				\$354,348	\$215,729	\$138,619

Additional information on incentives for this project:

Tab 15

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

Not applicable.

**Description of Reinvestment or Enterprise Zone**

- a) Evidence that the area qualifies as an 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

a) Not applicable.

# Tab 16 (b) - Legal Description of Reinvestment Zone

Beginning in the northwest corner of Floyd County and then:

- following the northerly Floyd County line eastward to the northeast corner of Floyd County,
- Then following the easterly Floyd County line southward to the southeast corner of Floyd County,
- Then following the southerly Floyd County line westward to the east side of US Highway 62.
- Then following the east boundary of US Highway 62 northward to the city limits of Floydada, TX
- Then following the Floydada city limits around the east and north sides of the city to the east side of US Highway 70
- Then following the east side of US Highway 70 northward to CR 232
- Then following the north side of CR 232 westward to the east side of CR 91
- Then following the east side of CR 91 northward until it joins and turns into FM 378
- Then following the east side of FM 378 northward to the southeastly city limits of Lockney, TX
- Then following the Lockney city limits around the east, north, and finally the west side of the city back to north side of US Highway 70
- Then following north side of US Highway 70 northwestward to the Floyd/Hale county line.
- Then following the westerly boundary of Floyd County northward to the beginning point, being the northwest corner of Floyd County

For the avoidance of doubt, this area specifically excludes the incorporated municipalities of Lockney and Floydada and that area within the boundaries of the Whirlwind Reinvestment Zone No. 2 as described in Exhibit A of Order 11-10-08 of the Commissioners Court of Floyd County, Texas Designating Reinvestment Zone.

# Tab 16 (c) - Order Establishing Reinvestment Zone

**ORDER NO. 2013-11-03 OF THE COMMISSIONERS COURT  
OF FLOYD COUNTY, TEXAS  
DESIGNATING REINVESTMENT ZONE**

**AN ORDER DESIGNATING A CERTAIN AREA AS FLOYD COUNTY WIND REINVESTMENT ZONE NO.1, FOR COMMERCIAL/INDUSTRIAL TAX ABATEMENT IN FLOYD COUNTY, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF, AND PROVIDING FOR AN EFFECTIVE DATE.**

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

*WHEREAS*, on March 11, 2013, a hearing before the Commissioners Court of Floyd County, Texas was held, such date being at least seven (7) days after the date of publication of the notice of such public hearing in the *Floyd County Hesperian Beacon* and the delivery of written notice to the respective presiding officers of each taxing entity that it includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

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

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

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

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

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

- (a) That the public hearing on adoption of the Floyd County Wind Reinvestment Zone No. 1 has been properly called, held and conducted and that notice of such

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hearing has been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and

- (b) That the boundaries of the Floyd County Wind Reinvestment Zone No. 1 should be the area within the boundaries described in Exhibit "A" and as depicted in the plat map indicating the boundaries thereof, attached hereto as Exhibit "B," and incorporated herein by reference for all intents and purposes; and,
- (c) That creation of the Floyd County Wind Reinvestment Zone No. 1 with boundaries as described in Exhibit "A" and depicted in "B" will result in benefits to the Floyd County, Texas and to land included in the zone and that the improvements sought are feasible and practical; and
- (d) The Floyd County Wind Reinvestment Zone No. 1, as described in Exhibit "A" and depicted in Exhibit "B" meets the criteria set forth in Texas Property Tax Code Chapter 312 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property and that would contribute to the economic development of Floyd County, Texas, and that the entire tract of land is located entirely within an unincorporated area of Floyd County, Texas.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, Floyd County Commissioner's Court hereby creates Floyd County Wind Reinvestment Zone No. 1; a reinvestment zone for commercial-industrial tax abatement encompassing only the area within the boundaries described in "Exhibit A" and that is depicted in the plat map thereof in Exhibit "B," and such reinvestment zone is hereby designated and shall hereafter be referred to as Floyd County Wind Reinvestment Zone No. 1.

SECTION 4. That Floyd County Wind Reinvestment Zone No. 1 shall take effect on March 11, 2013 and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation, and may be renewed for an additional five (5) year period thereafter.

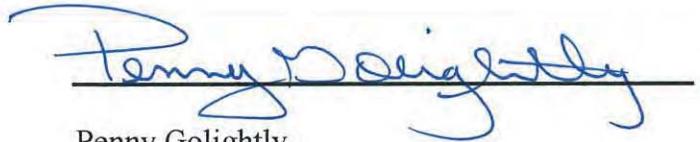
SECTION 5. That if any section, paragraph, clause or provision of this Order shall for any reason beheld to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Order.

SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject, of the meeting of the Floyd County Commissioners Court at which this Order was adopted was posted at a place convenient and readily accessible at all times

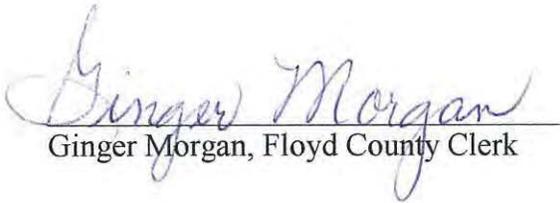
# Tab 16 (c) - Order Establishing Reinvestment Zone

as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of general circulation within the County, and furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this 11th day of March, 2013.

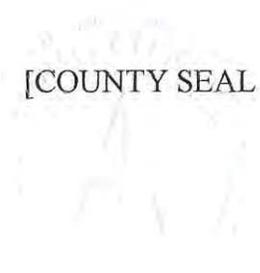


Penny Golightly,  
Floyd County Judge



Ginger Morgan, Floyd County Clerk

[COUNTY SEAL



# Tab 16 (d) - Guidelines & Criteria for Creating Reinvestment Zone

## GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT FOR SELECTED TAXING UNITS CONTAINED WITHIN FLOYD COUNTY, TEXAS

### SECTION I. General Purpose:

The Affected Jurisdictions located wholly within or partially within the County of Floyd, Texas, are committed to the promotion of high quality development in all parts of Floyd County, Texas; and to an ongoing improvement in the quality of life for the citizens residing within the Affected Jurisdictions. The Affected Jurisdictions recognize that these objectives are generally served by enhancement and expansion of the local economy. The Affected Jurisdictions will, on a case by case basis, give consideration to providing tax abatement, as authorized by V.T.C.A., Tax Code, Chapter 312, as stimulation for economic development within the Affected Jurisdictions. It is the policy of the Affected Jurisdictions that said consideration will be provided in accordance with the guidelines and criteria herein set forth and in conformity with the Tax Code.

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

### SECTION II. Definitions:

As used within these guidelines and criteria, the following words or phrases shall have the following meaning:

1. **Abatement of Taxes:** To exempt from ad valorem taxation all or part of the value of certain improvements placed on land located in a reinvestment zone designated for economic development purposes as of the date of execution of the Tax Abatement Agreement for a period of time not to exceed ten (10) years.
2. **Affected Jurisdiction:** The County of Floyd and any other governmental taxing unit located totally within or partially within the County of Floyd that has adopted these guidelines and criteria.
3. **Abatement Agreement:** (1) A contract between a property owner and an Affected Jurisdiction for the abatement of taxes on qualified property located within the reinvestment zone; or, (2) a contract for the abatement of taxes between an Affected Jurisdiction and a certified air carrier who owns or leases Real Property located within the reinvestment zone or Personal Property or both as authorized by V.T.C.A., Tax Code, Section 312.204(e)
4. **Base Year Value:** The assessed value of property eligible for tax abatement as of January 1 preceding the execution of an Abatement Agreement as herein defined.

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5. **Distribution Center Facility:** A building or structure including Tangible Personal Property used or to be used primarily to receive, store, service or distribute goods or materials.
6. **Expansion of Existing Facilities or Structures:** The addition of buildings, structures, machinery or equipment to a Facility after the date of execution of an Abatement Agreement.
7. **Existing Facility or Structure:** A facility as of the date of execution of the Tax Abatement Agreement, located in or on Real Property eligible for tax abatement.
8. **Facility:** The improvements made to Real Property eligible for tax abatement and including the building or structure erected on such Real Property and/or any Tangible Personal Property to be located in or on such property.
9. **Improvements to Real Property or Improvements:** Shall mean the construction, addition to, structural upgrading of, replacement of, or completion of any facility located upon, or to be located upon, Real Property, as herein defined, or any Tangible Personal Property placed in or on said Real Property.
10. **Manufacturing Facility:** A Facility which is or will be used for the primary purpose of the production of goods or materials or the processing or change of goods or materials to a finished product.
11. **Modernization of Existing Facilities:** The replacement or upgrading or existing facilities.
12. **New Facility:** The construction of a Facility on previously undeveloped real property eligible for tax abatement.
13. **New Permanent Job:** A new employment position created by a business that has provided employment to an employee of at least 1,820 hours annually and intended to be an employment position that exists during the life of the abatement. In the case of a seasonal industry, a new permanent job shall mean a apposition which provides employment to an employee of at least 36 hours per week during the season or seasons of business activity and intended to be an employment position that exists during each season of business activity during the life of the abatement.

## EXHIBIT A

14. **Other Basic Industry:** A Facility other than a distribution center facility, a research facility, a regional service facility or a manufacturing facility which produces goods or services or which creates new or expanded job opportunities.
15. **Owner:** The record title owner of Real Property or the legal owner of Tangible Personal Property. In the case of land leased from an Affected Jurisdiction the lessee shall be deemed the owner of such leased property together with all improvements and Tangible Personal Property located thereon.
  
16. **Productive Life:** The number of years a Facility is expected to be in service.
  
17. **Real Property:** Land on which Improvements are to be made or fixtures placed.
  
18. **Regional Services Facility:** A Facility, the primary purpose of which is to service or repair goods or materials and which creates job opportunities within the Affected Jurisdictions.
  
19. **Reinvestment Zone:** Real Property designated as a Reinvestment Zone under the provisions of V.T.C.A., Tax Code, Section 312.202.
  
20. **Research Facility:** A Facility used or to be used primarily for research or experimentation to improve or develop new goods and/or services or to improve or develop the production process for such goods and/or services.
  
21. **Tangible Personal Property:** Any Personal Property, not otherwise defined herein and which is necessary for the proper operation of any type of Facility.

### **SECTION III. Intent of Criteria and Guidelines:**

The Intent of the criteria and guidelines, as herein set forth, is to establish the minimum standards which an applicant for tax abatement must meet in order to be considered for such status by the Affected Jurisdictions.

### **SECTION IV. Criteria and Guidelines for Tax Abatement:**

1. Any type of Facility will be eligible for tax abatement consideration provided such Facility meets the following guidelines and criteria:
  
2. To qualify for Tax Abatement, the company must modernize or expand an existing facility or construct a new facility.

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3. In addition to the aforementioned, the taxing jurisdiction will consider abatement if the company meets one of the following criteria:
  - a) The facility will conduct its primary business in one of the following target industries:
    - i) Value-added Agricultural Production including Food Processing and Machinery
    - ii) Warehouse Distribution
    - iii) Dairy Production
    - iv) Confined Cattle Feeding Operations
    - v) Tourism
    - vi) Hospitality
  - b) The project is not included as a target industry, but is expected to create a substantial economic impact on an Affected Jurisdiction or has the potential of generating additional significant economic development opportunities to Floyd County.
4. The project will significantly increase assessed valuation of real property and/or personal property, or will create new permanent jobs of substantial value to an Affected Jurisdiction.
5. New or existing facilities, of any type herein defined, located in a reinvestment zone or upon Real Property eligible for such status will be eligible for consideration for tax abatement status provided that all other criteria and guidelines are satisfied.
6. Improvements to Real Property are eligible for tax abatement status.
7. The following types of Property shall be ineligible for tax abatement status and shall be fully taxed
  - a) Real Property;
  - b) inventories or supplies;
  - c) dwelling units intended for lease passive income to the landlord; provided, however, that nursing homes, hotels and the like which include the provision of services as a substantial component of the enterprise are not hereby excluded from eligibility for tax abatement;
  - d) vehicles;
  - e) aircraft;
  - f) boats;
  - g) property owned by the State of Texas or any State agency; and,
  - h) property owned or leased by a member of the Affected Jurisdiction.
8. In order for a Facility to qualify for abatement, the following conditions must apply:

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- a) The owner or leaseholder must make eligible improvements to the property; and,
  - b) In the case of lessees the leaseholder must have a commitment at least equal to the term of the abatement agreement plus one year.
9. In reinvestment zones, the amount and term of abatement shall be determined on a case by case basis, however, in no event shall taxes be abated for a term in excess of ten (10) years. The amount of the taxable value of Improvements to be abated and the term of the abatement shall be determined by the municipality in all cases where the property for which tax abatement is applied for is within the City limits of a City or by the County of Floyd in all cases where the property for which tax abatement is applied for is outside of the City limits of a municipality, but within the County of Floyd, except that a reinvestment zone that is a state enterprise zone is designated for the same period as a state enterprise zone as provided by Chapter 2303, Government Code. The authority of all other taxing units shall be as set forth in V.T.C.A., Tax Code, Section 312.206.

In enterprise zones, the governing body of each taxing jurisdiction may execute a written agreement with the owner of the property not later than the 90<sup>th</sup> day after the date the municipal or county agreement, whichever is later. The agreement may, but is not required to, contain terms that are identical to those contained in the agreement with the municipality, county, or both, whichever applies, and the only terms for the agreement that may vary are the portion of the property that is to be exempt from taxation under the agreement and the duration of the agreement.

10. No property shall be eligible for tax abatement unless such property is located in a reinvestment zone in accordance with V.T. C. A., Tax Code, Section 312.202.
11. Notwithstanding any of the requirements set forth in Section 10, the governing body of an Affected Jurisdiction upon the affirmative vote of three-fourths (3/4) of its members may vary any of the above requirements when it is demonstrated by the applicant for Tax Abatement that variation is in the best interest of the Affected Jurisdiction and will enhance the economic development of the Affected Jurisdiction. By way of example only and not by imitation the governing body of an Affected Jurisdiction may consider the following or similar terms in determining whether a variance shall be granted:
- a) That the increase in productivity of the Facility will be substantial and hence directly benefit the economy.
  - b) That the increase of goods or services produced by the Facility will be substantial and directly benefit the economy.
  - c) That the employment maintained at the Facility will be increased.
  - d) That the waiver of the requirement will contribute and provide for the retention of existing jobs within the Affected Jurisdiction.
  - e) That the applicant for tax abatement has demonstrated that if tax abatement is granted to his Facility even though his Facility will not employ additional personnel, nevertheless due to the existence of said Facility new jobs will be created as a direct result of his Facility in other facilities located within the Affected Jurisdiction.

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- f) Any other evidence tending to show a direct economic benefit to the Affected Jurisdiction.

### 12. Taxability:

- a) The portion of the value of Improvements to be abated shall be abated in accordance with the terms and provisions of a Tax Abatement Agreement executed between the Affected Jurisdiction and the owner of the Real Property and/or Tangible Personal Property, (which agreement shall be) in accord with the provisions of V.T. C. A., Tax Code, Section 312.205.
- b) All ineligible property, if otherwise taxable as herein described, shall be fully taxed.

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

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

14. The burden to demonstrate that an application for tax abatement should be granted shall be upon the applicant. Each Affected Jurisdiction to which the application has been directed shall have full authority to request any additional information from the applicant that the governing body of such Affected Jurisdiction deems necessary to assist it in considering such application.

### **SECTION V. Criteria and Guidelines for Creation of Reinvestment Zone:**

- 1. No property shall be eligible for tax abatement unless such property is located in a reinvestment zone designated as such as in accordance with V.T.C.A., Tax Code, Section 312.202. To be designated as a reinvestment zone an area must:
  - a) Substantially arrest or impair the sound growth of the municipality or county creating the zone, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use because of the presence of:
    - 1. a substantial number of substandard, slum, deteriorated, or deteriorating structures;
    - 2. the predominance of defective or inadequate sidewalks or streets;
    - 3. faulty size, adequacy, accessibility or usefulness of lots;
    - 4. unsanitary or unsafe conditions;

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5. the deterioration of site or other improvements;
  6. tax or special assessment delinquency exceeding the fair value of the land;
  7. defective or unusual conditions of title;
  8. conditions that endanger life or property by fire or other cause; or
  9. any combination of these factors;
- b) Be predominantly open and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the municipality;
- c) Be in a federally assisted new community located in a home rule municipality or in an area immediately adjacent to a federally assisted new community located in a home rule municipality;
- d) Be located entirely in an area that meets the requirements for federal assistance under Section 119 of the Housing and Community Development Act of 1974 (42 U.S.C. Section 5318);
- e) Encompass signs, billboards, or other outdoor advertising structures designated by the governing body of the municipality for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the municipality, which the legislature declares to be a public purpose; or,
- f) Be reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the municipality.
2. For purposes of this Section, federally assisted new community is a federally assisted area:
- a) That has received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act (12 U.S.C., Section 1749aa et seq); and,
  - b) A portion of which has received grants under Section 107 (a) (1) of the Housing and Community Development Act of 1974, as amended.
3. The governing body of a municipality, as required by Section 312.201, or a county as required by V.T.C.A., Tax Code, Section 312.401, shall hold a public hearing on the designation of an area within its jurisdiction as a reinvestment zone. The burden shall be on the owner of the property sought to be included in the zone or applicant for the creation of the reinvestment zone to establish the following:
- a) That the requirements of Subsection 1 of this Section have been met; and
  - b) That the improvements sought are feasible and practical.

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4. No later than the seventh day before the date set for the above public hearing notice of such hearing shall be:
  - a) Published in a newspaper having general circulation in the Affected Jurisdiction; and
  - b) Delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries Real Property that is to be included in the reinvestment zone.
5. At the public hearing above described in Subsection 3 above, any interested person is entitled to speak and present evidence for or against the designation of such reinvestment zone.
6. At the conclusion of the hearing described in Subparagraph 3 above, the governing body shall enter its findings as follows:
  - a) That the applicant or owner has or has not met his burden as hereinabove set forth, and/or,
  - b) That the improvements sought are or are not feasible and practical.
  - c) That the proposed improvements sought will or will not be a benefit to the land to be included in the reinvestment zone and to the Affected Jurisdiction after the expiration of an agreement entered into under V.T.C.A., Tax Code, Section 312.204.
7. An application for the creation of a reinvestment zone shall not be granted unless the Affected Jurisdiction considering such application enters affirmative findings to Subparagraphs a, b, and c of Subsection 6 above set forth.
8. At the conclusion of the public hearing herein required and upon the affirmative finding of the governing body as required by Subsection 7 above set forth, the governing body may designate a reinvestment zone in accordance with the provisions of V.T.C.A., Tax Code, Sections 312.201 or 312.401, whichever Section shall be applicable to the premises.
9. The designation of a reinvestment zone expires five years after the date of the designation and may be renewed for periods not to exceed five years, except that a reinvestment zone that is a state enterprise zone as provided by Chapter 2303, Government Code. The expiration of the designation does not affect an existing tax abatement agreement made in accordance with V.T.C.A., Tax Code, Section 312.201 through Section 312.209.
10. Designation of an area as an enterprise zone under the Texas Enterprise Zone Act, Chapter 2303, Subchapter C, Texas Government code, constitutes designation of the area as a reinvestment zone under Subchapter B of the Property Redevelopment and Tax Abatement Act without further hearing or other procedural requirements other than those

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provided by the Texas Enterprise Zone Act, Chapter 2303 Subchapter C, Texas Government Code.

### SECTION VI. Tax Abatement Agreement:

1. After the creation of a reinvestment zone as hereinabove authorized a Tax Abatement Agreement may be executed between the owner and any Affected Jurisdiction. A Tax Abatement Agreement shall:
  - a) Establish and set forth the Base Year assessed value of the property for which tax abatement is sought.
  - b) Provide that the taxes paid on the base year assessed value shall not be abated as a result of the execution of said Tax Abatement Agreement.
  - c) Provide that ineligible property as subscribed in Section IV, Subsection 6, hereinabove shall be fully taxed.
  - d) Provide for the exemption of Improvements in each year covered by the agreement only to the extent the value of such improvements for each such year exceeds the value for the year in which the agreement is executed.
  - e) Fully describe and list the kind, number and location of all of the improvements to be made in or on the Real Property.
  - f) Set forth the estimated value of all improvements to be made in or on the Real Property.
  - g) Clearly provide that tax abatement shall be granted only to the extent:
    1. The Improvements to Real Property increase the value of the Real Property for the year in which the Tax Abatement Agreement is executed; and
    2. That the Tangible Personal Property improvements to Real Property were not located on the Real Property prior to the execution of the Tax Abatement Agreement.
  - h) Provide for the portion of the value of the improvements to Real Property or improvements to be abated. This determination is to be made consistent with the provisions of Section IV, Subsection 6, of these guidelines and criteria as hereinabove set forth.

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- i) Provide for the commencement date and the termination date. In no event shall said dates exceed a period of ten years.
  
- j) Describe the type and proposed use of the improvements to Real Property or improvements including:
  - 1. The type of facility.
  
  - 2. Whether the improvements are for a new facility, modernization of a facility, or expansion of a facility.
  - 3. The nature of the construction, proposed time table of completion, a map or drawings of the improvements above mentioned.
  
  - 4. The amount of investment and the commitment for the creation of new jobs.
  
  - 5. A list containing the kind, number and location of all proposed Improvements.
  
  - 6. Any other information required by the Affected Jurisdiction.
  
- k) Provide a legal description of the Real Property upon which improvements are to be made.
  
- l) Provide access to and authorize inspection of the Real Property or improvements by employees of the Affected Jurisdiction, who have executed a Tax Abatement Agreement with owner to insure improvements are made according to the specifications and conditions of the Tax Abatement Agreement.
  
- m) Provide for the limitation of the uses of the Real Property or improvements consistent with the general purpose of encouraging development or redevelopment of the zone during the period covered by the Tax Abatement Agreement.
  
- n) Provide the contractual obligations in the event of default by owner, violation of the terms or conditions by owner, recapturing property tax revenue in the event owner defaults or otherwise fails to make improvements as provided in said Tax Abatement Agreement, and any other provision as may be required or authorized by State Law.

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- o) Contain each term agreed to by the owner of the property.
  - p) Require the owner of the property to certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the agreement.
  - q) Provide that the governing body of the municipality may cancel or modify the agreement if the property owner fails to comply with agreement.
2. Not later than the seventh day before a municipality or the County of Floyd (as required by V.T.C.A., Tax Code 312.2041 or Section 312.402) enters into an agreement for tax abatement under V.T.C.A., Tax Code, Section 312.204, the governing body of a municipality or a designated officer or employee thereof or the governing body of the County of Floyd or a designated officer or employee thereof shall deliver to the presiding officer of the governing body of each of the taxing units in which the property to be subject to the agreement is located, a written notice that the municipality or the County of Floyd as the case may be, intends to enter into the agreement. The notice must include a copy of the proposed Tax Abatement Agreement.
3. A notice, as above described in Subparagraph 2, is presumed delivered when placed in the mail, postage paid and properly addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee.
4. Failure to deliver the notice does not affect the validity of the agreement.

### SECTION VII. Application:

1. Any present owner or lessee of taxable property located within an Affected Jurisdiction may apply for tax abatement by filing an application with the County of Floyd, when the Real Property or Tangible Personal Property for which abatement is sought is located within the County of Floyd but outside of the City limits of any City or with the appropriate City when the Real Property or Tangible Personal Property for which abatement is sought is located within the City limits of a municipality located wholly or partially within Floyd County.
2. The application shall consist of a completed application form accompanied by:
- a) A general description of the improvements to be undertaken.

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- b) A descriptive list of the improvements for which tax abatement is requested.
- c) A list of the kind, number and location of all proposed improvements of the Real Property Facility or Existing Facility.
- d) A map indicating the approximate location of improvements on the Real Property Facility or Existing Facility together with the location of any or all Existing Facilities located on the Real Property or Facility.
- e) A list of any and all Tangible Personal Property presently existing on the Real Property or located in an existing facility.
- f) A proposed time schedule for undertaking and completing the proposed improvements.
- g) A general description stating whether the proposed improvements are in connection with:
  - 1. the modernization of a facility (of any type herein defined); or,
  - 2. construction of a new facility (of any type herein defined); or,
  - 3. expansion of a facility (of any type herein defined); or,
  - 4. any combination of the above.
- h) A statement of the additional value to the Real Property or Facility as a result of the proposed improvements.
- i) A statement of the assessed value of the Real Property, Facility or Existing Facility for the Base Year.
- j) Information concerning the number of new jobs that will be created or information concerning the number of existing jobs to be retained as result of the improvements undertaken.

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- k) Any other information which the Affected Jurisdiction, to which the application has been directed, deems appropriate for evaluating the financial capacity of the applicant and compatibility of the proposed improvements with these guidelines and criteria.
- l) Information that is provided to an Affected Jurisdiction in connection with an application or request for tax abatement and which describes the specific processes or business activity to be conducted or the equipment or other property to be located on the property for which tax abatement is sought is confidential and not subject to public disclosure until the Tax Abatement Agreement is executed. Information in the custody of an Affected Jurisdiction after the agreement is executed is not confidential. (V.T.C.A., Tax Code, Section 312.003)
- m) The Affected Jurisdiction to which the application for tax abatement has been directed shall determine if the property described in said application is within a designated reinvestment zone. If the Affected Jurisdiction determines that the property described is not within a current reinvestment zone then they shall so notify the applicant and said applicant shall then be considered both as an application for the creation of a reinvestment zone and a request for tax abatement to be effective after the zone is created.

### SECTION VIII. Recapture:

1. In the event that any type of facility, (as defined in Section II, Subparagraphs 5, 6, 7, 8, 10, 1, 12, 14, 18, 20) is completed and begins producing goods or services, but subsequently discontinues producing goods or services for any reason, excepting fire, explosion, other casualty accident, natural disaster or other event beyond the reasonable control of applicant or owner, including the inability to produce energy due to the lack of wind energy for a period of 180 consecutive days during the term of a tax abatement agreement, then in such even the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later than January 31<sup>st</sup> of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within (60) days of the date of termination. The burden shall be upon the applicant or owner to prove to the satisfaction of the Affected Jurisdiction to which the application for tax abatement was directed that the discontinuance of producing goods or services was as a result of fire, explosion, other casualty accident, natural disaster or other event beyond the control of applicant or owner. In the event that applicant or owner meets this burden and the Affected Jurisdiction is satisfied that the discontinuance of the production of goods or services was the result of events beyond the control of the applicant or owner, then such applicant or owner shall have a period of one year, then the Tax Abatement Agreement shall terminate and the Abatement of all taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later

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than January 31<sup>st</sup> of the following year. Taxes abated in years prior to the date of termination shall be payable to each Affected Jurisdiction within sixty (60) days of the date of termination. The one year time period, hereinabove mentioned, shall commence upon written notification from the Affected Jurisdiction to the applicant or owner.

2. In the event that the applicant or owner has entered into a tax abatement agreement to make improvements to a facility of any type described in Section 1 above, but fails to undertake or complete such improvements, then in such event the Affected Jurisdiction to whom the application for tax abatement was directed shall give the applicant or owner sixty (60) days notice of such failure. The applicant or owner shall demonstrate to the satisfaction of the Affected Jurisdiction, above mentioned, that the applicant or owner has commenced to cure such failure within the sixty (60) days above mentioned. In the event that the applicant or owner fails to demonstrate that he is taking affirmative action to cure his failure, then in such event the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later than January 31<sup>st</sup> of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within sixty (60) days of the date of termination.
3. In the event that the Affected Jurisdiction to which the application for tax abatement was directed determines that the applicant or owner is in default of any of the terms or conditions contained in the Tax Abatement Agreement, then in such event the Affected Jurisdiction, shall give the applicant or owner sixty (60) days written notice to cure such default. In the event such default is not cured to the satisfaction of the Affected Jurisdiction within the sixty (60) days notice period, then the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate, however, where fulfillment of any obligation requires more than sixty (60) days, performance shall be commenced within sixty (60) days after receipt of the notice and such performance shall be diligently continued until the default is cured; provided, however, that if such default is not cured within one hundred and fifty (150) days from the date of such notice of default from the Affected Jurisdiction, the failure to cure such default shall constitute a default hereunder. Taxes abated during the calendar year in which termination takes place shall be payable to each Affected Jurisdiction by no later than January 31<sup>st</sup> of the following year.
4. In the event that the applicant or owner allows ad valorem taxes on property ineligible for tax abatement owed to any Affected Jurisdiction, to become delinquent and fails to timely and properly follow the legal procedures for their protest or contest, then in such event the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination, under this subparagraph, takes place shall be payable to each Affected Jurisdiction by no later than January 31<sup>st</sup> of the following year.

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5. In the event that the applicant or owner, who has executed a tax abatement agreement with Affected Jurisdiction, relocates the business for which tax abatement has been granted, to a location outside of the designated reinvestment zone, then in such event, the Tax Abatement Agreement shall terminate after sixty (60) days written notice by the Affected Jurisdiction to the Owner/Applicant. Taxes abated during the calendar year in which termination, under this subparagraph takes place shall be payable to each Affected Jurisdiction by no later than January 31<sup>st</sup> of the following year. Taxes abated in years prior to the year of termination shall be payable to each Affected Jurisdiction within sixty (60) days of the date of termination.
6. The date of termination as that term is used in this Subsection VIII shall, in every instance, be the 60<sup>th</sup> day or the 150<sup>th</sup> day, if applicable, as described in Section VIII(3) after the day the Affected Jurisdiction sends notice of default, in the mail to the address shown in the Tax Abatement Agreement to the Applicant or Owner. Should the default be cured by the owner or Applicant within the sixty (60) day notice period, the Owner/Applicant shall be responsible for so advising the Affected Jurisdiction and obtaining a release from the notice of default from the Affected Jurisdiction, failing in which, the abatement remains terminated and the abated taxes must be paid.
7. In every case of termination set forth in Subparagraphs 1, 2, 3, 4 and 5 above, the Affected Jurisdiction to which the application for tax abatement was directed shall determine whether default has occurred by Owner (Applicant) in the terms and conditions of the Tax Abatement Agreement and shall so notify all other Affected Jurisdictions.

### **SECTION IX. Miscellaneous:**

1. Any notice required to be given by these criteria or guidelines shall be given in the following manner:
  - a) To the owner or applicant: written notice shall be sent to the address appearing on the Tax Abatement Agreement.
  - b) To an Affected Jurisdiction: written notice shall be sent to the address appearing on the Tax Abatement Agreement.
2. The Chief Appraiser of the Floyd County Central Appraisal District shall annually assess the Real and Personal Property comprising the reinvestment zone. Each year, the applicant or owner receiving tax abatement shall furnish the Chief Appraiser with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the Affected Jurisdictions which levy taxes of the amount of assessment.

## EXHIBIT A

3. Upon the completion of improvements made to any type of Facility as set forth in Section VIII, Subparagraph 1 of these criteria and guidelines a designated employee or employees of any Affected Jurisdiction having executed a tax abatement agreement with applicant or owner shall have access to the Facility to insure compliance with the Tax Abatement Agreement.
4. A tax abatement agreement may be assigned, in whole or in part, to a new owner but only after written consent has been obtained from all Affected Jurisdictions which have executed an agreement with the applicant or owner, however, assignment may be made with or without the consent in the context of financing the facility or in the case of a transfer to an entity that has equal or greater financial strength than the Owner.
5. These guidelines and criteria are effective upon the date of their adoption by an Affected Jurisdiction and shall remain in force for two years. At the end of the two year period these guidelines and criteria may be readopted, modified, amended or rewritten as the conditions may warrant.
6. Each Affected Jurisdiction shall determine whether or not said Affected Jurisdiction elects by resolution to become eligible to participate in tax abatement, then such Affected Jurisdiction shall adopt these guidelines and criteria by separate resolution forwarding a copy of both resolutions to all other Affected Jurisdictions.
7. In the event of a conflict between these guidelines and criteria and V.T.C.A., Tax Code, Chapter 312, then in such event the Tax Code shall prevail and these guidelines and criteria interpreted accordingly.
8. The guidelines and criteria once adopted by an Affected Jurisdiction may be amended or repealed by a vote of three-fourths of the members of the governing body of an Affected Jurisdiction during the two year term in which these guidelines and criteria are effective.

**EXHIBIT A**

**SECTION X. Road Maintenance :**

- 1. During construction of the Improvements, Owner agrees to use commercially reasonable efforts to minimize the disruption to County roads by Owner or its agents during the construction period.**
- 2. After construction, Owner will leave such County roads in a state of equal or better condition than they were prior to construction, excepting normal wear and tear.**

Tab 17

**Signature and Certification page**

See page 8 of the application form 50-296-A (Tab 1)

**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 ▶ Gilbert Trevino Superintendent  
Print Name (Authorized School District Representative) Title

sign here ▶ *Gilbert Trevino* 10/23/15  
Signature (Authorized School District Representative) Date

**2. Authorized Company Representative (Applicant) Signature and Notarization**

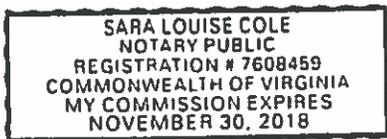
I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best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

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

print here ▶ Mark Goodwin President, Apex Clean Energy Holdings, LLC  
Print Name (Authorized Company Representative (Applicant)) Title

sign here ▶ *M Goodwin* September 17, 2015  
Signature (Authorized Company Representative (Applicant)) Date

*Sole Member of Apex C&E, LLC, Sole Member of Cotton Plains Holdings, LLC, sole member of Cotton Plains Wind I, LLC*



(Notary Seal)

GIVEN under my hand and seal of office this, the  
23 day of October, 2015  
Sara L Cole  
 Notary Public in and for the State of Texas Virginia  
 My Commission expires: 11/30/18

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.