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January 4, 2016

Mr. John Villarreal
Research Analyst
Economic Analysis
Local Government Assistance and Economic Development Division
Texas Comptroller of Public Accounts
LBJ State Office Building
111 E. 17th Street
Austin, TX 78774

Via Email and Federal Express

Re: App. No. 1010-Grandview-Hopkins ISD-Colbeck's Corner, LLC
(fka Grandview Wind Farm II, LLC)

Dear John:

Enclosed please find a fully executed copy of an Amendment No. 1 to the Limitation on Appraised Value Agreement between the above-noted parties. A CD containing this document is also enclosed.

Please feel free to contact us if you require anything further.

Sincerely,

A handwritten signature in blue ink that reads "Fred A. Stormer". The signature is fluid and cursive, with a long, sweeping underline.

Fred Stormer

FS/ph
Encl.
KOSCI2PA0D40PY

**AMENDMENT NO. 1 TO LIMITATION ON APPRAISED VALUE AGREEMENT
FOR GRANDVIEW-HOPKINS INDEPENDENT SCHOOL DISTRICT**
(Texas Comptroller's Application No. 1010)

This **AMENDMENT NO. 1 TO LIMITATION ON APPRAISED VALUE AGREEMENT FOR GRANDVIEW-HOPKINS INDEPENDENT SCHOOL DISTRICT** (this "**Amendment**"), is entered into to be effective as of December 9, 2014, by and between Colbeck's Corner, LLC, a Delaware limited liability company (f/k/a Grandview Wind Farm II, LLC), Texas Taxpayer Identification Number 32052354019 (the "**Applicant**"), and Grandview-Hopkins Independent School District (the "**District**"). The Applicant and the District may hereafter be referred to as, together, the "**Parties**" and each, a "**Party**".

WITNESSETH:

WHEREAS, Applicant submitted to the District that certain Application for an Appraised Value Limitation on Qualified Property pursuant to 34 TEXAS ADMIN. CODE § 9.1053 (the "**Application**"), filed on or about May 13, 2014 (Texas Comptroller's Application No. 1010), to construct a wind-powered electric generating facility with an operating capacity of approximately 200 megawatts (the "**Grandview II Project**") covering property within the Gray County Grandview II Reinvestment Zone created pursuant to Code §312.0025 by action of the Gray County Commissioners Court and as further described by the description and/or depiction of said Reinvestment Zone attached as Exhibit 1 to the Agreement (as hereinafter defined) (the "**Gray County Reinvestment Zone**").

WHEREAS, on June 26, 2015, the Gray County Commissioners' Court issued a Resolution Nunc Pro Tunc correcting certain clerical errors with respect to the real property description of the Gray County Reinvestment Zone as contained in the original Resolution designating the Reinvestment Zone dated June 18, 2014, and did further ratify and confirm such Gray County Reinvestment Zone as the "Gray County Grandview II Reinvestment Zone."

WHEREAS, on or about December 9, 2014, pursuant to Chapter 313 of the Texas Tax Code, after conducting a public hearing on the matter, the District made factual findings, and passed, approved, and executed that certain Limitation on Appraised Value Agreement for Grandview-Hopkins Independent School District dated December 9, 2014, by and between the District and the Applicant (the "**Agreement**"), covering property within the Gray County Reinvestment Zone.

WHEREAS, the Texas Comptroller of Public Accounts (the "**Comptroller**") deemed the Application complete and thereafter began its analysis of the Application on or about June 19, 2014. As a result, the Application, the Agreement, and the request for amendment are governed by the applicable law in effect on or after January 1, 2014. *See* Acts 2013, 83rd Leg., R.S., Ch. 1304 (H.B. 3390), §§ 23(a) and 25 ("Chapter 313, Tax Code, as amended by this Act, applies only to an application filed under that chapter on or after the effective date of this Act. An application filed under that chapter before the effective date of this Act is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that

purpose.” The effective date of H.B. 3390 was January 1, 2014). In addition to the Agreement, Applicant is also separately seeking to amend that certain Limitation on Appraised Value Agreement (Texas Comptroller’s Application No. 356) for Groom Independent School District (“**Groom ISD**”) dated December 9, 2014, by and between Groom ISD and Applicant (the “**Groom Agreement**”). However, because the Comptroller deemed the application for the Groom Agreement complete and thereafter began its analysis of the Application on December 11, 2013, the amendment of the Groom Agreement is governed by the applicable law in effect prior to January 1, 2014. *Id.*

WHEREAS, pursuant to Sections 3.2, 3.3, 3.4, and 10.2 of the Agreement, §313.027(e) of the Texas Tax Code, and Texas Comptroller Rule §9.1054(g)(16) (34 TEXAS ADMIN. CODE § 9.1054(g)(16)) as in effect on the date when the Application was determined to be complete, the District and the Applicant desire and have agreed to amend Section 2.3.D. (Tax Limitation Period), Section 2.3.E. (Final Termination Date), and the Limitation Pre-Years, the Limitation Period, and the Period for Maintaining a Viable Presence included in Exhibit 4 (Description of Limitations Schedule) of the above-referenced Agreement. More specifically, while the Agreement correctly defines the Qualifying Time Period as a 2-plus Tax Year period in accordance with § 313.021(4)(A) of the Texas Tax Code, the Application and Section 2.3.D. (Tax Limitation Period), Section 2.3.E. (Final Termination Date), and the Limitation Pre-Years, the Limitation Period, and the Period for Maintaining a Viable Presence included in Exhibit 4 to the Agreement identify the Tax Limitation Period as commencing on January 1, 2016, which is not a date specified in § 313.027(a-1)(2) of the Texas Tax Code.¹ As a result, the 10-year Tax Limitation Period and the post-year Period for Maintaining a Viable Presence, and the Final Termination Date for the Agreement are incorrect by 1 year. The Tax Limitations Period for the Agreement should commence on January 1, 2017, which is January 1 of the first tax year that begins after the Qualifying Time Period. The amended Tax Limitation Period, Limitation Pre-Years, the Limitation Period, and the Period for Maintaining a Viable Presence are reflected in the attached Exhibit 4 to this Amendment.

WHEREAS, pursuant to Sections 3.2, 3.3, 3.4, and 10.2 of the Agreement, §313.027(e) of the Texas Tax Code, and Texas Comptroller Rule §9.1054(g)(16) (34 TEXAS ADMIN. CODE § 9.1054(g)(16)) as in effect on the date when the Application was determined to be complete, the District and the Applicant desire and have agreed to amend Exhibit 1 (Description and Location of Enterprise or Reinvestment Zone) to be consistent with the Resolution Nunc Pro Tunc dated June 26, 2015, correcting certain clerical errors with respect to the real property description of the Gray County Reinvestment Zone.

¹ Section 313.027(a-1)(2) of the Texas Tax Code provides:

(a-1) The agreement must:

- (1) provide that the limitation under Subsection (a) applies for a period of 10 years; and
- (2) specify the beginning date of the limitation, which must be January 1 of the first tax year that begins after:
 - (A) the application date;
 - (B) the qualifying time period; or
 - (C) the date commercial operations begin at the site of the project.

WHEREAS, pursuant to Sections 3.2, 3.3, 3.4, and 10.2 of the Agreement, §313.027(e) of the Texas Tax Code, and Texas Comptroller Rule §9.1054(g)(16) (34 TEXAS ADMIN. CODE § 9.1054(g)(16)) as in effect on the date when the Application was determined to be complete, the Comptroller reviewed the request for amendment and this Amendment, and on December 8, 2015, issued a revised certificate for limitation on appraised value of the property described in the request for amendment and this Amendment and provided the revised certificate to the District;

WHEREAS, on December 15, 2015, after conducting a public hearing on the matter, the Board of Trustees made certain factual findings and determined that this Amendment is in the best interest of the District and the State of Texas and is consistent with and authorized by Chapter 313 of the Texas Tax Code, and approved the form of this Amendment and authorized the Board President and Secretary to execute and deliver such Amendment to the Applicant.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties, intending to be legally bound, do hereby covenant and agree to amend the Agreement as follows:

1. Amendments. The following provisions of the Agreement are hereby modified, revised, amended, supplemented, and replaced as follows:

(a) Section 2.3.D. and E. of the Agreement are hereby amended to read as follows:

“D. The Tax Limitation Period for the Agreement:

“1. Starts on January 1, 2017 (January 1 of the first tax year that begins after the Qualifying Time Period); and,

“2. Ends on December 31, 2026.

“E. The Final Termination Date for this Agreement is December 31, 2031.”

(b) Exhibit 1 (Description and Location of Enterprise or Reinvestment Zone) of the above-referenced Agreement describing the Gray County Reinvestment Zone is hereby amended and replaced by the descriptions set forth in the attached Exhibit 1 attached to this Amendment.

(c) Exhibit 4 (Description of Limitations Schedule) of the above-referenced Agreement describing the schedule for the Limitation Pre-Years, the Limitation Period, and the Period for Maintaining a Viable Presence is hereby amended and replaced by the descriptions set forth in the attached Exhibit 4 attached to this Amendment.

2. Effect. Except as modified and amended by the terms of this Amendment, all of the terms, conditions, provisions and covenants of the Agreement shall remain in full force and effect, and the Agreement and this Amendment shall be deemed to constitute a single instrument

or document. Should there be any inconsistency between the terms of this Amendment and the Agreement the terms of this Amendment shall prevail. This Amendment is intended to amend Section 2.3.D. (Tax Limitation Period), Section 2.3.E. (Final Termination Date), the Gray County Reinvestment Zone description included in Exhibit 1, and the Limitation Pre-Years, the Limitation Period, and the Period for Maintaining a Viable Presence included in Exhibit 4 to the Agreement, all pursuant to Sections 3.2, 3.3, 3.4, and 10.2 of the Agreement, §313.027(e) of the Texas Tax Code, and Texas Comptroller Rule §9.1054(g)(16) (34 TEXAS ADMIN. CODE § 9.1054(g)(16)) as in effect on the date when the Application was determined to be complete. A copy of this Amendment shall be delivered to the Texas Comptroller and the Gray County Appraisal District, to be posted to the Texas Comptroller's internet website.

3. Binding on Successors and Assigns. The Agreement, as amended by this Amendment, shall be binding upon and inure to the benefit of the Parties and each other person and entity having any interest therein during their ownership thereof, and their respective successors and assigns.

4. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same document.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, the authorized representatives of the parties hereto affix their signatures as of the date set forth below to be effective as of the date first above written.

COLBECK'S CORNER, LLC's,
a Delaware limited liability company
(f/k/a Grandview Wind Farm II, LLC)
Texas Taxpayer ID No. 32052354019

By: 
Name: PAUL BOWMAN
Title: Sr VP

Date: _____

GRANDVIEW-HOPKINS INDEPENDENT SCHOOL DISTRICT

By: 
Name: Ryan Davis
Title: President

Date: 12/22/15

ATTEST:

By: 
Name: Dirk Robison
Title: _____

AUS:0053359/00063:579252v7
J5K1HR320D1UT2v3

EXHIBIT 1

The Gray County Commissioners Court passed a Resolution Designating Grandview II Reinvestment Zone dated June 18, 2014, and the Nunc Pro Tunc Resolution Designating Grandview II Reinvestment Zone dated June 26, 2015 (collectively, the “Gray County Grandview II Reinvestment Zone”), which is more particularly described below.

All of Sections 104, 105, 106, 107, 108, 109, 110, 111, 112, 126, 127, 128, 129 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, and 239, Block B2, H&GN RR CO. Survey, Gray County, Texas.

The Southwest Quarter (SW/4) of Section 85, Block B2, H&GN RR CO. Survey, Gray County, Texas.

The West Half (W/2) & Southeast Quarter (SE/4) of Section 96, Block B2, H&GN RR CO. Survey, Gray County, Texas.

The East Half (E/2) of Section 114, Block B2, H&GN RR CO. Survey, Gray County, Texas.

The South Half (S/2) of Section 155 Block B2, H&GN RR CO. Survey, Gray County, Texas.

All of Sections 1, 17, 18, 19, 35, 36, 37, 38, 52, 53, and 54, Block B3, H&GN RR CO. Survey, Gray County, Texas.

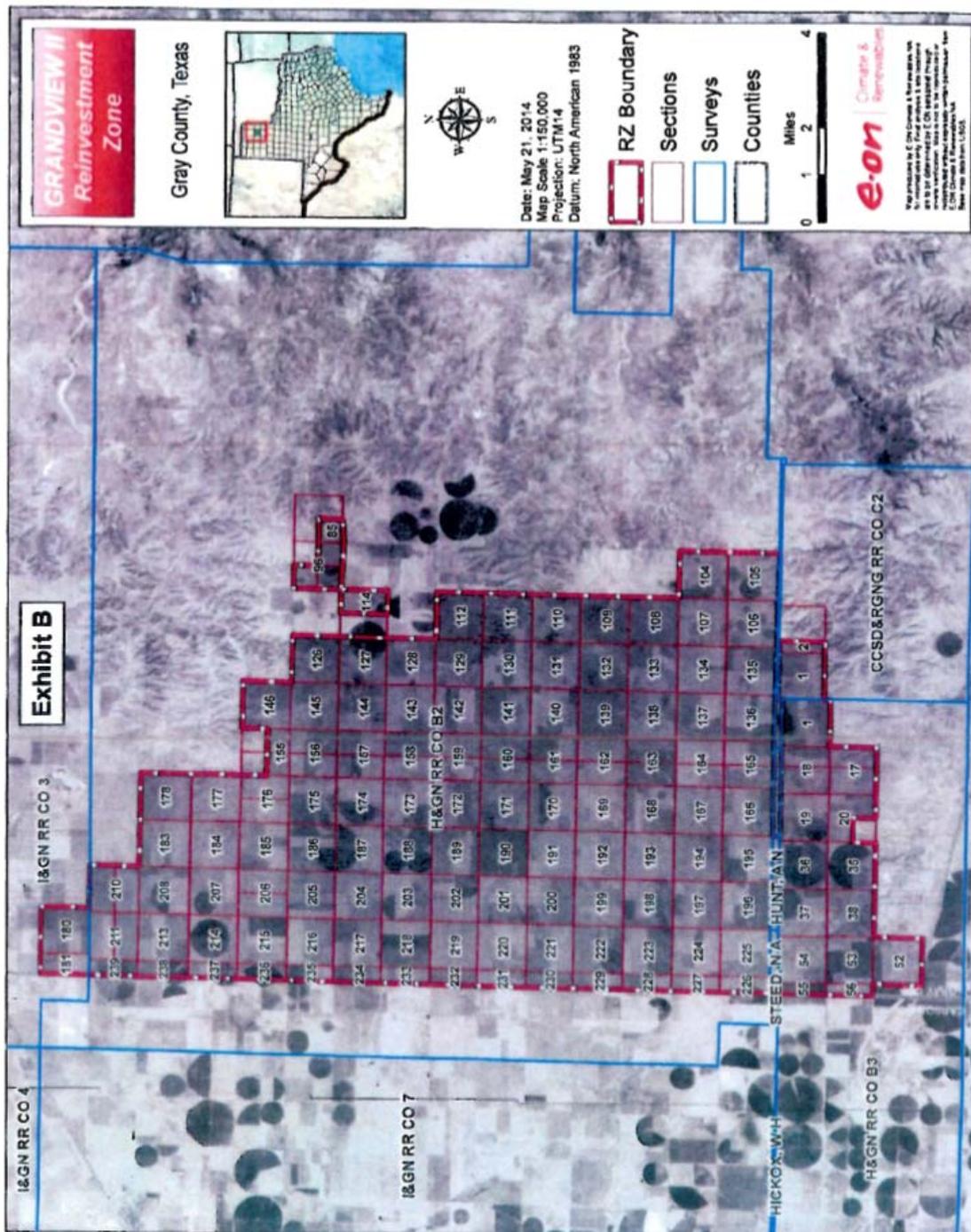
The North Half (N/2) & Southeast Quarter (SE/4) of Section 20, Block B3, H&GN RR CO. Survey, Gray County, Texas.

All of Section 180 and 181, Block 3, I&GN RR CO. Survey, Gray County, Texas.

All of Section 1 and the West Half of the West Half (W2/W/2) of Section 2, BLK C2, CCSD Survey, Gray County, Texas.

All of the NA Steed, AN Hunt Railroad and DB Hill Survey, Gray County, Texas.

Map of Gray County Grandview II Reinvestment Zone



Agreement for Limitation on Appraised Value
 Between Grandview-Hopkins ISD and Grandview Wind Farm II, LLC
 (App No. 1010), December 15, 2015

Texas Economic Development Act Agreement
 Comptroller Form 50-286 (January 2014)

EXHIBIT 4

	<u>Year of Agreement</u>	<u>Date of Appraisal</u>	<u>School Year</u>	<u>Tax Year</u>	<u>Summary Description</u>
Limitation Pre-Years	Stub Year	January 1, 2014	2014-15	2014	Limitation Pre-Year
	1	January 1, 2015	2015-16	2015	Limitation Pre-Year
	2	January 1, 2016	2016-17	2016	Limitation Pre-Year
Limitation Period (10 Years)	3	January 1, 2017	2017-18	2017	\$10 million appraisal limitation
	4	January 1, 2018	2018-19	2018	\$10 million appraisal limitation
	5	January 1, 2019	2019-20	2019	\$10 million appraisal limitation
	6	January 1, 2020	2020-21	2020	\$10 million appraisal limitation
	7	January 1, 2021	2021-22	2021	\$10 million appraisal limitation
	8	January 1, 2022	2022-23	2022	\$10 million appraisal limitation
	9	January 1, 2023	2023-24	2023	\$10 million appraisal limitation
	10	January 1, 2024	2024-25	2024	\$10 million appraisal limitation
	11	January 1, 2026	2025-26	2025	\$10 million appraisal limitation
	12	January 1, 2026	2026-27	2026	\$10 million appraisal limitation
Maintain a Viable Presence (5 Years)	13	January 1, 2027	2027-28	2027	No appraisal limitation; must maintain a viable presence
	14	January 1, 2028	2028-29	2028	No appraisal limitation; must maintain a viable presence
	15	January 1, 2029	2029-30	2029	No appraisal limitation; must maintain a viable presence
	16	January 1, 2030	2030-31	2030	No appraisal limitation; must maintain a viable presence
	17	January 1, 2031	2031-32	2031	No appraisal limitation; must maintain a viable presence

Agreement for Limitation on Appraised Value
 Between Grandview-Hopkins ISD and Grandview Wind Farm II, LLC
 (App No. 1010), December 15, 2015

*Texas Economic Development Act Agreement
 Comptroller Form 50-286 (January 2014)*