

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

P.O. Box 13528 • AUSTIN, TX 78711-3528



March 3, 2014

Andrew Peters
Superintendent
Marfa Independent School District
P.O. Box T
Marfa, Texas 79843

Dear Superintendent Peters:

On Dec. 9, 2013, the Comptroller received the completed application (Application # 367) for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted in November 2013 to the Marfa Independent School District (the school district) by Solar Star Texas II, LLC (the applicant). This letter presents the results of the Comptroller's review of the application:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to make a recommendation to the governing body of the school district as to whether the application should be approved or disapproved using the criteria set out by Section 313.026.

The school district is currently classified as a rural school district in Category 3 according to the provisions of Chapter 313. Therefore, the applicant properly applied under the provisions of Subchapter C, applicable to rural school districts. The amount of proposed qualified investment (\$100 million) is consistent with the proposed appraised value limitation sought (\$10 million). The property value limitation amount noted in this recommendation is based on property values available at the time of application and may change prior to the execution of any final agreement.

The applicant is an active franchise taxpayer in good standing, as required by Section 313.024(a), and is proposing the construction of a solar power electric generation facility in Presidio County, an eligible property use under Section 313.024(b). The Comptroller has determined that the property, as described by the application, meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

After reviewing the application using the criteria listed in Section 313.026, and the information provided by the applicant, the Comptroller's recommendation is that this application under Tax Code Chapter 313 be approved.

Our review of the application assumes the truth and accuracy of the statements in the application and that, if the application is approved, the applicant would perform according to the provisions of the agreement reached with the school district. Our recommendation does not address whether the applicant has complied with all Chapter 313 requirements; the school district is responsible for verifying that all requirements of the statute have been fulfilled. Additionally, Section 313.025 requires the school district to only approve an application if the school district finds that the information in the application is true and

¹ All statutory references are to the Texas Tax Code, unless otherwise noted.

correct, finds that the applicant is eligible for a limitation and determines that granting the application is in the best interest of the school district and this state. When approving a job waiver requested under Section 313.025(f-1), the school district must also find that the statutory jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility. As stated above, the Comptroller's recommendation is prepared by generally reviewing the application and supporting documentation in light of the Section 313.026 criteria and a cursory review of the industry standard evidence necessary to support the waiver of the required number of jobs.

Note that any new building or other improvement existing as of the application review start date of Dec. 9, 2013, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2).

The Comptroller's recommendation is based on the application submitted by the school district and reviewed by the Comptroller. The recommendation may not be used by the school district to support its approval of the property value limitation agreement if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this recommendation is contingent on future compliance with the Chapter 313 and the Texas Administrative Code, with particular reference to the following requirements related to the execution of the agreement:

- 1) The applicant must provide the Comptroller a copy of the proposed limitation on appraised value agreement no later than ten (10) days prior to the meeting scheduled by the school district to consider approving the agreement, so that the Comptroller may review it for compliance with the statutes and the Comptroller's rules as well as consistency with the application;
- 2) The Comptroller must confirm that it received and reviewed the draft agreement and affirm the recommendation made in this letter;
- 3) The school district must approve and execute a limitation agreement that has been reviewed by the Comptroller within a year from the date of this letter; and
- 4) The school district must provide a copy of the signed limitation agreement to the Comptroller within seven (7) days after execution, as required by Section 313.025..

Should you have any questions, please contact Robert Wood, director of Economic Development & Analysis Division, by email at robert.wood@cpa.state.tx.us or by phone at 1-800-531-5441, ext. 3-3973, or direct in Austin at 512-463-3973.

Sincerely,



Martin K. Hubert
Deputy Comptroller

Enclosure

cc: Robert Wood

Economic Impact for Chapter 313 Project

Applicant	Solar Star Texas II, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation - Solar
School District	Marfa ISD
2011-12 Enrollment in School District	329
County	Presidio
Total Investment in District	\$102,500,000
Qualified Investment	\$100,000,000
Limitation Amount	\$10,000,000
Number of total jobs committed to by applicant	1*
Number of qualifying jobs committed to by applicant	1
Average Weekly Wage of Qualifying Jobs committed to by applicant	\$1,154
Minimum Weekly Wage Required Tax Code, 313.051(b)	\$711
Minimum Annual Wage committed to by applicant for qualified jobs	\$60,000
Investment per Qualifying Job	\$102,500,000
Estimated 15 year M&O levy without any limit or credit:	\$6,192,337
Estimated gross 15 year M&O tax benefit	\$4,212,066
Estimated 15 year M&O tax benefit (<i>after</i> deductions for estimated school district revenue protection--but not including any deduction for supplemental payments or extraordinary educational expenses):	\$3,222,196
Tax Credits (estimated - part of total tax benefit in the two lines above - appropriated through Foundation School Program)	\$0
Net M&O Tax (15 years) After Limitation, Credits and Revenue Protection:	\$2,970,142
Tax benefit as a percentage of what applicant would have paid without value limitation agreement (percentage exempted)	52.0%
Percentage of tax benefit due to the limitation	100.0%
Percentage of tax benefit due to the credit.	0.0%
* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).	

This presents the Comptroller's economic impact evaluation of Solar Star Texas II, LLC (the project) applying to Marfa Independent School District (the district), as required by Tax Code, 313.026. This evaluation is based on information provided by the applicant and examines the following criteria:

- (1) the recommendations of the comptroller;
- (2) the name of the school district;
- (3) the name of the applicant;
- (4) the general nature of the applicant's investment;
- (5) the relationship between the applicant's industry and the types of qualifying jobs to be created by the applicant to the long-term economic growth plans of this state as described in the strategic plan for economic development submitted by the Texas Strategic Economic Development Planning Commission under Section 481.033, Government Code, as that section existed before February 1, 1999;
- (6) the relative level of the applicant's investment per qualifying job to be created by the applicant;
- (7) the number of qualifying jobs to be created by the applicant;
- (8) the wages, salaries, and benefits to be offered by the applicant to qualifying job holders;
- (9) the ability of the applicant to locate or relocate in another state or another region of this state;
- (10) the impact the project will have on this state and individual local units of government, including:
 - (A) tax and other revenue gains, direct or indirect, that would be realized during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller; and
 - (B) economic effects of the project, including the impact on jobs and income, during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller;
- (11) the economic condition of the region of the state at the time the person's application is being considered;
- (12) the number of new facilities built or expanded in the region during the two years preceding the date of the application that were eligible to apply for a limitation on appraised value under this subchapter;
- (13) the effect of the applicant's proposal, if approved, on the number or size of the school district's instructional facilities, as defined by Section 46.001, Education Code;
- (14) the projected market value of the qualified property of the applicant as determined by the comptroller;
- (15) the proposed limitation on appraised value for the qualified property of the applicant;
- (16) the projected dollar amount of the taxes that would be imposed on the qualified property, for each year of the agreement, if the property does not receive a limitation on appraised value with assumptions of the projected appreciation or depreciation of the investment and projected tax rates clearly stated;
- (17) the projected dollar amount of the taxes that would be imposed on the qualified property, for each tax year of the agreement, if the property receives a limitation on appraised value with assumptions of the projected appreciation or depreciation of the investment clearly stated;
- (18) the projected effect on the Foundation School Program of payments to the district for each year of the agreement;
- (19) the projected future tax credits if the applicant also applies for school tax credits under Section 313.103; and
- (20) the total amount of taxes projected to be lost or gained by the district over the life of the agreement computed by subtracting the projected taxes stated in Subdivision (17) from the projected taxes stated in Subdivision (16).

Wages, salaries and benefits [313.026(6-8)]

After construction, the project will create one new job when fully operational. This job will meet the criteria for qualifying jobs as specified in Tax Code Section 313.021(3). According to the Texas Workforce Commission (TWC), the regional manufacturing wage for the Rio Grande Council of Governments Region, where Presidio County is located was \$33,631 in 2012. The annual average manufacturing wage for 2012-2013 for Presidio County is not available. During that same period, the county annual average wage for all industries was \$37,908. In addition to an annual average salary of \$60,000 each qualifying position will receive benefits such as medical coverage, dental plan, vision plan, life insurance, 401(k) retirement savings plan, disability insurance, paid holidays, paid time off, Solar System Employee Purchase Plan, SunPower Foundation, travel accident coverage, employee assistance program, prepaid legal assistance, commuter benefits, travel assistance coverage, employee discounts, adoption assistance and long-term care insurance. The project's total investment is \$102.5 million, resulting in a relative level of investment per qualifying job of \$102.5 million.

Ability of applicant to locate to another state and [313.026(9)]

According to Solar Star Texas II, LLC's application, "SunPower has a proven track record of developing, constructing and operating utility-scale solar power plants around the world. SunPower has manufactured & deployed over 2.5 GW of solar PV cells and panels, has completed over 1000 MW of utility solar PV power plants, and has another 1000 MW of power plants under construction and under contract." The application also states "In addition to these large utility projects, SunPower continues to develop hundreds of smaller projects for other utilities, commercial customers, and federal & local governments across the U.S. and around the world."

Number of new facilities in region [313.026(12)]

During the past two years, no projects in the Rio Grande Council of Governments Region applied for value limitation agreements under Tax Code, Chapter 313.

Relationship of applicant's industry and jobs and Texas's economic growth plans [313.026(5)]

The Texas Economic Development Plan focuses on attracting and developing industries using technology. It also identifies opportunities for existing Texas industries. The plan centers on promoting economic prosperity throughout Texas and the skilled workers that the Solar Star Texas II, LLC project requires appear to be in line with the focus and themes of the plan. Texas identified energy as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the energy industry.

Economic Impact [313.026(10)(A), (10)(B), (11), (13-20)]

Table 1 depicts Solar Star Texas II, LLC's estimated economic impact to Texas. It depicts the direct, indirect and induced effects to employment and personal income within the state. The Comptroller's office calculated the economic impact based on 16 years of annual investment and employment levels using software from Regional Economic Models, Inc. (REMI). The impact includes the construction period and the operating period of the project.

Table 1: Estimated Statewide Economic Impact of Investment and Employment in Solar Star Texas II, LLC

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2014						
2015						
2016	76	82	158	\$5,052,000	\$5,690,000	\$10,742,000
2017	1	5	6	\$60,000	\$1,039,000	\$1,099,000
2018	1	3	4	\$60,000	\$550,000	\$610,000
2019	1	(1)	0	\$60,000	\$428,000	\$488,000
2020	1	(1)	0	\$60,000	\$184,000	\$244,000
2021	1	(1)	0	\$60,000	\$62,000	\$122,000
2022	1	(5)	-4	\$60,000	\$62,000	\$122,000
2023	1	(3)	-2	\$60,000	-\$60,000	\$0
2024	1	(5)	-4	\$60,000	-\$60,000	\$0
2025	1	(1)	0	\$60,000	-\$304,000	-\$244,000
2026	1	(3)	-2	\$60,000	-\$304,000	-\$244,000
2027	1	(1)	0	\$60,000	-\$60,000	\$0
2028	1	1	2	\$60,000	-\$304,000	-\$244,000
2029	1	(5)	-4	\$60,000	\$184,000	\$244,000

Source: CPA, REMI, Solar Star Texas II, LLC

The statewide average ad valorem tax base for school districts in Texas was \$1.7 billion in 2012-2013. Marfa ISD's ad valorem tax base in 2012-2013 was \$166.8 million. The statewide average wealth per WADA was estimated at \$343,155 for fiscal 2012-2013. During that same year, Marfa ISD's estimated wealth per WADA was \$256,569. The impact on the facilities and finances of the district are presented in Attachment 2.

Table 2 examines the estimated direct impact on ad valorem taxes to the school district, Marfa, Presidio County, and the Big Bend Regional Hospital district with all property tax incentives sought being granted using estimated market value from Solar Star Texas II, LLC's application. Solar Star Texas II, LLC has applied for both a value limitation under Chapter 313, Tax Code and a tax abatement with the county and the hospital district. Table 3 illustrates the estimated tax impact of the Solar Star Texas II, LLC project on the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Marfa ISD I&S Levy	Marfa ISD M&O Levy	Marfa ISD M&O and I&S Tax Levies (Before Credit Credited)	Marfa ISD M&O and I&S Tax Levies (After Credit Credited)	Presidio County Tax Levy	Big Bend Regional Hospital District Tax Levy	Estimated Total Property Taxes
			0.3200	0.3200	1.0400			0.6964	0.1250	
2015	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0
2016	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0
2017	\$100,000,000	\$10,000,000		\$320,000	\$104,000	\$424,000	\$424,000	\$139,280	\$25,000	\$588,280
2018	\$85,000,000	\$10,000,000		\$272,000	\$104,000	\$376,000	\$376,000	\$118,388	\$21,250	\$515,638
2019	\$72,250,000	\$10,000,000		\$231,200	\$104,000	\$335,200	\$335,200	\$100,630	\$18,063	\$453,892
2020	\$61,412,500	\$10,000,000		\$196,520	\$104,000	\$300,520	\$300,520	\$85,535	\$15,353	\$401,408
2021	\$52,200,625	\$10,000,000		\$167,042	\$104,000	\$271,042	\$271,042	\$72,705	\$13,050	\$356,797
2022	\$44,370,531	\$10,000,000		\$141,986	\$104,000	\$245,986	\$245,986	\$61,799	\$11,093	\$318,878
2023	\$37,714,952	\$10,000,000		\$120,688	\$104,000	\$224,688	\$224,688	\$52,529	\$9,429	\$286,646
2024	\$32,057,709	\$10,000,000		\$102,585	\$104,000	\$206,585	\$206,585	\$44,650	\$8,014	\$259,249
2025	\$27,249,053	\$27,249,053		\$87,197	\$283,390	\$370,587	\$370,587	\$37,952	\$6,812	\$415,352
2026	\$23,161,695	\$23,161,695		\$74,117	\$240,882	\$314,999	\$314,999	\$161,298	\$28,952	\$505,249
2027	\$20,000,000	\$20,000,000		\$64,000	\$208,000	\$272,000	\$272,000	\$139,280	\$25,000	\$436,280
2028	\$20,000,000	\$20,000,000		\$64,000	\$208,000	\$272,000	\$272,000	\$139,280	\$25,000	\$436,280
2029	\$20,000,000	\$20,000,000		\$64,000	\$208,000	\$272,000	\$272,000	\$139,280	\$25,000	\$436,280
						Total	\$3,885,606	\$1,292,607	\$232,016	\$5,410,230

Assumes School Value Limitation and Tax Abatement with the County and the Hospital District.

Source: CPA, Solar Star Texas II, LLC

¹Tax Rate per \$100 Valuation

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Marfa ISD I&S Levy	Marfa ISD M&O Levy	Marfa ISD M&O and I&S Tax Levies	Presidio County Tax Levy	Big Bend Regional Hospital District Tax Levy	Estimated Total Property Taxes	
			0.3200	0.3200	1.0400		0.6964	0.1250		
2015	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	
2016	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	
2017	\$100,000,000	\$100,000,000		\$320,000	\$1,040,000	\$1,360,000	\$696,400	\$125,000	\$2,181,400	
2018	\$85,000,000	\$85,000,000		\$272,000	\$884,000	\$1,156,000	\$591,940	\$106,250	\$1,854,190	
2019	\$72,250,000	\$72,250,000		\$231,200	\$751,400	\$982,600	\$503,149	\$90,313	\$1,576,062	
2020	\$61,412,500	\$61,412,500		\$196,520	\$638,690	\$835,210	\$427,677	\$76,766	\$1,339,652	
2021	\$52,200,625	\$52,200,625		\$167,042	\$542,887	\$709,929	\$363,525	\$65,251	\$1,138,704	
2022	\$44,370,531	\$44,370,531		\$141,986	\$461,454	\$603,439	\$308,996	\$55,463	\$967,899	
2023	\$37,714,952	\$37,714,952		\$120,688	\$392,236	\$512,923	\$262,647	\$47,144	\$822,714	
2024	\$32,057,709	\$32,057,709		\$102,585	\$333,400	\$435,985	\$223,250	\$40,072	\$699,307	
2025	\$27,249,053	\$27,249,053		\$87,197	\$283,390	\$370,587	\$189,762	\$34,061	\$594,411	
2026	\$23,161,695	\$23,161,695		\$74,117	\$240,882	\$314,999	\$161,298	\$28,952	\$505,249	
2027	\$20,000,000	\$20,000,000		\$64,000	\$208,000	\$272,000	\$139,280	\$25,000	\$436,280	
2028	\$20,000,000	\$20,000,000		\$64,000	\$208,000	\$272,000	\$139,280	\$25,000	\$436,280	
2029	\$20,000,000	\$20,000,000		\$64,000	\$208,000	\$272,000	\$139,280	\$25,000	\$436,280	
						Total	\$8,097,672	\$4,146,484	\$744,271	\$12,988,428

Source: CPA, Solar Star Texas II, LLC

¹Tax Rate per \$100 Valuation

Attachment 1 includes schedules A, B and C provided by the applicant in the application. Applicant requested that Schedule D to be confidential. Schedule A shows proposed investment. Schedule B is the projected market value of the qualified property. Schedule C contains employment information, and Schedule D contains tax expenditures and other tax abatement information.

Attachment 2, provided by the district and reviewed by the Texas Education Agency, contains information relating to the financial impact of the proposed project on the finances of the district as well as the tax benefit of the value limitation. The last table in this attachment shows the estimated 13 year M&O tax levy without the value limitation agreement would be \$ \$5,776,337. The estimated gross 13 year M&O tax benefit, or levy loss, is \$ \$4,212,066.

Attachment 3 is an economic overview of Presidio County.

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachments

1. Schedules A, B, C, and D provided by applicant in application
2. School finance and tax benefit provided by district
3. County Economic Overview

Attachment 1

Attachment 17

Schedule A (Rev. May 2010): Investment

Form 50-298

Applicant Name: Soler Star Texas II, LLC
 ISD Name: Marfa ISD

PROPERTY INVESTMENT AMOUNTS												
(Estimated investment in each year. Do not put cumulative totals.)												
	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property (original cost) placed in service during this year	Column B: Building or permanent nonmoveable component of building (annual amount only)	Column C: Sum of A and B Qualifying investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)					
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)	2014	\$0	\$0		\$17,728	\$17,728					
			\$0	\$0		\$200,000	\$200,000					
			\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000			
			1	2015-2016	2015	\$0	\$0	\$0	\$1,282,271.65	\$1,282,272		
			2	2016-2017	2016	\$100,000,000	\$0	\$100,000,000	\$0	\$100,000,000		
			3	2017-2018	2017	\$0	\$0		\$0	\$0		
			4	2018-2019	2018	\$0	\$0		\$0	\$0		
			5	2019-2020	2019	\$0	\$0		\$0	\$0		
			6	2020-2021	2020	\$0	\$0		\$0	\$0		
			7	2021-2022	2021	\$0	\$0		\$0	\$0		
			8	2022-2023	2022	\$0	\$0		\$0	\$0		
			9	2023-2024	2023	\$0	\$0		\$0	\$0		
			10	2024-2025	2024	\$0	\$0		\$0	\$0		
			11	2025-2026	2025	\$0	\$0		\$0	\$0		
			12	2026-2027	2026	\$0	\$0		\$0	\$0		
13	2027-2028	2027	\$0	\$0		\$0	\$0					
14	2028-2029	2028	\$0	\$0		\$0	\$0					
15	2029-2030	2029	\$0	\$0		\$0	\$0					
Tax Credit Period (with 50% cap on credit)	Value Limitation Period											
	Continue to Maintain Viable Presence											
Credit Settle-Up Period	Post-Settle-Up Period											
	Post-Settle-Up Period											

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years. This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment, as defined in Tax Code §313.021(1)(A)(D). For the purposes of investment, please list amount invested each year, not cumulative totals.

Column A: For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property. It includes estimates of investment for "replacement" property that is part of original agreement but scheduled for probable replacement during limitation period. The total dollar amount of planned investment each year in buildings or nonmoveable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).

Column B: For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonmoveable components of buildings. Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value for planning, construction and operation of the facility. The most significant example for many projects would be land. Other examples may be items such as professional services, etc. Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Column C: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed. This schedule must be submitted with the original application and any application for tax credits. When using this schedule for any purpose other than the original application, replace original estimates with actual appraised district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

11/8/13

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE _____ DATE

Attachment 19

Schedule C- Application: Employment Information

Solar Star Texas II, LLC
Marfa ISD

Applicant Name
ISD Name

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs	
				Column A: Number of Construction FTEs or man-hours (Specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
	pre-year 1	2014-2015	2014	0		0		0	
	1	2015-2016	2015	0		0		0	
	2	2016-2017	2016	55 avg FTE; 75 peak FTE	\$66,560	1	\$60,000	1	\$60,000
	3	2017-2018	2017			1	\$80,000	1	\$80,000
	4	2018-2019	2018			1	\$80,000	1	\$80,000
	5	2019-2020	2019			1	\$80,000	1	\$80,000
	6	2020-2021	2020			1	\$60,000	1	\$60,000
	7	2021-2022	2021			1	\$60,000	1	\$60,000
	8	2022-2023	2022			1	\$60,000	1	\$60,000
	9	2023-2024	2023			1	\$60,000	1	\$60,000
	10	2024-2025	2024			1	\$60,000	1	\$60,000
	11	2025-2026	2025			1	\$60,000	1	\$60,000
	12	2026-2027	2026			1	\$60,000	1	\$60,000
	13	2027-2028	2027			1	\$60,000	1	\$60,000
	14	2028-2029	2028			1	\$60,000	1	\$60,000
	15	2029-2030	2029			1	\$60,000	1	\$60,000
Tax Credit Period (with 50% cap on credit)				Value Limitation Period					
Credit Settle-Up Period				Continue to Maintain Viable Presence					
Post-Settle-Up Period									
Post-Settle-Up Period									

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

11/8/13

DATE

**Attachment 20
Schedule D**

Confidential
See page 6 of the Confidential Document Addendum

Attachment 2

FINAL REPORT

**Summary of the Financial Impact of
The Solar Star Texas II, LLC on the Marfa ISD
Under a Requested Chapter 313 Property Value Limitation**

Prepared By

Larry Stavinoha

School Finance Consultant

November 25, 2013

Introduction

At a board meeting held on Monday, November 18, 2013, SunPower Corporation presented an application to the Marfa ISD Board of Trustees seeking a property value limitation agreement under Chapter 313 of the Tax Code for Solar Star Texas II, LLC an electrical power generation project. The project would invest \$100,000,000 in the Marfa ISD.

The Texas Economic Development Act was enacted by the Texas Legislature in 2001 to “encourage large scale capital investments” in the State of Texas. Entering into these tax limitation agreements gives Texas School Districts the ability to attract new taxable property and create jobs. Projects that are eligible for a tax limitation under the Texas Economic Development Act are projects devoted to manufacturing, research and development, clean coal projects as defined by Section 5.001, Water Code, an advanced clean energy project as defined by Section 382.003, Health and Safety Code, renewable energy electric generation, electric power generation using integrated gasification combined cycle technology, nuclear electric power generation, or a computer center used primarily in connection to one of the other categories. The Solar Star Texas II project proposes sun powered electric production, a renewable energy electric generation project, and thus qualifies as an eligible project under the Texas Economic Development Act.

The proposed agreement calls for a two year qualifying period which would occur during the 2015-2016 and 2016-2017 school years. The entire value of the project will be fully taxable for both maintenance and operation (M&O) and interest and sinking (I&S) during the two year qualifying period. The proposal calls for the limitation period to span eight years beginning with the 2017-2018 school fiscal year and ending with the conclusion of the 2024-2025 school fiscal year. The full value of the project will remain fully taxable for I&S levies. The full value of the project, \$100,000,000, will be invested during the 2017-2018 school year and will be reduced by depreciation in subsequent years.

The proposed agreement calls for a calculation of the revenue impact of the value limitation on the school district in years three through ten under the school finance and property tax laws which would apply during that period. It is

estimated that Marfa ISD would suffer a revenue loss of \$989,870 in the third year of the agreement.

The total tax savings to the applicant is estimated to be \$4,212,066 over the course of the agreement. All of these savings will be the result of the limit imposed on M&O taxes during years three through eight. Due to the fact that no taxable value is attributed to the project for the two qualifying years, no tax credits will be applicable.

Texas Public School Funding

Texas school districts are financed by some combination of local property tax revenue and state aid. All Texas School Districts collect ad valorem property taxes to use for the maintenance and operation of the school district and taxes to pay the principal and interest on bonded debt approved by district voters. While taxes are collected by the district on the current year County Appraisal District (CAD) value, the state funding formulas use the Comptroller's Property Tax Division (CPTD) value for the purpose of calculating the district's required local shares within the funding tiers of that formula. The CPTD is a reflection of last year's CAD value; therefore, it lags behind the CAD value in all years. Texas School Finance Law establishes the Foundation School Program that determines how much state and local aid a school district is due and how much of this revenue is provided by the state. The program is administered by the Texas Education Agency. The Foundation School Program is meant to ensure that all school districts, regardless of property wealth, receive "substantially equal access to similar revenues per student at similar levels of tax effort, considering all state and local tax revenues of districts after acknowledging all legitimate student and district cost differences." In other words, the system seeks to provide the same dollars for the same kids for the same tax effort.

The operations component of the Foundation School Program provides funding for school districts in two tiers. Tier 1 provides districts a basic level of funding with allotments for special programs. The revenue that a school district is guaranteed in Tier 1, at the compressed tax rate, is determined by either the target revenue/hold harmless formulas or the state share of Tier 1 plus local taxes collected at the compressed rate, whichever is greater. In 2006, the legislature mandated that school districts compress maintenance and operation tax rates by

one third. The legislation held districts harmless at revenue totals derived from formulas that took into account revenues generated during the 2005-2006 school year. This placed virtually all school districts under target revenue/hold harmless formulas. To replace local tax revenue lost due to tax compression, the state provided Additional State Aid for Tax Reduction. Subsequent legislation in 2009, 2011, and 2013 moved many districts out of target revenue/hold harmless funding and into formula funding. The 2011 legislative session cut \$4 billion dollars from the Foundation School Program and formulas were adjusted accordingly. Some of these cuts were restored by the recently completed 2013 legislative session. A statement of legislative intent adopted in 2011 calls for the complete elimination of Additional State Aid for Tax Reduction by the 2017-2018 school year.

The other tier of the operations component of the Foundation School Program is Tier 2. Tier 2 of the FSP is intended to supplement the funding provided in Tier 1. Currently this tier provides for a guaranteed yield of \$59.97 per penny per Weighted ADA for the first six pennies levied and collected above the district compressed tax rate and a yield of \$31.95 per penny per weighted ADA for pennies collected above the first six pennies up to a maximum M&O tax rate of \$1.17.

Marfa ISD has been a target revenue/hold harmless district from the 2006-2007 school year through the 2012-2013 school fiscal year. It is predicted that this will change with the 2013-2014 fiscal year. Preliminary calculations show Marfa becoming a "formula" district for 2013-2014 and remaining in formula funding for the duration of the tax limitation agreement period. Marfa ISD currently levies an M&O tax rate of \$1.04.

The other component of the Foundation School Program is Tier 3 which assists eligible school districts with state aid to pay debt service. These programs provide for a guaranteed yield of \$35 per Average Daily Attendance per penny of tax effort. Marfa ISD does not qualify for this program because the local yield per penny derived from the current tax base is greater than the guaranteed yield per penny guarantee. The additional property value that would result from this proposed agreement would allow the district to finance more bonded debt with fewer pennies on the I&S tax rate.

Project Assumptions

Chapter 313 applications require that 15 years of data be analyzed to project the impact of the proposed limitation agreement on the school district and on the taxes paid by the project applicant. In analyzing this data for the Marfa Independent School District, the following assumptions were made:

1. School funding formulas under Senate Bill 1 enacted by the 83rd Legislature, Regular Session, will be in place throughout the proposed limitation agreement.
2. Student counts for both Average Daily Attendance and Weighted ADA will remain constant during the 15 year agreement period.
3. The local property value, as certified by the County Appraisal District on or about July 25, 2013, was used as the base value for both subsequent CAD and CPTD property values.
4. Tax collections for each year of the projections were based on an M&O tax rate of \$1.04 and I&S tax rates ranging from \$.17 to \$.27. Collection rates of 100% were used throughout the 15 years.

Utilizing these assumptions makes it possible to isolate the effects of the value limitation agreement on both the applicant company and the Marfa Independent School District. A summary of the data used in this analysis is illustrated in Table 1.

School Funding Impact on Marfa ISD

In order to predict the financial impact that the property tax limitation agreement would have on the Marfa Independent School District, two funding models were prepared using the data assumptions noted earlier.

The first model developed adds the value of the proposed Solar Star Texas II, LLC project to the baseline property value but assumes that no tax limitation agreement is in place. A summary of these calculations can be seen in Exhibit A.

The second model developed adds the Solar Star Texas II, LLC value but imposes the limitation of \$10,000,000 starting in the third year of the agreement, which is the 2017-2018 school year, and continuing through the tenth year of the

agreement, which is the 2024-2025 school year. The results of this model can also be seen in Exhibit A.

These models estimate that the property tax limitation agreement would result in a loss of total M&O revenue of \$989,870 in year three of the agreement, which is the 2017-2018 school year. The Revenue Protection clauses in the tax limitation agreement will hold the district harmless on this potential loss of revenue. A small gain in total revenue is indicated in years four through eleven and the calculations show no difference in M&O total revenue for years twelve through fifteen.

Impact on the Taxpayer

In the first two years of the value limitation agreement, the full value of the project is taxable. In years three through ten of the agreement, the taxable value of the project would be limited to \$10,000,000 for M&O purposes. The full value of the project would remain taxable for I&S levies.

It is estimated that Solar Star Texas II, LLC will benefit from tax savings resulting from the tax limitation in years three through ten of the agreement in the amount of \$4,212,066. Net savings to the district when Revenue Protection Payments are considered would be \$3,222,196. In addition under current law, the company could also be entitled to a tax credit for any taxes paid during the two qualifying years of the agreement over and above the limitation amount. Schedule B of the application submitted for the Solar Star Texas II, LLC project shows that no taxable value will be attributed to the two qualifying years which are the 2015-2016 and 2016-2017 school years, thus no tax credits will apply.

A separate spreadsheet is included with this report entitled the "Comptroller's BETA Spreadsheet". Tax benefits to the district, as well as tax credit calculations, are illustrated on this spreadsheet.

Impact on Marfa ISD Facilities Funding

The total value of the Solar Star Texas II, LLC project will remain fully taxable for the I&S part of the district tax rate. This applies not only to the debt currently

being financed by Marfa ISD but also to future bonded debt that might be approved by district voters.

The Instructional Facilities Allotment and the Existing Debt Allotment are provisions of the state funding laws that provide state money to help districts pay the principal and interest on bonded debt. These programs provide a guaranteed yield per penny of \$35 per ADA per penny of tax effort. Marfa ISD is not eligible for either of these state programs because their current tax base provides more than the state guarantees per student.

Estimates produced by these calculations predict that the added taxable value that will be available to Marfa ISD during this agreement period will allow the district to finance debt currently on bond payment schedules with a tax rate less than the current rate of \$.29. It is predicted that I&S tax rates will range from a low of \$.17 to a high of \$.27 during the course of this agreement.

Summary

Solar Star Texas II, LLC and the Marfa Independent School District will both benefit if this tax limitation agreement is ratified. It is estimated that Solar Star Texas II, LLC will enjoy net tax savings over the course of the agreement of \$3,222,196. The agreement will enhance the tax base of the Marfa ISD and allow the district to service debt with a lower I&S tax rate. It should be noted that all school funding calculations that are used in this report are based on current Texas School Funding Law. This law has been found unconstitutional by a district court judge and it is anticipated that the Texas Supreme Court will soon review the case. A win by the plaintiffs in this case is expected and will likely result in the Texas Legislature enacting significant changes in Texas School Funding Law.

Table 1- Data Assumptions for Marfa Solar Star Texas II, LLC

Year of Agreement	School Year	Tax Year	ADA	WADA	M & O Tax Rate	I & S Tax Rate	CAD VALUE with Project LIMITATION	CAD Value WITHOUT Limitation	CPTD with LIMITATION	CPTD VALUE WITHOUT Limitation
0	2014-2015	2014	305.00	642.00	\$1.04	\$0.28	\$159,186,640	\$159,186,640	\$159,186,640	\$159,186,640
1	2015-2016	2015	305.00	642.00	\$1.04	\$0.28	\$159,186,640	\$159,186,640	\$159,186,640	\$159,186,640
2	2016-2017	2016	305.00	642.00	\$1.04	\$0.22	\$159,186,640	\$159,186,640	\$159,186,640	\$159,186,640
3	2017-2018	2017	305.00	642.00	\$1.04	\$0.19	\$169,186,640	\$259,186,640	\$159,186,640	\$159,186,640
4	2018-2019	2018	305.00	642.00	\$1.04	\$0.20	\$169,186,640	\$244,186,640	\$169,186,640	\$259,186,640
5	2019-2020	2019	305.00	642.00	\$1.04	\$0.21	\$169,186,640	\$231,436,640	\$169,186,640	\$244,186,640
6	2020-2021	2020	305.00	642.00	\$1.04	\$0.24	\$169,186,640	\$220,599,140	\$169,186,640	\$231,436,640
7	2021-2022	2021	305.00	642.00	\$1.04	\$0.24	\$169,186,640	\$211,387,265	\$169,186,640	\$220,599,140
8	2022-2023	2022	305.00	642.00	\$1.04	\$0.25	\$169,186,640	\$203,557,171	\$169,186,640	\$211,387,265
9	2023-2024	2023	305.00	642.00	\$1.04	\$0.26	\$169,186,640	\$196,901,592	\$169,186,640	\$203,557,171
10	2024-2025	2024	305.00	642.00	\$1.04	\$0.27	\$169,186,640	\$191,244,349	\$169,186,640	\$196,901,592
11	2025-2026	2025	305.00	642.00	\$1.04	\$0.27	\$186,435,693	\$186,435,693	\$169,186,640	\$191,244,349
12	2026-2027	2026	305.00	642.00	\$1.04	\$0.28	\$182,348,335	\$182,348,335	\$186,435,693	\$186,435,693
13	2027-2028	2027	305.00	642.00	\$1.04	\$0.27	\$179,186,640	\$179,186,640	\$182,348,335	\$182,348,335
14	2028-2029	2028	305.00	642.00	\$1.04	\$0.28	\$179,186,640	\$179,186,640	\$179,186,640	\$179,186,640
15	2029-2030	2029	305.00	642.00	\$1.04	\$0.28	\$179,186,640	\$179,186,640	\$179,186,640	\$179,186,640

Year of Project	Year of Tax Credit Settle-Up	Year of Tax Credit Limit	School Year	Tax Year	Market Value with no Exemptions	I&S Taxable Value of Investment	Difference from previous year's value	Annual Depreciation Rate	M&O Property Value Limitation Amount	M&O Exempt Value of Property
School District: Marfa ID		Solar Star Texas II, LLC								
County: Presidio										
Eligibility Category: Master App. Number: \$10,000,000										
Limitation Amount: \$10,000,000										
0			2014-15	2014	\$0	\$0			\$0	\$0
1			2015-16	2015	\$0	\$0			\$0	\$0
2			2016-17	2016	\$0	\$0	\$0	-	\$0	\$0
3	1		2017-18	2017	\$100,000,000	\$100,000,000	-\$100,000,000	-	\$10,000,000	\$90,000,000
4	1	2	2018-19	2018	\$85,000,000	\$85,000,000	\$15,000,000	15.00%	\$10,000,000	\$75,000,000
5	2	3	2019-20	2019	\$72,250,000	\$72,250,000	\$12,750,000	15.00%	\$10,000,000	\$62,250,000
6	3	4	2020-21	2020	\$61,412,500	\$61,412,500	\$10,837,500	15.00%	\$10,000,000	\$51,412,500
7	4	5	2021-22	2021	\$52,200,625	\$52,200,625	\$9,211,875	15.00%	\$10,000,000	\$42,200,625
8	5	6	2022-23	2022	\$44,370,531	\$44,370,531	\$7,830,094	15.00%	\$10,000,000	\$34,370,531
9	6	7	2023-24	2023	\$37,714,952	\$37,714,952	\$6,655,579	15.00%	\$10,000,000	\$27,714,952
10	7	8	2024-25	2024	\$32,057,709	\$32,057,709	\$5,657,243	15.00%	\$10,000,000	\$22,057,709
11	1		2025-26	2025	\$27,249,053	\$27,249,053			\$0	\$0
12	2		2026-27	2026	\$23,161,695	\$23,161,695			\$0	\$0
13	3		2027-28	2027	\$20,000,000	\$20,000,000			\$0	\$0
<p>2009 market value of the qualified property as reported by company</p> <p>M&O Taxable Value of Qualified Property (in 2009) if limitation were not in effect (I&S Value) NA</p> <p>Dollar amount of M&O levy that would have been imposed without the limitation (through 2009) NA</p> <p>M&O Taxable Value of Qualified Property (in 2009) with limitation in effect (Limited M&O Value) NA</p> <p>Dollar amount of M&O levy imposed with the limitation (through 2009) NA</p> <p>Estimated tax benefit (school levy loss) from value limitation through 2009 (Diff. between...) NA</p> <p>Estimated 13 year total M&O levy without any limit or credit (11 years for projects starting in 2017 & 2018) \$5,776,337</p> <p>Estimated 13 (or 11) year total gross tax benefit to company/levy loss to district (through limitation and tax credit) \$4,212,066</p> <p>Amt. of Gross 13 (or 11) Year Tax Benefit ÷ Est. 13 (or 11) year total levy without any limit or credit = Percentage Exempted 72.92%</p>										
Number of qualifying jobs committed to:										#N/A
CDNO Value:										#N/A
Subchapter B or Subchapter C:										#N/A

NOTE: This is a BETA test estimation period. Variables to plug in are HERE ARE SAMPLES. This general payments to district for Revenue

M&O Tax Base Years 1-13	M&O Tax Rate	M&O Tax Levy without Limitation	M&O Tax Levy with Limitation	I&S Tax Rate	I&S Tax Levy	Sum of M&O and I&S Tax Levies BEFORE CREDIT CREDITED	Sum of M&O and I&S Tax Levies AFTER CREDIT CREDITED	Tax Savings Due to Limitation	Value upon which tax credits are based
\$0	\$1.0400	\$0	\$0	\$0.2900	\$0	\$0	\$0	\$0	\$0
\$0	\$1.0400	\$0	\$0	\$0.2900	\$0	\$0	\$0	\$0	\$0
\$0	\$1.0400	\$0	\$0	\$0.2900	\$0	\$0	\$0	\$0	\$0
\$10,000,000	\$1.0400	\$1,040,000	\$104,000	\$0.1735	\$173,452	\$277,452	\$277,452	\$936,000	\$936,000
\$10,000,000	\$1.0400	\$884,000	\$104,000	\$0.1849	\$157,166	\$261,166	\$261,166	\$780,000	\$780,000
\$10,000,000	\$1.0400	\$751,400	\$104,000	\$0.1938	\$140,014	\$244,014	\$244,014	\$647,400	\$647,400
\$10,000,000	\$1.0400	\$638,690	\$104,000	\$0.2223	\$136,537	\$240,537	\$240,537	\$534,690	\$534,690
\$10,000,000	\$1.0400	\$542,887	\$104,000	\$0.2300	\$120,058	\$224,058	\$224,058	\$438,887	\$438,887
\$10,000,000	\$1.0400	\$461,454	\$104,000	\$0.2391	\$106,091	\$210,091	\$210,091	\$357,454	\$357,454
\$10,000,000	\$1.0400	\$392,236	\$104,000	\$0.2469	\$93,105	\$197,105	\$197,105	\$288,236	\$288,236
\$10,000,000	\$1.0400	\$333,400	\$104,000	\$0.2563	\$82,148	\$186,148	\$186,148	\$229,400	\$229,400
\$27,249,053	\$1.0400	\$283,390	\$283,390	\$0.2619	\$71,377	\$354,767	\$354,767	\$0	\$0
\$23,161,695	\$1.0400	\$240,882	\$240,882	\$0.2694	\$62,392	\$303,273	\$303,273	\$0	\$0
\$20,000,000	\$1.0400	\$208,000	\$208,000	\$0.2691	\$53,817	\$261,817	\$261,817	\$0	\$0
		\$5,776,337						\$4,212,066	

nating spreadsheet for Chapter 313 for a first complete tax year of 2012 in the qualifying time e (estimated market values), I&S taxable values, limitation amount, M&O and I&S tax rates. VALUES rates estimated tax benefit figures BEFORE any further reductions in benefit negotiated due to ue Protection, Extraordinary Educational Expenses, or other supplemental payment in lieu of taxes.

Limitation Tax Savings: \$4,212,066
 Credits/7:
 Credits Savings:
 Sum of taxes paid in first two years on base > limit:
 Amount of tax credits "lost":
 M&O tax levy for the two years before tax benefits result in levy loss:
 13 year total levy without any limit or credit:
 13 year total tax savings/Levy Loss:
 Taxes actually paid:

February 14, 2014

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Solar Star Texas II LLC project on the number and size of school facilities in Marfa Independent School District (MISD). Based on the analysis prepared by Walsh, Anderson, Gallego, Green and Trevino, PC for the school district and a conversation with the MISD business manager, Victoria Sanchez, the TEA has found that the Solar Star Texas II LLC project would not have a significant impact on the number or size of school facilities in MISD.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information about this issue.

Sincerely,



Al McKenzie, Manager
Foundation School Program Support

AM/rk

February 14, 2014

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

The Texas Education Agency (TEA) has analyzed the revenue gains that would be realized by the proposed Solar Star Texas II LLC project for the Marfa Independent School District (MISD). Projections prepared by the TEA State Funding Division confirm the analysis that was prepared by Walsh, Anderson, Gallego, Green and Trevino, PC and provided to us by your division. We believe their assumptions regarding the potential revenue gain are valid, and their estimates of the impact of the Solar Star Texas II LLC project on MISD are correct.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information about this issue.

Sincerely,



Al McKenzie, Manager
Foundation School Program Support

AM/rk

Attachment 3

Presidio County

Population

- Total county population in 2010 for Presidio County: 7,744 , up 3.7 percent from 2009. State population increased 1.8 percent in the same time period.
- Presidio County was the state's 180th largest county in population in 2010 and the 8 th fastest growing county from 2009 to 2010.
- Presidio County's population in 2009 was 17.0 percent Anglo (below the state average of 46.7 percent), 0.6 percent African-American (below the state average of 11.3 percent) and 81.8 percent Hispanic (above the state average of 36.9 percent).
- 2009 population of the largest cities and places in Presidio County:

Presidio:	4,699	Marfa:	1,915
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Economy and Income

Employment

- September 2011 total employment in Presidio County: 3,296 , down 0.2 percent from September 2010. State total employment increased 0.9 percent during the same period.
(October 2011 employment data will be available November 18, 2011).
- September 2011 Presidio County unemployment rate: 14.1 percent, down from 17.2 percent in September 2010. The statewide unemployment rate for September 2011 was 8.5 percent, up from 8.2 percent in September 2010.
- September 2011 unemployment rate in the city of:

(Note: County and state unemployment rates are adjusted for seasonal fluctuations, but the Texas Workforce Commission city unemployment rates are not. Seasonally-adjusted unemployment rates are not comparable with unadjusted rates).

Income

- Presidio County's ranking in per capita personal income in 2009: 240th with an average per capita income of \$24,113, up 4.4 percent from 2008. Statewide average per capita personal income was \$38,609 in 2009, down 3.1 percent from 2008.

Industry

- Agricultural cash values in Presidio County averaged \$68.48 million annually from 2007 to 2010. County total agricultural values in 2010 were down 3.7 percent from 2009. Major agriculture related commodities in Presidio County during 2010 included:
 - Horses
 - Hunting
 - Recreation
 - Other Beef
 - Vegetables
- 2011 oil and gas production in Presidio County: barrels of oil and 0.0 Mcf of gas. In September 2011, there were 0 producing oil wells and 0 producing gas wells.

Taxes

Sales Tax - Taxable Sales

(County and city taxable sales data for 1st quarter 2011 is currently targeted for release in mid-September 2011).

Quarterly (September 2010 through December 2010)

- Taxable sales in Presidio County during the fourth quarter 2010: \$8.60 million, up 4.5 percent from the same quarter in 2009.
- Taxable sales during the fourth quarter 2010 in the city of:

Presidio:	\$5.23 million, up 7.9 percent from the same quarter in 2009.
Marfa:	\$3.09 million, down 0.7 percent from the same quarter in 2009.

Taxable Sales through the end of 4th quarter 2010 (January 2010 through December 30, 2010)

- Taxable sales in Presidio County through the fourth quarter of 2010: \$31.17 million, up 5.8 percent from the same period in 2009.
- Taxable sales through the fourth quarter of 2010 in the city of:

Presidio:	\$18.27 million, up 6.2 percent from the same period in 2009.
Marfa:	\$11.76 million, up 4.7 percent from the same period in 2009.

Annual (2010)

- Taxable sales in Presidio County during 2010: \$31.17 million, up 5.8 percent from 2009.
- Presidio County sent an estimated \$1.95 million (or 0.01 percent of Texas' taxable sales) in state sales taxes to the state treasury in 2010.
- Taxable sales during 2010 in the city of:

Presidio:	\$18.27 million, up 6.2 percent from 2009.
Marfa:	\$11.76 million, up 4.7 percent from 2009.

Sales Tax – Local Sales Tax Allocations

(The release date for sales tax allocations to cities for the sales activity month of November 2011 is currently scheduled for December 7, 2011.)

Monthly

- Statewide payments based on the sales activity month of September 2011: \$580.11 million, up 7.1 percent from September 2010.
- Payments to all cities in Presidio County based on the sales activity month of September 2011: \$70,662.12, up 11.8 percent from September 2010.
- Payment based on the sales activity month of September 2011 to the city of:

Presidio:	\$41,283.62, up 7.6 percent from September 2010.
Marfa:	\$29,378.50, up 18.3 percent from September 2010.

Fiscal Year

- Statewide payments based on sales activity months from September 2011 through September 2011: \$580.11 million, up 7.1 percent from the same period in 2011.
- Payments to all cities in Presidio County based on sales activity months from September 2011 through September 2011: \$70,662.12, up 11.8 percent from fiscal 2011.
- Payments based on sales activity months from September 2011 through September 2011 to the city of:

Presidio:	\$41,283.62, up 7.6 percent from fiscal 2011.
Marfa:	\$29,378.50, up 18.3 percent from fiscal 2011.

January 2011 through September 2011 (Sales Activity Year-To-Date)

- Statewide payments based on sales activity months through September 2011: \$4.57 billion, up 8.1 percent from the same period in 2010.
- Payments to all cities in Presidio County based on sales activity months through September 2011: \$596,051.11, up 10.2 percent from the same period in 2010.
- Payments based on sales activity months through September 2011 to the city of:

Presidio:	\$370,673.74, up 12.3 percent from the same period in 2010.
Marfa:	\$225,377.37, up 6.8 percent from the same period in 2010.

12 months ending in September 2011

- Statewide payments based on sales activity in the 12 months ending in September 2011: \$6.11 billion, up 7.9 percent from the previous 12-month period.
- Payments to all cities in Presidio County based on sales activity in the 12 months ending in September 2011: \$807,604.21, up 12.6 percent from the previous 12-month period.
- Payments based on sales activity in the 12 months ending in September 2011 to the city of:

Presidio:	\$497,657.03, up 14.3 percent from the previous 12-month period.
Marfa:	\$309,947.18, up 9.9 percent from the previous 12-month period.

- **City Calendar Year-To-Date (RJ 2011)**

- Payment to the cities from January 2011 through November 2011:

Presidio:	\$463,496.86, up 13.2 percent from the same period in 2010.
Marfa:	\$290,108.57, up 11.5 percent from the same period in 2010.

Annual (2010)

- Statewide payments based on sales activity months in 2010: \$5.77 billion, up 3.3 percent from 2009.
- Payments to all cities in Presidio County based on sales activity months in 2010: \$752,567.11, up 15.1 percent from 2009.
- Payment based on sales activity months in 2010 to the city of:

Presidio:	\$457,040.30, up 19.5 percent from 2009.
Marfa:	\$295,526.81, up 8.9 percent from 2009.

Property Tax

- As of January 2009, property values in Presidio County: \$385.62 million, up 0.5 percent from January 2008 values. The property tax base per person in Presidio County is \$51,622, below the statewide average of \$85,809. About 0.0 percent of the property tax base is derived from oil, gas and minerals.

State Expenditures

- Presidio County's ranking in state expenditures by county in fiscal year 2010: 162nd. State expenditures in the county for FY2010: \$40.08 million, unchanged 0.0 percent from FY2009.
- In Presidio County, 10 state agencies provide a total of 84 jobs and \$838,748.00 in annualized wages (as of 1st quarter 2011).

■ Major state agencies in the county (as of first quarter 2011):

- Parks & Wildlife Department
- Department of Transportation
- Department of Public Safety
- Department of State Health Services
- Health & Human Services Commission

Higher Education

■ Community colleges in Presidio County preliminary fall 2011 enrollment:

- None.

■ Presidio County is in the service area of the following:

- Odessa College with a preliminary fall 2011 enrollment of 5,128 . Counties in the service area include:
 - Andrews County
 - Brewster County
 - Crane County
 - Culberson County
 - Ector County
 - Gaines County
 - Jeff Davis County
 - Loving County
 - Presidio County
 - Reeves County
 - Upton County
 - Ward County
 - Winkler County

■ Institutions of higher education in Presidio County preliminary fall 2011 enrollment:

- None.

School Districts

■ Presidio County had 2 school districts with 5 schools and 1,847 students in the 2009-10 school year.

(Statewide, the average teacher salary in school year 2009-10 was \$48,263. The percentage of students, statewide, meeting the 2010 TAKS passing standard for all 2009-10 TAKS tests was 77 percent.)

- Marfa ISD had 383 students in the 2009-10 school year. The average teacher salary was \$40,719. The percentage of students meeting the 2010 TAKS passing standard for all tests was 56 percent.
- Presidio ISD had 1,464 students in the 2009-10 school year. The average teacher salary was \$42,896. The percentage of students meeting the 2010 TAKS passing standard for all tests was 72 percent.