

April 20, 2022

via email: Ch313.apps@cpa.texas.gov

Local Government Assistance and Economic Analysis Division
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, TX 78774

Re: Hill Solar 2, LLC's Application for Appraised Value Limitation on Qualified Property to the Itasca Independent School District

Dear Madam or Sir:

My law firm represents the Itasca Independent School District ("District") regarding the above-referenced matter. Enclosed please find the Application for Appraised Value Limitation of Qualified Property from Hill Solar 2, LLC ("Applicant").

On Thursday, April 14, 2022, the Itasca ISD Board of Trustees received and reviewed the Application. On the same date, the Board of Trustees voted to consider the Application and to approve the Applicant's qualifying job creation waiver request. The application fee was received on Thursday, April 14, 2022.

The Itasca Independent School District respectfully requests that the Comptroller conduct an economic impact evaluation of the investment proposed by the Application. Please confirm with us the date and website link to the Comptroller's publication of the documentation received.

In addition to the Application submitted to you with this letter, a copy of the Application is being submitted to the Hill County Appraisal District pursuant to 34 TEX. ADMIN CODE §9.1054.

Please let me know if you have any questions or need anything additional. Thank you.

Sincerely,



Oscar G. Treviño

Enclosure

cc: *via email: kboles@itascaisd.net*
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Superintendent of Schools
Itasca Independent School District
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Hill County Appraisal District
P O Box 416
Hillsboro, TX 76645-0416

Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

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 Texas 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 completed application to the Comptroller, separating each section of the documents. 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, and has determined that all assertions of confidentiality are appropriate, the Comptroller will publish all submitted non-confidential 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's 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 and issue a certificate for a limitation on appraised value to the school board regarding the application 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 by the Comptroller), 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 comptroller.texas.gov/economy/local/ch313/. 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

Date Application Received by District

First Name

Last Name

Title

School District Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

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)

First Name _____ Last Name _____

Title _____

Firm Name _____

Phone Number _____ Fax Number _____

Mobile Number (optional) _____ Email Address _____

4. On what date did the district determine this application complete?

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

First Name _____ Last Name _____

Title _____ Organization _____

Street Address _____

Mailing Address _____

City _____ State _____ ZIP _____

Phone Number _____ Fax Number _____

Mobile Number (optional) _____ 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 _____ ZIP _____

Phone Number _____ Fax Number _____

Mobile Number (optional) _____ 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)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

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 the same time the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, include all transaction information below. Include proof of application fee paid to the school district in **Tab 2**. Any confidential banking information provided will not be publicly posted.

Payment Amount

Transaction Type

Payor

Payee

Date transaction was processed

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? _____

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

3. Parent Company Name _____

4. Parent Company Tax ID _____

5. NAICS code _____

6. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No

6a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Business Organization of Applicant (corporation, limited liability corporation, etc) _____

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 the most recently submitted 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.

SECTION 5: Applicant Business Structure (continued)

2b. Texas Franchise Tax Reporting Entity Taxpayer Name

2c. Reporting Entity Taxpayer Number

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

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

*Note: Applicants requesting eligibility under this category should note that there are additional application and reporting data submission requirements.

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. If the project is an amendment or a reapplication please specify and provide details regarding the original project.
2. Check the project characteristics that apply to the proposed project:
- | | |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| <input type="checkbox"/> Land has no existing improvements | <input type="checkbox"/> Land has existing improvements (complete Section 13) |
| <input type="checkbox"/> Expansion of existing operation on the land (complete Section 13) | <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

NOTE: Only construction beginning after the application review start date (the date the Texas Comptroller of Public Accounts deems the application complete) can be considered qualified property and/or qualified investment.

1. Estimated school board ratification of final agreement _____
2. Estimated commencement of construction _____
3. Beginning of qualifying time period (MM/DD/YYYY) _____
4. First year of limitation (YYYY) _____
- 4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):
 - A. January 1 following the application date
 - B. January 1 following the end of QTP
 - C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations _____

SECTION 10: The Property

1. County or counties in which the proposed project will be located _____
2. Central Appraisal District (CAD) that will be responsible for appraising the property _____
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:

M&O (ISD): _____ <small>(Name, tax rate and percent of project)</small>	I&S (ISD): _____ <small>(Name, tax rate and percent of project)</small>
County: _____ <small>(Name, tax rate and percent of project)</small>	City: _____ <small>(Name, tax rate and percent of project)</small>
Hospital District: _____ <small>(Name, tax rate and percent of project)</small>	Water District: _____ <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>

SECTION 10: The Property (continued)

5. List all state and local incentives as an annual percentage. Include the estimated start and end year of the incentive:

County: _____
(Incentive type, percentage, start and end year)

City: _____
(Incentive type, percentage, start and end year)

Hospital District: _____
(Incentive type, percentage, start and end year)

Water District: _____
(Incentive type, percentage, start and end year)

Other (describe): _____
(Incentive type, percentage, start and end year)

Other (describe): _____
(Incentive type, percentage, start and end year)

6. Is the project located entirely within the ISD listed in Section 1? Yes No

6a. If no, attach in **Tab 6** maps of the entire project (depicting all other relevant school districts) and additional information on the project scope and size. Please note that only the qualified property within the ISD listed in Section 1 is eligible for the limitation from this application. Please verify that all information in **Tabs 7 and 8**, Section 11, 12 and 13, and map project boundaries pertain to only the property within the ISD listed in Section 1.

7. 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

7a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Texas Tax Code 313.021(1) Qualified 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 comptroller.texas.gov/economy/local/ch313/.

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

2. What is the amount of appraised value limitation for which you are applying? _____

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 within the project boundary 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: Texas Tax Code 313.021(2) Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] 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**);
- 1c. a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and reinvestment zone boundaries (**Tab 11**); and
- 1d. Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? Yes No

Note: Property used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area cannot be considered qualified property and will not be eligible for a limitation. See TAC §9.1051(16).

SECTION 12: Texas Tax Code 313.021(2) Qualified Property (continued)

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 an 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 within the project boundary**. 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 within the project boundary 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 (statement 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 within the project boundary in response to statements 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 within the project boundary (that property described in response to statement 1): \$ _____
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 statement 2): \$ _____

Note: Investment for the property listed in statement 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 number of new qualifying jobs you are committing to create? _____
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) _____
3. 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
 - 3a. If yes, attach evidence of industry standard 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.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission 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 available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
 - a. Non-qualified job wages
- average weekly wage for all jobs (all industries) in the county is _____
 - b. Qualifying job wage minimum option §313.021(5)(A)
-110% of the average weekly wage for manufacturing jobs in the county is _____
 - c. Qualifying job wage minimum option §313.021(5)(B)
-110% of the average weekly wage for manufacturing jobs in the region is _____
5. 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)
6. What is the minimum required annual wage for each qualifying job based on the qualified property? _____
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? _____
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No
9. 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
 - 9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. 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
 - 10a. 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, and C 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 an entity 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**.

Tab 2

Proof of Payment of Application Fee

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

The entity Hill Solar II, LLC, was formed on March 17, 2022 as a Delaware Corporation. Core Solar, LLC, the parent company is in the process of registration of Hill Solar II, LLC in Texas. Once registered, Hill Solar II, LLC will be added to Core Solar, LLC, the parent company's Franchise Tax filings in future years.

Attached to this application is the most recent Core Solar, LLC Franchise Tax filing, to which Hill Solar II, LLC will be added and included, in future years.

Texas Franchise Tax Extension Affiliate List
received by the Comptroller of Public
Accounts

Tab 4

Detailed Description of the Project

The Hill Solar II, LLC project will be an approximately 200 MWac photovoltaic solar power generation facility, that would be built on approximately 1,187 acres of privately owned land in Hill County, Texas. The entire site is located within the Itasca ISD jurisdiction. Currently the site is in agricultural use for cattle ranching. Power generated by the project would be sold and delivered into a 345kV line crossing the project site owned by Oncor.

The Hill Solar II, LLC solar project will consist of, but not be limited to, the following: solar photovoltaic modules, single axis tracking systems, driven-pile foundations, batteries, new or improved onsite roads, meteorological equipment, DC wiring, DC/AC inverters, medium voltage step-up transformers, AC cabling and a central substation and switchyard with protective circuit breakers and switchgear including a high voltage step-up transformer, and other equipment necessary to safely operate, maintain and transmit power to the ERCOT electrical grid.

Tab 5

Documentation to assist in determining if limitation is a determining factor

Section 8, #2: Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?

Hill Solar II, LLC has begun typical due course, early-stage due diligence to explore the feasibility of constructing the solar facilities at this site. As such, certain contracts have been executed, including long-term lease and easement agreements with the landowners. A Chapter 312 tax abatement agreement is under discussion with the taxing jurisdictions. None of these contracts obligate Hill Solar II, LLC to construct the project.

Section 8, #7 & 10: Is the applicant evaluating other locations not in Texas for the proposed project?

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?

Core Solar, LLC, the parent corporation of Hill Solar II, LLC maintains a large portfolio of solar developments across the country, including other locations in Texas and the states of Ohio, New Mexico, Kentucky, South Carolina, Missouri, Indiana and California, all with similar resources and competitive regulatory environments. While the project entity, Hill Solar II, LLC, is specific to this location in Texas, the economic return for the project is constantly compared to returns from other locations within and outside of Texas.

Core Solar, LLC has limited capital and human resources and must pick the best projects to advance as a company each year. The economic return is a primary input for this decision. Without the available tax incentives, the economics of the project become far less attractive and the likelihood of completing the project and selling the electricity at competitive prices becomes unlikely.

Property taxes can be the highest operating expense for a solar generation facility as solar plants do not have any associated fuel costs for the production of electricity. With electricity prices already below the national average in Texas, it is necessary to limit the property tax liabilities for the project in order to be able to offer electricity at prices that are marketable to Texas customers. Markets such as California that have statewide available subsidies for renewable energy and higher average electricity prices offer attractive incentives to develop in those markets. Solar developers would not be able to finance and build projects in this state without the economic development tax incentives offered here.

Tab 6

School District Information

The entire project will be located within the jurisdiction of the Itasca Independent School District.

TAB 7

Description of Qualified Investment

Hill Solar II, LLC plans to construct an approximately 200 MWac solar powered electric generating facility in Hill County. This application covers all qualified property within the Itasca ISD necessary for the commercial operations of the Project. All panels will be located in Itasca ISD. Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 481,950 solar panels and approximately 55 inverters.

Construction of the Project will include, but is not limited to:

- collection systems
- transmission lines
- electrical interconnections
- roads
- control systems necessary for commercial generation of electricity
- solar panels
- foundations
- racking and mounting structures
- inverters
- transformers
- supervisory control and data acquisition (SCADA)
- combiner boxes
- meteorological equipment
- maintenance and operations building
- paving
- fencing
- electrical substations
- generation transmission tie line and associated towers, and interconnection
- facilities and control systems necessary for commercial generation of electricity.

Construction of the Project is expected to commence in 2027 and is anticipated to be complete in the fourth quarter of 2028.

Tab 8

Description of Qualified Property

Hill Solar 2, LLC project will be an approximately 200 MWac photovoltaic solar power generation facility that would be built on approximately 1,187 acres of privately owned land in Hill County, Texas. The entire site is located within the Itasca ISD jurisdiction. Currently the site is in agricultural use for cattle grazing.

Panel placement is subject to change but for purposes of this application, the Project anticipates using approximately 481,950 solar panels and approximately 55 inverters.

Construction of the Project will include, but is not limited to:

- collection systems
- transmission lines
- electrical interconnections
- roads
- control systems necessary for commercial generation of electricity
- solar panels
- foundations
- racking and mounting structures
- inverters
- transformers
- supervisory control and data acquisition (SCADA)
- combiner boxes
- meteorological equipment
- maintenance and operations building
- paving
- fencing
- electrical substations
- generation transmission tie line and associated towers, and interconnection
- facilities and control systems necessary for commercial generation of electricity.

Tab 9

Legal Description

Rosson Ranches, Inc. (Option to Lease)

Being an Estimate 1,187.28 acres of land located in the S.A. Cook Survey, Abstract No. 1043, W.O. Merriweather Survey, Abstract No. 564, J.P. Allen Survey, Abstract No. 25, and Sam Shackelford Survey, Abstract No. 821, Hill County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a point on the south line of the W.O. Merriweather Survey, Abstract No. 564, and N 80°12' East a distance of 2,105.78 feet to the south east corner of said W.O. Merriweather Survey;
THENCE North 10°18' West with a fence line a distance of 1,269.6 feet;
THENCE South 80°29' West along a fence line a distance of 1,997.95 feet;
THENCE North 8°58' West a distance of 787.76 feet;
THENCE North 80°26'30" East along a fence line a distance of 1,650.28 feet to a steel rod for the corner;
THENCE North 10°02' West along a fence line 1,221.29 feet to a steel rod for the corner;
THENCE South 80°10'30" West along a fence line 1,611.16 feet;
THENCE North 11°7'29" West a distance of 4,950 feet;
THENCE South 79°22'49" West a distance of 1,582.67 feet to a public road and being the west boundary line of the W.O Merriweather Survey, Abstract No. 564;
THENCE North 20°41'12" West, along center of said county road, 211.83 feet to a railroad spike set for a corner;
THENCE North 22°36'38" West, continuing along said road, 1,822.4 feet to a railroad set for a corner;
THENCE North 28°48'49" West, along said road 444.88 feet to a railroad spike found for a corner being the most southerly corner of the M. Gay Survey, Abstract No. 357;
THENCE along the Southeast boundary line of the J.A. Sevier Survey, Abstract No. 1160, North 60° East a distance of 5,331.37 feet;
THENCE North 30° West along the east boundary of the J.A. Sevier Survey, Abstract No. 1160, a distance of 2,710.27 feet;
THENCE from the Northeast corner of the J.A. Sevier Survey, Abstract No. 1160, North 60° East a distance of 2,780.55 feet and being the Northeast corner of the S.A. Cook Survey, Abstract No. 1043;
THENCE South 30° East a distance of 2,669.44 feet;
THENCE South 60° West a distance of 435 feet;
THENCE South 30° East a distance of 1,133.8 feet;
THENCE South 77°44'07" West a distance of 1,468.43 feet;
THENCE South 26°50'26" West a distance of 2,260.95 feet;
THENCE South 11°38'46" East a distance of 3,250.97 feet;
THENCE South 62°9'49" East 97.31 feet;
THENCE South 70°19'37" East 159.22 feet
THENCE South 5°15'45" East 1,475.95 feet to the middle of a public road;
THENCE North 79°34'20" East a distance of 1,358.73 feet being the east boundary line of the W.O. Merriweather Survey, Abstract No. 564;

THENCE with the East boundary of the W.O. Merriweather Survey line, South $10^{\circ}46'$ East a distance of 1,519.11 feet;

THENCE South $11^{\circ}34'$ East a distance of 677.59 feet;

THENCE South $12^{\circ}48'$ East a distance of 268.4 feet;

THENCE South $10^{\circ}25'$ East a distance of 3,062.1 feet to a steel rod located in the Southeast Corner of the W.O. Merriweather Survey, Abstract No. 564;

THENCE South $80^{\circ}12'$ West along the centerline of a county road and the south line of said Merriweather Survey a distance of 2,175 feet to the place of the beginning and containing 1,187.28 acres of land.

Tab 10

Description of Property not Eligible to become Qualified Property

N/A

Tab 11

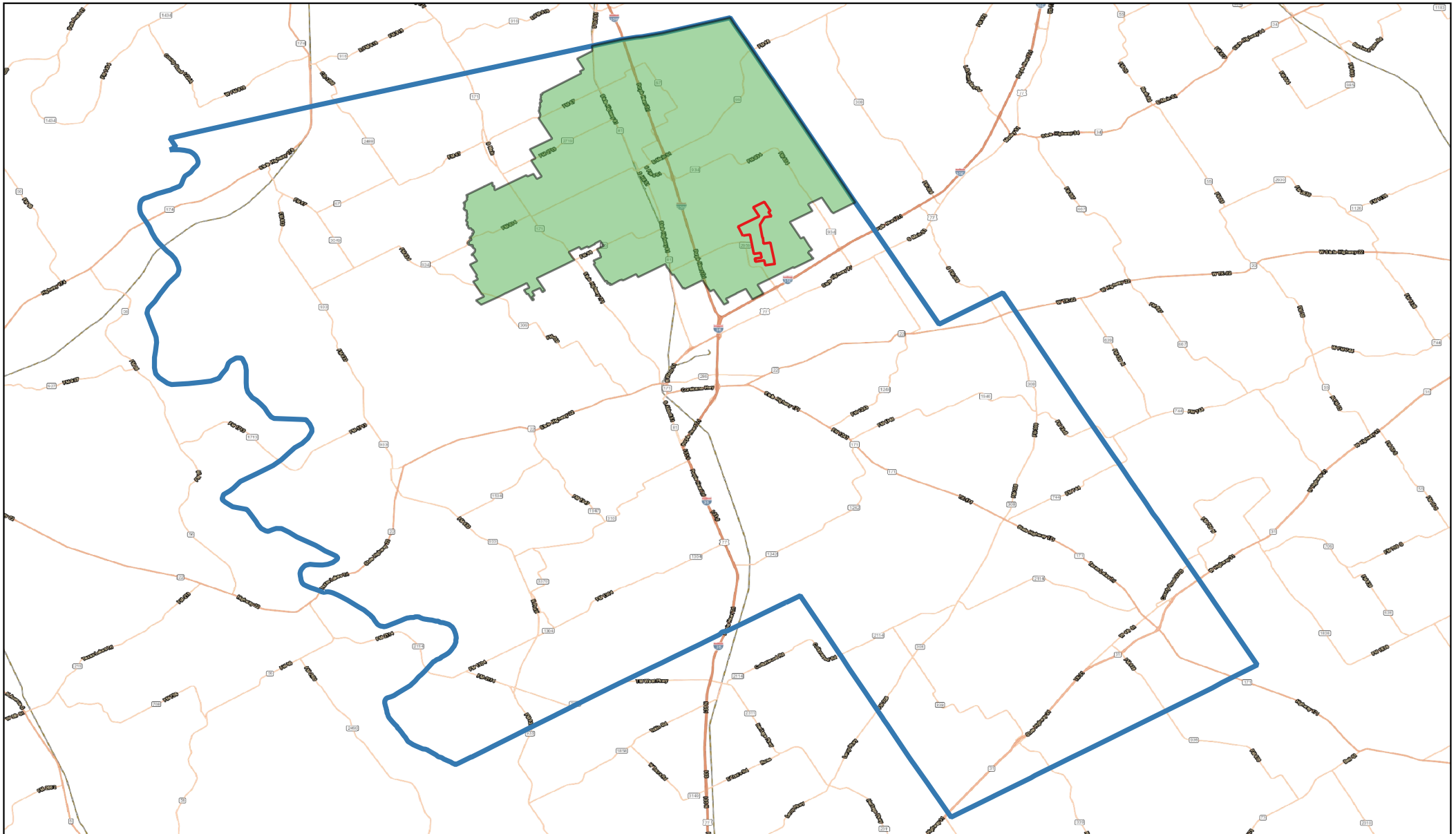
Maps of Project

Maps attached:

Hill Solar, LLC ISD Overview

Hill Solar, LLC Qualified Investment and Property

Hill Solar, LLC Reinvestment Zone, issued by Hill County as part of a County 312 tax abatement for Hill Solar I, LLC. County 312 tax abatement for Hill Solar II, LLC pending.



LEGEND




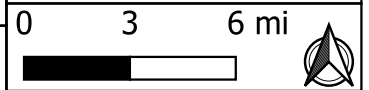
-  Hill County
-  Itasca ISD
-  Project Boundary

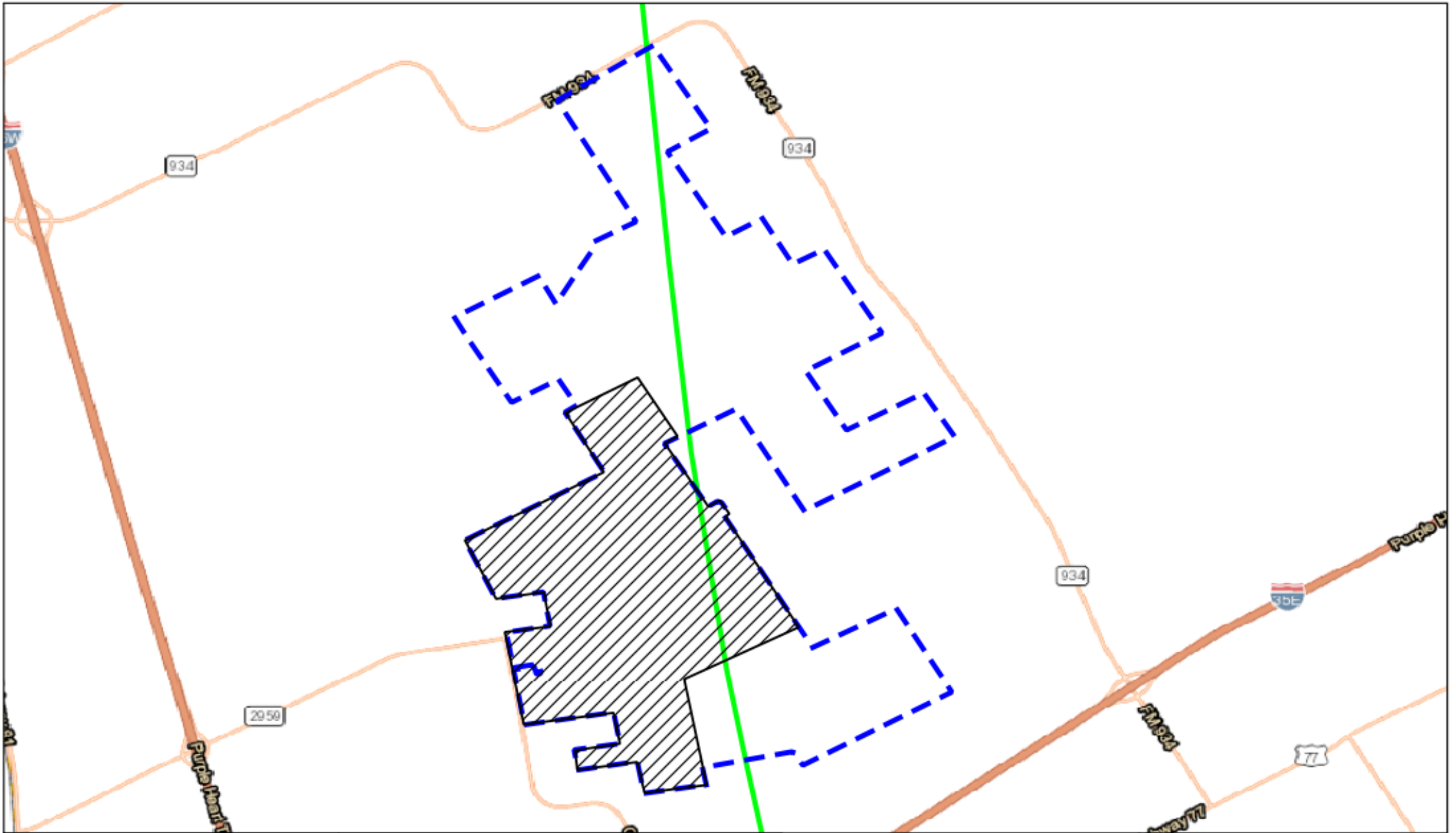
FIGURE 1

**Hill Solar II
School District Overview**

Location: Hill County, TX



By: Jared Feske on 04/07/2022



LEGEND




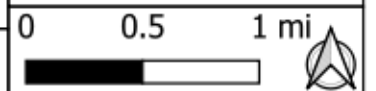
-  Reinvestment Zone
-  Qualified Investment Area
-  Electric Transmission (existing)

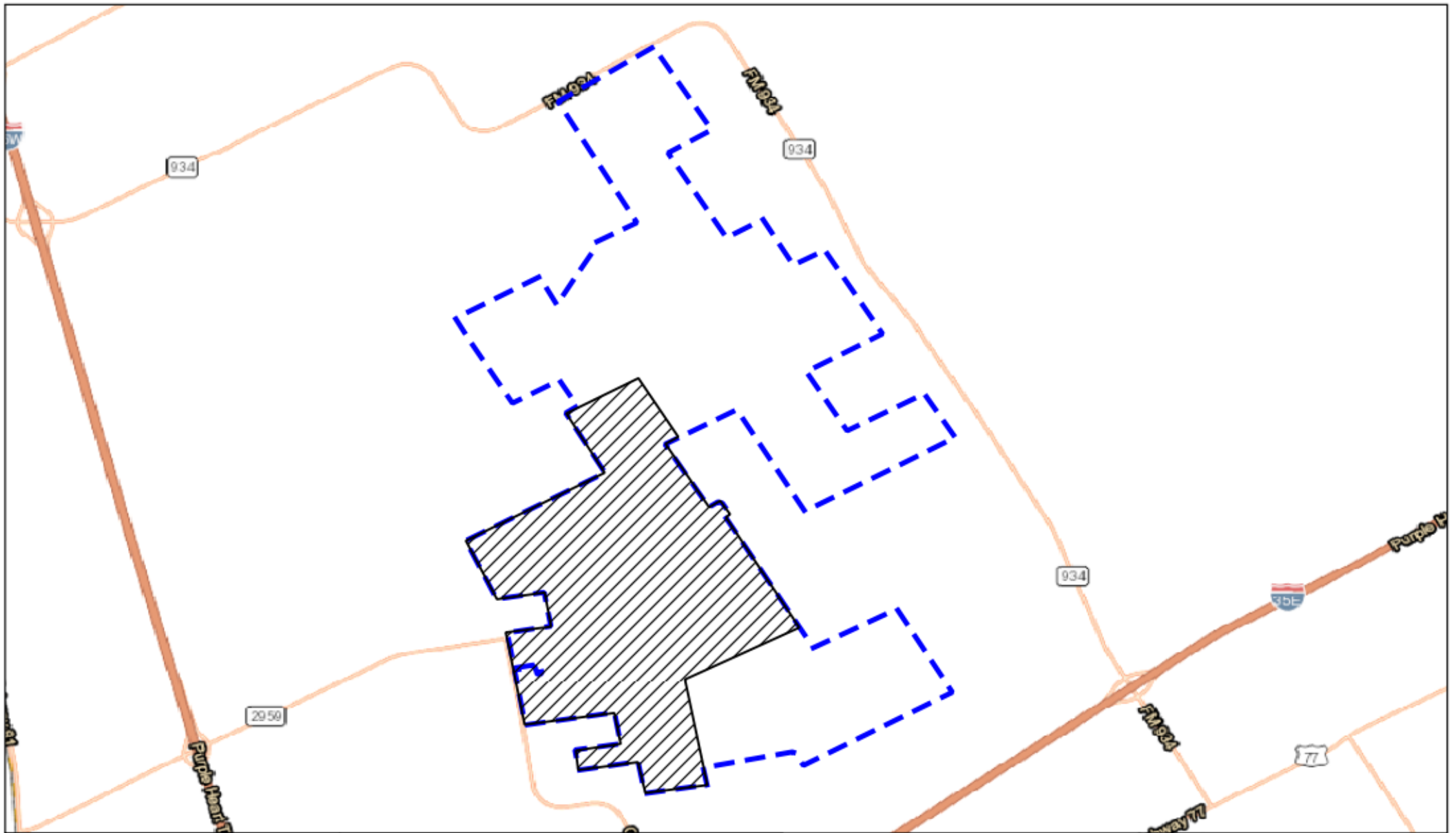
FIGURE 2

**Hill Solar II
Qualified Investment Area and
Proposed Infrastructure**

Location: Hill County, TX



By: Jared Feske on 04/07/2022




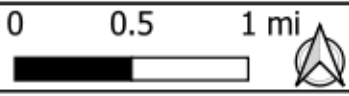
LEGEND	
	Reinvestment Zone
	Qualified Investment Area

FIGURE 3

**Hill Solar II
Reinvestment Zone**

Location: Hill County, TX

0 0.5 1 mi



By: Jared Feske on 04/07/2022

Tab 12

Request for Waiver of Jobs Creation Requirements

See Letter, attached



April 6, 2022

Mr. Michael Stevens, Superintendent
Itasca ISD
123 North College Street
Itasca, TX 76055

Re. Hill Solar II, LLC Job Requirement Waiver Request

Dear Superintendent Stevens,

Please consider this letter as Hill Solar II, LLC's formal request to waive the minimum new job creation requirement, as required under Texas Tax Code 313.025(f-1).

Solar energy projects create a large number of temporary full-time jobs during the construction phase but require only a small number of highly skilled employees to operate and maintain the facility once construction is complete and commercial operations begin. The permanent employees of a solar project maintain and service solar panels, mounting trackers, underground electrical connections, inverters, substations and related infrastructure. Additionally, there are asset managers who supervise, monitor and support solar operations from offsite locations. Due to the low number of moving parts in a solar plant, ongoing maintenance requirements are very low.

The solar industry standard for the number of permanent qualifying jobs necessary for the operation and maintenance of a solar facility is less than the minimum new qualifying jobs requirement. For a typical facility, two (2) full-time jobs are created. Additional periodic work is generally performed by contractors. Therefore, Hill Solar II, LLC is committed to creating two (2) qualifying jobs for this facility.

Hill Solar II, LLC respectfully requests that the Itasca ISD Board of Trustees waive the new jobs requirement for its application.

Sincerely,



Greg Nelson
President

Tab 13

Calculation of Three Possible Wage Requirements with TWC Documentation

Hill County All Industries Average Weekly Wages								
Year	Period	Area	Ownership	Division	Level	Ind. Code	Industry	Avg. Weekly Wages
2020	4th Qtr	Hill County	Total All	00	0	10	Total, All Industries	\$999.00
2021	1st Qtr	Hill County	Total All	00	0	10	Total, All Industries	\$849.00
2021	2nd Qtr	Hill County	Total All	00	0	10	Total, All Industries	\$897.00
2021	3rd Qtr	Hill County	Total All	00	0	10	Total, All Industries	\$925.00
							4 Period Weekly Average	\$917.50
							110% of Average Weekly Wages	\$1,009.25
							110% of Annual Wages	\$52,481.00
Hill County Average Manufacturing Weekly Wages								
Year	Period	Area	Ownership	Division	Level	Ind. Code	Industry	Avg. Weekly Wages
2020	4th Qtr	Hill County	Private	31	2	31-33	Manufacturing	\$1,119.00
2021	1st Qtr	Hill County	Private	31	2	31-33	Manufacturing	\$936.00
2021	2nd Qtr	Hill County	Private	31	2	31-33	Manufacturing	\$1,004.00
2021	3rd Qtr	Hill County	Private	31	2	31-33	Manufacturing	\$1,041.00
							4 Period Weekly Average	\$1,025.00
							110% of Average Weekly Wages	\$1,127.50
							110% of Annual Wages	\$58,630.00
COG Region Wages								
Heart of Texas Council of Governments								
			Hourly	Annual				
2020 Manufacturing Average Wages			\$23.41	\$48,696.00				
Average Weekly Wages				\$936.46				
110% of Average Weekly Wages				\$1,030.11				
110% of Annual Wages				\$53,565.60				

**2020 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

COG	COG Number	Wages	
		Hourly	Annual
Panhandle Regional Planning Commission	1	\$23.32	\$48,501
South Plains Association of Governments	2	\$20.42	\$42,473
NORTEX Regional Planning Commission	3	\$20.64	\$42,928
North Central Texas Council of Governments	4	\$32.34	\$67,261
Ark-Tex Council of Governments	5	\$21.30	\$44,299
East Texas Council of Governments	6	\$29.28	\$60,904
West Central Texas Council of Governments	7	\$21.54	\$44,797
Rio Grande Council of Governments	8	\$19.02	\$39,552
Permian Basin Regional Planning Commission	9	\$22.57	\$46,945
Concho Valley Council of Governments	10	\$27.28	\$56,739
Heart of Texas Council of Governments	11	\$23.41	\$48,696
Capital Area Council of Governments	12	\$29.96	\$62,326
Brazos Valley Council of Governments	13	\$18.41	\$38,286
Deep East Texas Council of Governments	14	\$21.07	\$43,829
South East Texas Regional Planning Commission	15	\$27.38	\$56,957
Houston-Galveston Area Council	16	\$29.83	\$62,050
Golden Crescent Regional Planning Commission	17	\$22.09	\$45,945
Alamo Area Council of Governments	18	\$27.45	\$57,101
South Texas Development Council	19	\$19.20	\$39,945
Coastal Bend Council of Governments	20	\$35.39	\$73,603
Lower Rio Grande Valley Development Council	21	\$20.70	\$43,056
Texoma Council of Governments	22	\$19.18	\$39,897
Central Texas Council of Governments	23	\$21.34	\$44,390
Middle Rio Grande Development Council	24	\$22.98	\$47,809
Texas		\$28.00	\$58,233

Calculated by the Texas Workforce Commission Labor Market and Career Information Department.

Data published: August 2021.

Data published annually, next update will likely be July 31, 2022

Annual Wage Figure assumes a 40-hour work week.

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

Wage data is produced from Texas Occupational Employment and Wage Statistics (OEWS) data, and is not to be compared to BLS estimates.

Data intended only for use implementing Chapter 313, Texas Tax Code.

Year	Period	Area	Ownership	Industry Code	Industry	Level	Establishments	Firms	Average Employment	Average Weekly Wage	Total Wages	Month 1 Employment	Month 2 Employment	Month 3 Employment	Hierarchical Ordering
2020	01	Hill	Private	10	Total, All Industries	0	710	673	7,648	845	83,980,221	7,605	7,644	7,695	1
2020	02	Hill	Private	10	Total, All Industries	0	708	671	7,297	855	81,090,144	7,101	7,332	7,457	1
2020	03	Hill	Private	10	Total, All Industries	0	714	674	7,496	861	83,863,634	7,459	7,512	7,517	1
2020	04	Hill	Private	10	Total, All Industries	0	715	677	7,625	999	98,989,849	7,627	7,602	7,647	1
2021	01	Hill	Private	10	Total, All Industries	0	710	671	7,708	849	85,091,539	7,676	7,666	7,781	1
2021	02	Hill	Private	10	Total, All Industries	0	717	678	7,947	897	92,650,747	7,837	7,936	8,067	1
2021	03	Hill	Private	10	Total, All Industries	0	718	679	8,180	925	98,391,921	8,180	8,170	8,190	1
2020	01	Hill	Private	31-33	Manufacturing	2	43	43	1,182	1,002	15,401,569	1,151	1,182	1,214	305
2020	02	Hill	Private	31-33	Manufacturing	2	44	44	1,189	906	14,011,836	1,180	1,202	1,177	305
2020	03	Hill	Private	31-33	Manufacturing	2	43	43	1,128	987	14,878,126	1,129	1,134	1,121	305
2020	04	Hill	Private	31-33	Manufacturing	2	43	43	1,204	1,119	17,515,164	1,186	1,205	1,220	305
2021	01	Hill	Private	31-33	Manufacturing	2	42	42	1,224	936	14,895,135	1,215	1,219	1,238	305
2021	02	Hill	Private	31-33	Manufacturing	2	42	42	1,260	1,004	16,444,107	1,230	1,275	1,274	305
2021	03	Hill	Private	31-33	Manufacturing	2	42	42	1,324	1,041	17,929,090	1,334	1,323	1,316	305

Tab 14

Form 50-296A, Schedules A-D

Attached to Application Package

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

Date **6-Apr-22**
 Applicant Name **Hill Solar II, LLC**
 ISD Name **Itasca ISD**

Form 50-296A
 Revised October 2020

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	0	2022-2023	2022	Not eligible to become Qualified Property		\$0	\$0	\$0
Investment made after filing complete application with district, but before final board approval of application	0	2023-2024	2023	Not eligible to become Qualified Property		\$0	\$0	\$0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	0	2024-2025	2024	Not eligible to become Qualified Property		\$0	\$0	\$0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	0	2025-2026	2025	Not eligible to become Qualified Property		\$0	\$0	\$0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	0	2026-2027	2026	Not eligible to become Qualified Property		\$0	\$0	\$0
Complete tax years of qualifying time period	QTP1	2027-2028	2027	\$100,000,000	\$0	\$0	\$0	\$0
	QTP2/LP1	2028-2029	2028	\$250,000,000	\$0	\$0	\$0	\$0
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$350,000,000				
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$350,000,000				

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)

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will not become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		\$350,000,000	\$0	\$0	\$0	\$350,000,000
Enter amounts from TOTAL row in Schedule A1 in the row below								
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2022-2023	2022	\$0	\$0	\$0	\$0	\$0
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2023-2024	2023	\$0	\$0	\$0	\$0	\$0
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2024-2025	2024	\$0	\$0	\$0	\$0	\$0
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2025-2026	2025	\$0	\$0	\$0	\$0	\$0
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2026-2027	2026	\$0	\$0	\$0	\$0	\$0
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	QTP1	2027-2028	2027	\$0	\$0	\$0	\$0	\$0
Value limitation period***	QTP2/LP1	2028-2029	2028	\$0	\$0	\$0	\$0	\$0
	2	2029-2030	2029	\$0	\$0	\$0	\$0	\$0
	3	2030-2031	2030	\$0	\$0	\$0	\$0	\$0
	4	2031-2032	2031	\$0	\$0	\$0	\$0	\$0
	5	2032-2033	2032	\$0	\$0	\$0	\$0	\$0
	6	2033-2034	2033	\$0	\$0	\$0	\$0	\$0
	7	2034-2035	2034	\$0	\$0	\$0	\$0	\$0
	8	2035-2036	2035	\$0	\$0	\$0	\$0	\$0
	9	2036-2037	2036	\$0	\$0	\$0	\$0	\$0
	10	2037-2038	2037	\$0	\$0	\$0	\$0	\$0
Total Investment made through limitation				\$350,000,000	\$0	\$0	\$0	\$350,000,000
Continue to maintain viable presence	11	2038-2039	2038			\$0		\$0
	12	2039-2040	2039			\$0		\$0
	13	2040-2041	2040			\$0		\$0
	14	2041-2042	2041			\$0		\$0
	15	2042-2043	2042			\$0		\$0
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2043-2044	2043			\$0		\$0
	17	2044-2045	2044			\$0		\$0
	18	2045-2046	2045			\$0		\$0
	19	2046-2047	2046			\$0		\$0
	20	2047-2048	2047			\$0		\$0
	21	2048-2049	2048			\$0		\$0
	22	2049-2050	2049			\$0		\$0
	23	2050-2051	2050			\$0		\$0
	24	2051-2052	2051			\$0		\$0
	25	2052-2053	2052			\$0		\$0

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

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

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

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

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

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

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

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

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

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

Date

6-Apr-22

Applicant Name

Hill Solar II, LLC

Form 50-296A

ISD Name

Itasca ISD

Revised October 2020

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2022-2023	2022	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2023-2024	2023	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2024-2025	2024	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2025-2026	2025	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2026-2027	2026	\$0	\$0	\$0	\$0	\$0	\$0
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	QTP1	2027-2028	2027	\$0	\$0	\$0	\$0	\$0	\$0
Value Limitation Period	QTP2/LP1	2028-2029	2028	\$0	\$0	\$100,000,000	\$100,000,000	\$100,000,000	\$20,000,000
	2	2029-2030	2029	\$0	\$0	\$322,000,000	\$322,000,000	\$322,000,000	\$20,000,000
	3	2030-2031	2030	\$0	\$0	\$294,000,000	\$294,000,000	\$294,000,000	\$20,000,000
	4	2031-2032	2031	\$0	\$0	\$266,000,000	\$266,000,000	\$266,000,000	\$20,000,000
	5	2032-2033	2032	\$0	\$0	\$234,500,000	\$234,500,000	\$234,500,000	\$20,000,000
	6	2033-2034	2033	\$0	\$0	\$203,000,000	\$203,000,000	\$203,000,000	\$20,000,000
	7	2034-2035	2034	\$0	\$0	\$171,500,000	\$171,500,000	\$171,500,000	\$20,000,000
	8	2035-2036	2035	\$0	\$0	\$136,500,000	\$136,500,000	\$136,500,000	\$20,000,000
	9	2036-2037	2036	\$0	\$0	\$105,000,000	\$105,000,000	\$105,000,000	\$20,000,000
Continue to maintain viable presence	10	2037-2038	2037	\$0	\$0	\$84,000,000	\$84,000,000	\$84,000,000	\$20,000,000
	11	2038-2039	2038	\$0	\$0	\$73,500,000	\$73,500,000	\$73,500,000	\$73,500,000
	12	2039-2040	2039	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	13	2040-2041	2040	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	14	2041-2042	2041	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	15	2042-2043	2042	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	16	2043-2044	2043	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	17	2044-2045	2044	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	18	2045-2046	2045	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	19	2046-2047	2046	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	20	2047-2048	2047	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	21	2048-2049	2048	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	22	2049-2050	2049	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	23	2050-2051	2050	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	24	2051-2052	2051	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000
	25	2052-2053	2052	\$0	\$0	\$70,000,000	\$70,000,000	\$70,000,000	\$70,000,000

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

Schedule C: Employment Information

Date 6-Apr-22

Applicant Name Hill Solar II, LLC
 ISD Name Itasca ISD

Form 50-296A

Revised October 2020

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A Number of Construction FTE's	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 Annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2022-2023	2022	0	N/A	0	0	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2023-2024	2023	0	N/A	0	0	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2024-2025	2024	0	N/A	0	0	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2025-2026	2025	0	N/A	0	0	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2026-2027	2026	0	N/A	0	0	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	QTP1	2027-2028	2027	150FTE	\$55,000	0	0	N/A
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	QTP2/LP1	2028-2029	2028	250FTE	\$55,000	0	2	\$53,566
	2	2029-2030	2029	0	N/A	0	2	\$53,566
	3	2030-2031	2030	0	N/A	0	2	\$53,566
	4	2031-2032	2031	0	N/A	0	2	\$53,566
	5	2032-2033	2032	0	N/A	0	2	\$53,566
	6	2033-2034	2033	0	N/A	0	2	\$53,566
	7	2034-2035	2034	0	N/A	0	2	\$53,566
	8	2035-2036	2035	0	N/A	0	2	\$53,566
	9	2036-2037	2036	0	N/A	0	2	\$53,566
	10	2037-2038	2037	0	N/A	0	2	\$53,566
Years Following Value Limitation Period	11 through 25	2038-2053	2038-2052	0	N/A	0	2	\$53,566

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

Tab 15

Economic Impact Analysis

TO BE PROVIDED BY COMPTROLLER'S OFFICE

Tab 16

Description of Reinvestment or Enterprise Zone, including:

- 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 establishing the reinvestment zone
- d) guidelines and criteria for creating the zone

TAX ABATEMENT AGREEMENT

This Tax Abatement Agreement (hereinafter "Agreement") is entered into by and between Hill County, Texas (hereinafter "County") and Hill Solar I, LLC (hereinafter "Owner") on the ___ day of September 2021 ("Effective Date").

WHEREAS, the County is authorized to enter into Tax Abatement Agreements pursuant to Chapter 312 of the *Texas Property Tax Code* (the "Tax Code"), and

WHEREAS, the County has adopted Tax Abatement Guidelines which provide criteria governing tax abatement agreements to be entered into by the County as contemplated by the Texas Property Tax Code; and

WHEREAS, the County has adopted a resolution stating that it elects to be eligible to participate in tax abatement in accordance with the Texas Property Tax Code; and

WHEREAS, by Order passed August 10 2021 the County Commissioners Court has established County Reinvestment Zone No. 007 ("Reinvestment Zone") in accordance with Section 312.401 of the Texas Property Tax Code; and

WHEREAS, the Premises is located within the Reinvestment Zone; and

WHEREAS, the County Commissioners Court finds that the improvements and additions proposed by the Owner will benefit the economy of the County and the State of Texas, provide Texas industry with clean power, and increase the local tax base; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Texas Property Tax Code, to the presiding officers of the governing bodies of each of the taxing units in which the Owner's the Premises is located; and

WHEREAS, the Commissioners Court finds that the Owner's project is feasible and practicable and would be of benefit to the Land included in the Zone, and the taxing units with jurisdiction over the land after expiration of this Agreement.

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual obligations and promises set forth below, and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the County and Owner agree as follows:

1. Premises. As used herein "Premises" refers to the real property shown and described in Exhibit "A" which is attached hereto and incorporated herein. Owner will not own the real property, but rather will be leasing the real property as a lessee. However, Owner will be the owner of all personal property, fixtures, equipment and related improvements that it installs on the Premises pursuant to this Agreement.

2. General Project Description. Development and construction/installation of facilities and equipment for, and the operation of a maximum 400-megawatt ac solar electric generating

system/facility, 964,000 photovoltaic panels, and 110 central inverters. A more specific identification of the additions to the Premises to be made by Owner is attached as Exhibit "B" hereto and incorporated by reference herein (hereafter "Project").

3. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

a. "Additions and Improvements" means the personal property, fixtures and equipment installed or constructed on the Premises by the Owner for the Project.

b. "Premises" means the tract(s) of leased (or proposed to be leased) land described in Exhibit "A" attached hereto and incorporated herein for all purposes.

c. "Taxable Value" means the appraised value, for property tax purposes, as certified by the Hill County Appraisal District.

d. "Start Date" means January 1 of the calendar year immediately following the Completion Date, unless otherwise specified herein. [The Owner may choose to have the Start Date begin before January 1 following completion].

e. "Completion Date" means the date that the construction and installation of the Project is substantially complete as certified by Owner to the County.

f. "Projected Capital Investment" the Owner has estimated a Capital Investment of **\$448,000,000**.

g. "Minimum Taxable Value" is the minimum estimated taxable value of the Additions and Improvements installed on the Premises. Owner has promised a Minimum Taxable Value of **\$340,000,000**. It is expected that the Taxable Value will be higher, but current market conditions require a more conservative estimate.

h. "Actual Capital Investment" for purposes of this Agreement shall be the actual cost of the Project on the Completion Date as certified by the Owner to the County. Owner shall provide the County and the Appraisal District with all reasonably requested information as to the actual cost of the Project. Actual cost as used herein relates to the design, acquisition, construction and installation of components of the Project that will add taxable value to the tax rolls of Hill County and does not include permit fees, main office overhead, or capitalized interest. The Actual Capital Investment must be reported by Owner with the Certificate of Completion to the County. Any item that is separately excluded from property taxation by state law does not count towards the Capital Investment of the Owner.

i. "Force Majeure" means any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God and the public enemy, strikes, lockouts or other industrial disturbances, inability to obtain material or equipment or labor, wars, blockades, insurrections, riots, epidemics, landslides, lightning,

earthquakes, fires, storms, floods, high water washouts, inclement weather, arrests and restraint of rulers and people, interruptions by government or court orders, present or future orders of any regulatory body, civil disturbances, explosions, breakage or accident to equipment that makes the Project inoperable.

j. "Reinvestment Zone" means County Reinvestment Zone No. 007 created by the Order of the Hill County Commissioners court dated August 10 2021.

k. "Base Year" means the 2021 tax year.

l. "Term of Abatement" or "Abatement Period", unless terminated sooner as provided elsewhere herein, means the period from and after the Start Date during which partial tax abatement for County ad valorem taxes is granted, which cannot exceed 10 years.

m. "Abatement Year" means a tax year included in the Abatement Period.

n. "Secured Party Lender" means any entity providing financing for the Project and/or who have liens or security interests on the Additions and Improvements, and any assignees thereof.

4. Term of Agreement. This Agreement becomes effective upon the Effective Date and unless terminated sooner as provided elsewhere herein, shall terminate at the expiration of the Abatement Period.

5. Green Energy Abatement. A standard schedule based on the Actual Capital Investment has been created for Green Energy Projects within the Second Amended and Restated Tax Abatement Guidelines of the County. The Abatement Schedules are attached hereto as Exhibit "C." Abatement is an abatement of taxable value, not of actual taxes generated from the applicable value. If the Projected Capital Investment is less than promised, the project may fall under a lower schedule. If the Projected Taxable Value in Abatement Year 1 is less than 50 % of the Projected Taxable Value, this Agreement is terminated without need for further action by the County.

6. Zero Base Year Value. Because the premises are leased by the Owner, this is a zero (\$0) Base Year Value abatement where the only matter of importance is the Taxable Value from one Tax Year to the next of the Additions and Improvements installed or constructed by the Owner. Furthermore, while the abatement schedule applicable is based on Actual Capital Investment, the tax abatement each year is based on the Taxable Value of the Additions and Improvements.

7. Abatement Schedule-Depreciation. Pursuant to Section 23.26 of the Texas Tax Code, depreciation on this Project is limited to straight line depreciation on a 10 year basis. In the 10th year the Taxable Value cannot be below 20% of the starting Taxable Value, and must stay at no less than 20% for all years after the Abatement Period.

8. Projected Completion Date. Owner shall complete the Project by the First Quarter of 2025, delays for force majeure excepted. Each 30 days of delay thereafter shall result in a one-

quarter percent (.0025) reduction to the Abatement Percentage for the first Abatement Year for the first 6 months of delay, and one-half percent (.005) reduction for each 30 days thereafter. The Commissioners Court, by majority vote, can extend the Completion Date. If the Project is not completed within 365 days of the Completion Date, the County may terminate this Agreement. There shall be no penalty for early completion.

9. Grant of Partial Abatement. Subject to the terms and conditions of this Agreement, County hereby grants Owner a partial abatement of County property taxes during the Abatement Period and at the Abatement Percentages shown on the schedule applicable to the Owner as set forth in Exhibit "C". The Abatement applies to the Taxable Value of the Additions and Improvements in each Abatement Year. **This does not include abatement of Farm- to- Market-Lateral Road Taxes.** Upon expiration of the Abatement Period the Additions and Improvements become fully taxable. This partial abatement does not apply to any additions or improvements existing on the Premises at the Effective Date; and does not include inventory.

10. No Sale or Assignment to Tax Exempt Entity.

a) If a sale, lease, or allocation of the Project or its output is made to an entity exempt from property taxation, and such results in a portion of the Project becoming exempt from property taxation, the County may terminate this Tax Abatement Agreement and the Abatement granted hereunder. If this occurs, the owner must repay the County any taxes abated related to the portion of the Project that has become exempt from year 1 to when the portion of the Project became tax exempt. Payment will be made no less than 30 days after the sale, lease or allocation occurs.

b) Alternatively, to keep the tax abatement agreement in place for the rest of the property, the Owner shall pay in a lump sum the present value of taxes that will be lost to the County with regard to the exempt portion of the property over the 20 year period after the portion of the Project becomes exempt using a calculation agreed to by the parties in writing, but if unable to be agreed to, resolved by binding mediation to take place in Hill County, Texas before a mediator selected by the County from the approved list of mediators maintained by the Federal District Court in Waco.

c) If title to, use of, or an interest in the lease of the premises or the Additions and Improvements, or any part thereof, shall be taken under the exercise of the power of eminent domain by any governmental unit or agency, or by any person, firm or corporation acting under governmental authority or statutory authority, other than a taxing unit that assesses or could assess ad valorem taxes against the Property, a local or county governmental entity having taxing jurisdiction over the subject Property or another party acting under such governmental entity's authority, and Owner does not contest the condemnation up to including the final, non-agreed judgment of a state district court (or County Court-at-Law if applicable); then Owner shall pay as a first and priority obligation to the County out of the condemnation proceeds the same payment as would have been paid to the County under 10(a) above if the transfer was an agreed sale to a tax exempt entity.

11. Unabated Taxes. Owner shall pay all unabated taxes when due. Failure to do so may result in termination of this Agreement. If Owner protests the Taxable Value of the Property,

the Owner shall pay the taxes due to the County on the portion of the Taxable Value not protested after application of the Abatement Percentage. Once the value is determined the abatement percentage is applied and the Owner shall pay the taxes due on the taxable value not abated within 30 days.

Taxes assessed prior to the beginning of the Abatement Period are not abated and shall be paid by Owner prior to such taxes becoming delinquent, subject to the right of Owner to timely and properly protest such taxes in accordance with Tax Code, Chapter 42 or its successor. Owner shall notify County in writing of any such protest, and keep the County informed of the results thereof. If the protest is denied, Owner shall have the right to appeal the matter to state district court but shall pay the portion of the tax required by Tax Code, Section 42.08 or its successor.

Nothing herein shall prevent the County from enforcing the collection of taxes owed to the County in any manner provided under the Texas Property Tax Code, including placing a lien on the Additions and Improvements. The County shall be entitled to recover any penalties, interest, court costs and attorney's fees allowed under the Texas Property Tax Code, and this includes for the collection of previously abated taxes that must be repaid under any provision of this Agreement.

12. Insurance. Owner shall keep the Additions and Improvements insured. In the event of a substantial loss the Owner may select either to rebuild, during which time the abatement would be stayed, or terminate this Agreement by paying the County all abated owner property taxes to that date.

13. Owner's Obligations. As a condition precedent to the granting of the partial tax abatement as set forth in this Agreement, Owner shall, subject to events of Force Majeure and casualty where applicable:

- a. Acquire sufficient lease options to support the Project;
- b. Install and construct the Additions and Improvements requiring at least the Projected Capital Investment to be completed by the First Quarter of 2025;
- c. Provide the Appraisal District with documentation and information reasonably requested for each Tax Year that will assist in determining the Taxable Value. This information shall be provided no later than April 15, subject to extension as allowed by law.
- d. Comply with all certification and reporting requirements set forth in this Agreement and the County's Second Amended and Restated Guidelines which are incorporated by reference herein;
- e. Employ and keep employed at least three (3) fulltime employees for the entire Abatement Period;

f. Comply with the County's Second Amended and Restated Guidelines which are incorporated by reference herein

g. In good faith consider, to the extent reasonable and logistically practical, contracting with companies and businesses located within the County that are economically competitive and qualified to provide goods and services for the Project. Nothing herein requires the Owner to contract with local vendors as a condition of abatement

h. Comply with applicable federal, state and local laws in its operations

i. Indemnify and hold harmless the County and all County officials and employees from any liability arising from the Owner's negligence in developing, constructing or installing the Additions and Improvements or operation thereof.

14. Default, Remedies and Recapture.

14.1 Upon breach by Owner of any material obligation under this Agreement, the County shall notify Owner in writing, and Owner shall have sixty (60) days from receipt of the notice in which to cure any such breach. If the breach cannot reasonably be cured within a sixty (60) day period, and Owner has diligently pursued such remedies as shall be reasonably necessary to cure such default, then the County shall extend the period in which the breach must be cured for an additional sixty (60) days. If Owner fails to cure the breach within the time provided as specified above or, as such time period may be extended by agreement, then the County, at its sole option, shall have the right to terminate this Agreement by written notice to Owner.

However, if the breach of this Agreement is caused by an event of Force Majeure, the cure period shall be extended as reasonably appropriate to cure the breach, subject to the Owner providing to the County a plan of action to cure the breach that is of a reasonable duration. The time to cure shall not extend the Abatement Period. A breach of this Agreement caused by an event of Force Majeure that is incapable of being cured shall not give rise to the recovery of previously abated taxes, however, the County may terminate this Agreement as to any future abatement.

14.2 In the event of a breach by Owner, the County, in addition to any notice to Owner, shall promptly provide written notice of such breach to any Secured Party Lender to the extent known to the County. For a Secured Party Lender to be entitled to this notice, the Owner or the Secured Party Lender must have notified the County in writing of the Secured Party Lender's interest in the Project. Any Secured Party Lender shall have the right to cure such breach in accordance with the provisions of this Agreement, provided that no cure period shall commence until receipt of written notice of breach from County by such Secured Party Lender. Owner and its Secured Party Lender shall provide written notice of any assignment of a financing obligation or security interest or lien. Absent such notice of assignment, notice to the last known Secured Party Lender shall be effective.

14.3 Termination by the County because of an uncured breach automatically terminates the tax abatement granted herein, and the Owner will not be entitled to any abatement from that date forward. If the nature of the breach resulted in the Owner receiving tax abatement in one or

more previous years to which the Owner was not entitled, the County may recover from the Owner the taxes that should have been paid in those years but for the abatement.

15. Leases. The Owner agrees that it shall assure sufficient leases are in place for the Project and that the leases allow the Project activities. Loss of a lease through foreclosure or other cause must be reported to the County.

16. Miscellaneous Terms and Conditions.

16.1 Attorney's Fees. If on account of any breach or default by either party of its obligations under the terms, conditions, or covenants of this Agreement, it shall be necessary for the other party to employ an attorney or attorneys to enforce or defend any of the rights or remedies hereunder, and should the party prevail, the party shall be entitled to any reasonable attorney's fees, costs, or expenses it incurs in connection herewith.

16.2 Severability. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under the present or future laws effective while this Agreement is in effect, such provision shall be automatically deleted from this Agreement and the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby, unless such would destroy a material benefit of the bargain to either party.

16.3 Texas Law to Apply. This Agreement shall be construed under and in accordance the laws of the State of Texas without regard to conflicts of law principles, and all obligations of the parties created hereunder are performable in Hill County, Texas, and venue of all disputes shall lie in a court of competent jurisdiction in Hill County, Texas.

16.4 Prior Agreements Superseded. This Agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter hereof.

16.5 Amendments. No amendment, modification or alteration of the terms hereof shall be binding unless the same shall be in writing, dated subsequent to the date hereof and duly executed by the parties hereto.

16.6 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

16.7 No Waiver. No waiver by a party in any event of default, or breach of any covenant, condition or stipulation herein contained shall be treated as a waiver of any subsequent default or breach of the same or any other covenant, condition or stipulation hereof.

16.8 Assignment. This Agreement shall be binding on and inures to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and assigns. This Agreement may be assigned by Owner upon written notice to the County and written

assumption of the obligations hereunder by such assignee. Such assignment is subject to approval of the County, which shall not be unreasonably withheld or delayed. The approval of the County shall be deemed to have occurred if the County fails to take action with respect to any such assignment within thirty (30) days after receipt of notice of such assignment. In addition, the Owner, without approval of the County, may assign, transfer, mortgage or pledge this Agreement in whole or in part to create a security interest for the benefit of a "Secured Party Lender" provided however, that any rights of the Secured Party Lender or third-party assignee or purchaser are subject to the same provisions as set forth in this Agreement. The County will provide a Secured Party Lender who is known of a copy of any Owner Default Notice. The County does not subordinate its right to collect property taxes to any security interest or assignment. Further, an assignment does not re-start the time to cure under a notice of default.

16.9 No Conflicts. Owner represents and warrants that no member of the Commissioners Court has an interest in the Property subject to this Agreement and such Property is not owned or leased by any member of the Commissioners Court.

16.10 No Joint Venture. The County, by approving the application and this Agreement, assumes no liability or responsibility therefore or for any defect in any additions made to the Land. The relationship between County and Owner at all times shall not be deemed a partnership or joint venture for purposes of this Agreement.

16.11 Other Abatements. It is further understood that this is not a joint agreement between taxing units and, Owner shall not be entitled to any additional abatement from County above what is granted herein under any other law by virtue of entry into this Agreement. Should Owner receive or be adjudged entitled to any additional abatement from the County of any form of tax under the law by virtue of entry into this Agreement, the amount of the abatement under this Agreement shall, to the extent allowed by law, be reduced by the amount of such additional abatement.

16.12 Approvals. Assuming Owner is not in breach of this Agreement, any approvals required to be obtained from the County under this Agreement shall not be unreasonably withheld, denied or delayed by the County.

16.13 Notices. All notices required by this Agreement shall be addressed to the following, or other such other party or address as either party designates in writing, by certified mail, postage prepaid, or by hand or overnight delivery:

If intended for Owner, to:

Hill Solar I, LLC
1221 South Mopac Expressway Suite 225
Austin, Texas 78704

If intended for County, to:

Hill County, Texas
Attention: County Judge
P.O. Box 457
Hillsboro, Texas 76645

With copy to:

County Attorney
Hill County, Texas
P.O. Box 253
Hillsboro, Texas 76645-2353

16.14 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

16.15 Recitals. The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement

16.16 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

16.17 Authorizations.

a. This Agreement was entered into by Owner pursuant to authority granted by one or more of its officers to execute this Agreement on behalf of Owner.

b. This Agreement was authorized by the minutes of the Commissioners Court of Hill County, Texas authorizing the County Judge, or designee, to execute the Agreement on behalf of Hill County, Texas.

17. Negotiation Costs. To show its commitment to the community and that it intends to be a good corporate neighbor, and in recognition of the expense incurred by the County in coming to a mutually acceptable agreement, Owner agrees to reimburse the County for its reasonable and necessary attorney's fees incurred in negotiation of this Agreement, not to exceed \$10,000, and for the cost of the reinvestment zone public hearing publication.

18. Road Repair and Usage.

(a) Owner and its contractors and service providers shall have the right to use County roads and shall have access to, egress from, encroachments into, crossings of, and upgrades to County roads, County owned rights-of-way, and County-held right-of-way easements located in Hill County, Texas ("Road Usage"). Bridge weight restrictions must be observed.

(b) Prior to the commencement of any work, or in advance of any subsequent modifications, Owner, will provide to Hill County a map identifying those roads which will be utilized to develop, install or repair the Improvements (the "Designated Roads"), and any points of access to property, or the location of any transmission or collection lines to be installed in the public right of way. Owner will have a pre-construction survey completed for all Designated Roads, which will include current conditions and recommendations for any preparations or modifications that will be necessary to perform required construction. In addition, the County will provide Owner, if available, with copies of any plans, cross sections and specifications relevant to the Designated Roads. Copies of all pre-construction survey documentation shall be provided to the County. All costs associated with the pre-construction survey shall be borne solely by Owner. Any recommended upgrades or modifications shall be reasonably acceptable to Owner, subject to approval by the County (which approval shall not be unreasonably withheld, conditioned or delayed) and constructed at the sole cost of Owner.

(c) Upon completion of construction, Owner will have a post-construction survey completed, the methods of which shall be similar to those for the pre-construction survey described above. The two sets of pre and post-construction data will be compared and if there is any wheel lane rutting, cracking or other damage resulting from Road Usage for the project, the County and Owner will determine the extent of the repairs or improvements needed to return the Designated Roads to a pre-construction condition, taking into consideration and excluding normal wear and tear from usage by the public. All repairs or improvements shall be performed in accordance with the standards and specifications for road repair generally used by the County for other county roads. All costs associated with the post-construction survey shall be borne solely by Owner. If Owner fails to make the required repairs or improvements, Owner agrees to reimburse or cause to be reimbursed to the County the costs of any roadway repairs due to damage shown to be caused by the Owner or its contractors determined as provided above. The County's cost for such repairs shall be determined using the applicable rates used by the Federal Emergency Management Administration for equipment and personnel and the County's actual cost of materials. Owner agrees to pay the cost of any such repairs within 30 days of the date Owner is billed for such services by the County and all relevant documentation for such services is provided to Owner.

(d) To the extent necessary, the County recognizes that electrical lines will be installed within the county road right-of-way as a necessary component of the project. Such installations are authorized and approved by the County subject to the following requirements:

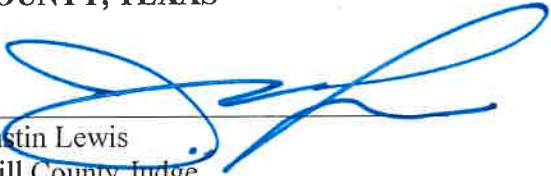
- (i) Owner will utilize GPS or other suitable surveying methods to locate all bore or trench installations, and adequately mark the location of such electrical lines.
- (ii) Owner will bury all electrical lines at a depth of not less than four feet (4') below grade.
- (iii) Electrical collection cable installed beneath any road shall be encased in SDR 13.5 HDPE or equivalent for all road bores.
- (iv) Owner is responsible for all utility checks and locations.

- (v) The location of all electrical lines must be approved by the County Engineer.

EXECUTED in duplicate originals this 20th day of SEPTEMBER, 2021.

HILL COUNTY, TEXAS

By:


Justin Lewis
Hill County Judge

ATTEST:

By:


County Clerk

EXECUTED in duplicate originals this the 28 day of October, 2021.

HILL SOLAR I, LLC

By: 

Name: Greg Melton

Title: Owner, Core Solar

Date: 10/29/21

(Written Consent of Members and Resolution, attached)

EXHIBIT A

Description of Premises


No.	Name		Parcel ID	Legal Description
1	YANCEY-CUNNINGHAM FAMILY LP	FM 934, ITASCA, 76055	118739	J PENNINGTON A-742 TR 1, 1A & 2 316.277 AC
2	YANCEY-CUNNINGHAM FAMILY LP	ITASCA, 76055	118369	J HALL A-457 TR 2 & 2A 80.38 AC
3	YANCEY-CUNNINGHAM FAMILY LP	ITASCA, 76055	119098	S A COOK A-1043 TR 9 & 10 632.348 AC
4	4K RICHLAND CREEK RANCH LP		119095	S A COOK A-1043 TR 6 120.00 AC
5	4K RICHLAND CREEK RANCH LP	HCR 4307	119137	MCCAULEY A-1171 TR 3 35.41 AC
6	4K RICHLAND CREEK RANCH LP	HCR 4307	118603	WM MCDONALD A-568 TR 1 138.55 AC
7	4K RICHLAND CREEK RANCH LP	HCR 4307/ 4310	119094	S A COOK A-1043 TR 5 47.45 AC
8	4K RICHLAND CREEK RANCH LP		119097	S A COOK A-1043 TR 8, 11 & 17 466.687 AC
9	4K RICHLAND CREEK RANCH LP	HCR 4311, ITASCA, 76055	118366	HT&BRR A-449 TR 1 & 2 590.60 AC
10	4K RICHLAND CREEK RANCH LP		119097	S A COOK A-1043 TR 8, 11 & 17 466.687 AC
11	ROSSON RANCHES	HCR 4311 / HCR 4323 / PR 423, MILFORD, 76670	119104	S A COOK A-1043 TR 2A & 2C 824.73 AC
12	ROSSON RANCHES	PR 423, MILFORD, 76670	118591	W MERRIWETHER A-564 TR 1 278.00 AC
13	ROSSON RANCHES	HCR 4251, MILFORD, 76670	148523	J ALLEN A-25 TR 3A 21.29 AC
14	ROSSON RANCHES	PR 423, MILFORD, 76670	118592	W MERRIWETHER A-564 TR 2 127.18 AC
15	ROSSON E C JR	HCR 4323 & PR 423, MILFORD, 7670	143516	W MERRIWETHER A-564 TR 3C 67.226 AC
16	ROSSON E C JR	HCR 4323, MILFORD, 76670	141516	W MERRIWETHER A-564 TR 3B 7.552 AC
17	ROSSON RANCHES	FM 2959 & HCR 4323, MILFORD, 76670	118593	W MERRIWETHER A-564 TR 3 147.272 AC
18	ROSSON RANCHES	FM 2959 / HCR 4323 / HCR 4333, MILFORD, 76670	103657	W MERRIWETHER A-564 TR 4 502.56 AC
19	DAVIS J LYNN & LENA	HCR 4333, MILFORD, 76670	119101	S A COOK A-1043 TR 13 442.051 AC
20	DAVIS J LYNN & LENA	HCR 4333, MILFORD, 76670	117829	W ARMSTRONG A-23 TR 2 29.31 AC
21	DAVIS J LYNN & LENA	HCR 4333, MILFORD, 76670	118001	J CARROLL A-147 TR 1 - 3 269.304 AC
22	4K RICHLAND CREEK RANCH LP	FM 934 / HCR 4311, MILFORD, 76670	121191	D C BROOKS A-1070 TR 1 596.20 AC



CORE SOLAR
 1221 S. Mopac Expy, Ste 225,
 Austin, TX 78746
 Coresolarllc.com

Figure 1

LEGEND
 Proposed Reinvestment Zone
 Numbered Parcel Boundary

Project Location: Hill County, Texas
 0 0.25 0.5 mi

Hill Solar I, LLC
 Prepared by: Jared Feske Date: 6/2/2021

The boundary of the proposed Reinvestment Zone is delineated by the outside boundary lines of the outermost parcels forming the approximately 5,607 acre unit intended for production of solar energy. Not all parcels may be part of the project.

EXHIBIT B
Description of Additions and Improvements (the “Project”)

Hill Solar 1, LLC is proposing to construct a solar electric generating facility in Hill County, Texas. The facility, which will encompass 5,607 acres across 22 parcels of land.

The facility itself is expected to have a total capacity of 400 MW AC and will feature.

- Solar Modules & Panels
- Inverter Boxes
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Storage Devices
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities
- Power Conditioning Equipment

EXHIBIT C
GREEN ENERGY ABATEMENT SCHEDULES

Appendix 1.

Clean Energy. This category generally provides limited job creation and involves rapid depreciation in value for property tax purposes. Therefore, standard Abatement Periods and Percentages are set. The minimum Capital Investment to be considered for Green Energy Abatement is \$20,000,000.

Between \$20,000,000 and \$50,000,000 of Capital Investment

Abatement Year	Abatement Percentage
1	50%
2	50%
3	40%
4	40%
5	35%
6	20%

Between \$50,000,000 and \$100,000,000 of Capital Investment

Abatement Year	Abatement Percentage
1	50%
2	50%
3	50%
4	45%
5	40%
6	40%
7	30%

Between \$100,000,000 and \$200,000,000

Abatement Year	Abatement Percentage
1	70%
2	60%

3	55%
4	55%
5	50%
6	50%
7	40%
8	40%
9	40%
10	30%

Greater than \$200,000,000 of Capital Investment

Abatement Year	Abatement Percentage
1	70%
2	70%
3	65%
4	60%
5	55%
6	50%
7	45%
8	40%
9	40%
10	30%

Tab 17

Signature and Certification Page

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 Michael Stevens Superintendent
Print Name (Authorized School District Representative)
sign here [Signature] Date 4/14/22
Signature (Authorized School District Representative)

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 Greg Nelson President
Print Name (Authorized Company Representative (Applicant))
sign here [Signature] Date 4/12/22
Signature (Authorized Company Representative (Applicant))



(Notary Seal)

GIVEN under my hand and seal of office this, the 12 day of April, 2022
[Signature]
Notary Public in and for the State of Texas
My Commission expires: 7-23-2024

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.