

AUG 11 2020

RESOLUTION #16,276

JENNIFER LINDENZWEIG
County Clerk, Hunt County, TX
By [Signature]

A RESOLUTION OF THE HUNT COUNTY COMMISSIONERS COURT, OF HUNT COUNTY, TEXAS, APPROVING A TAX ABATEMENT AGREEMENT WITH BT SIGNAL RANCH, LLC (the "TAX ABATEMENT AGREEMENT") PURSUANT TO THE REQUIREMENTS OF CHAPTER 312 OF THE TEXAS TAX CODE AND THE GUIDELINES AND CRITERIA FOR TAX ABATEMENT IN A REINVESTMENT ZONE CREATED IN HUNT COUNTY AND SETTING AN EFFECTIVE DATE.

WHEREAS, in accordance with Chapter 312 of the Texas Tax Code, the Commissioners Court of Hunt County, Texas has conducted a public hearing on the designation of certain real property within Hunt County, containing approximately 229.69 acres of land being a part of the Mary Latham Survey, Abstract No. 597 and being known as Parcel ID Nos. 28818, 120707 and 113228, Hunt County, Texas, with the property description contained in the Tax Abatement Agreement, which Tax Abatement Agreement is attached hereto and incorporated herein as Exhibit "A", and which property is contained in the reinvestment zone known as HUNT COUNTY REINVESTMENT ZONE NO. 9 under the said chapter; and

WHEREAS, the Commissioners Court of Hunt County has found that the designation would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property within Hunt County, containing approximately 229.69 acres of land being a part of the Mary Latham Survey, Abstract No. 597 and being known as Parcel ID Nos. 28818, 120707 and 113228, Hunt County, Texas, with the property description contained in the Tax Abatement Agreement and would contribute to the economic development of the County; and

WHEREAS, in accordance with Section 5 of the Guidelines and Criteria for Tax Abatement in a Reinvestment Zone created in Hunt County, the Commissioners Court of Hunt County has conducted a public hearing on the Tax Abatement Agreement, attached to this resolution as Exhibit "B," accompanying the real property within Hunt County, containing approximately 229.69 acres of land being a part of the Mary Latham Survey, Abstract No. 597 and being known as Parcel ID Nos. 28818, 120707 and 113228, Hunt County, Texas, with the property description contained in the Tax Abatement Agreement; and

WHEREAS, the Commissioners Court of Hunt County has found that entering into the Tax Abatement Agreement would not have a substantial adverse effect on the provision of government service or tax base, the parties to the agreement have sufficient financial capacity, the planned or potential use of the property would not constitute a hazard to public safety, health or morals, or the planned or potential use of the property would not a violation of other codes or laws.

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

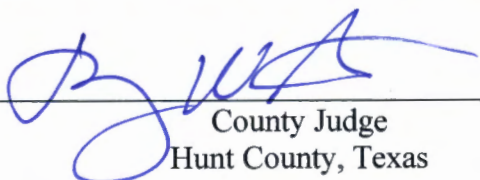
Section 1. Findings. The statements contained in the preamble to this Resolution are true and correct and are hereby adopted as findings of fact and as part of the operative provisions hereof.

Section 2. Designation of Reinvestment Zone. The Hunt County Commissioners Court, having held a public hearing and made the required findings pursuant to Texas Tax Code § 312.401, hereby enter a Tax Abatement Agreement with BT Signal Ranch, LLC accompanying real property located in HUNT COUNTY REINVESTMENT ZONE NO. 9.


Section 3. Tax Abatement Agreement. The Hunt County Commissioners Court, having held a public hearing and made the required findings pursuant to Section 5 of the Guidelines and Criteria for Tax Abatement in a Reinvestment Zone created in Hunt County, hereby resolves to enter into the Tax Abatement Agreement, attached to this resolution as Exhibit "B," accompanying approximately 229.69 acres of land being a part of the Mary Latham Survey, Abstract No. 597 and being known as Parcel ID Nos. 28818, 120707 and 113228, Hunt County, Texas, with the property description contained in the Tax Abatement Agreement.

Section 4. Setting an Effective Date. This Resolution shall take effect immediately upon approval.


The foregoing Resolution was read and adopted on August 11, 2020.



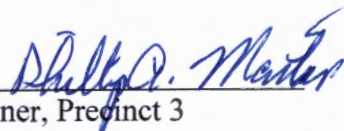
County Judge
Hunt County, Texas



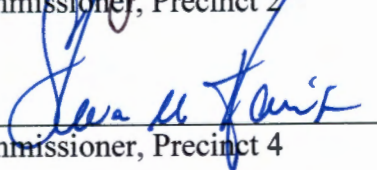
Commissioner, Precinct 1



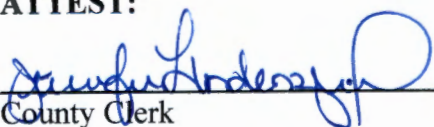
Commissioner, Precinct 2



Commissioner, Precinct 3



Commissioner, Precinct 4

ATTEST:


County Clerk
Hunt County, Texas



This agreement is authorized by the Texas Property Redevelopment and Tax Abatement Act, Texas Tax Code, Chapter 312, as amended ("Act"), and is subject to the laws of the State of Texas and the charter, ordinances, and orders of the County.

II. DEFINITIONS

As used in this agreement, the following terms shall have the meanings set forth below:

1. "Abatement" means the full or partial exemption from ad valorem taxes of certain improvements on certain real property and personal property in a reinvestment zone designated by Hunt County for economic development purposes pursuant to the Act.
2. "Affected Jurisdiction" means Hunt County, Texas.
3. "Added Value" means the increase in the assessed value of the Eligible Property as a result of the construction of the Facility on the Property. It does not mean or include "deferred maintenance".
4. "Base Year Taxable Value" means the market value of the Property on January 1, 2020, and not its taxable value as agricultural land.
5. "Completion Date" means the date that the construction and installation of the Facility is substantially complete as certified by the Company to the County. The anticipated Completion Date is approximately May 31, 2023 with the understanding that the Company will use all reasonable efforts to substantially complete the project by May 31, 2022.
6. "Eligible Property" means buildings, structures, fixed machinery and equipment, site improvements, installed, constructed, or added to the Facility between the effective date of this Agreement and the Completion Date, which are eligible for Abatement hereunder.
7. "Facility" means the approximately 50MWac photovoltaic power generation facility in which Company anticipates approximately 128,000 solar panels will be used or other such similar facility approved by the County, as set forth in the Guidelines and Criteria for Granting Tax Abatement adopted by the County.
8. "Force Majeure" means any contingency or cause beyond the reasonable

control of a party that causes a direct and material delay in the Company's ability to timely perform its obligations hereunder including, without limitation, direct and material delays as a result of acts of God or the public enemy, war, riot, civil commotion, insurrection, materially adverse weather, government or de facto governmental action (unless caused by acts or omissions of such party), fires, explosions or floods, strikes, or material slowdowns or work stoppages beyond the control of the Company.

- 9. "Start Date" means January 1 of the calendar year immediately following the Completion Date.
- 10. "Taxable Value" means the appraised value, for property tax purposes, as certified by the Hunt County Appraisal District.

The Guidelines and Criteria for Granting Tax Abatement adopted by the Company ("Guidelines") are incorporated as a part of this Agreement, except as the same may be modified herein with such modifications qualifying as approved variance requests under the Guidelines.

III. PROPERTY

The Property is an area near Cash, Hunt County, Texas located in Hunt County Reinvestment Zone No. 9 within the jurisdiction of Hunt County, Texas, as more fully described in Exhibit "A," attached hereto and made a part hereof.

IV. TERM OF ABATEMENT AND PAYMENT IN LIEU OF TAXATION

A. Abatement: Subject to the terms and conditions of this Agreement, the County agrees to abate the ad valorem taxes on the Facility. The Abatement is only for County ad valorem taxes and only for the increases in Taxable Value created by the improvements and additions to the Property by the Facility. Any increases to the Taxable Value of the Property by virtue of natural appreciation, due to change in use and/or made after the Completion Dates is not eligible for abatement. The Abatement shall be effective beginning on the January 1st valuation date immediately following the Completion Date (the "Start Date") and shall continue for ten (10) years expiring as of December 31st of the tax year that is ten (10) years after the Start Date (the "Abatement Term") provided, however, that for the entirety of the Abatement Term the Company shall timely pay to the County (as described hereinbelow) a payment in lieu of taxation.

B. Term: In exchange for the payments in lieu of taxation, the County agrees to abate the Company's county ad valorem property taxes for the Abatement Term as follows:

Year One	100%	Year Six	100%
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Year Two	100%	Year Seven	100%
Year Three	100%	Year Eight	100%
Year Four	100%	Year Nine	100%
Year Five	100%	Year Ten	100%

C. Payment in Lieu of Taxation

1. In exchange for the Abatement hereunder and in lieu thereof, the Company agrees to timely pay to Hunt County an amount equal to \$800 per MW for each MW of power capable of being produced and sold by the Company (the “PILOT Payments”). The PILOT Payment amount is based on the Company’s intention to invest approximately Fifty Million and No/100 Dollars (\$50,000,000.00) into the Facility and the County (the “Anticipated Investment Amount”). Should the Company, for a reason beyond its control and after pursuing all available remedies, be unable to meet its Anticipated Investment Amount the PILOT Payments will, with the written consent of the County, such consent not to be unreasonably withheld, be recalculated based on the Company’s actual investment amount.. Once the Anticipated Investment Amount is final and the PILOT Payment fixed, the amount of the PILOT Payment will not change for the duration of the Abatement Term.

2. PILOT Payments shall be paid to the County annually on the same schedule and in the same manner as if the Company were paying the County’s standard ad valorem taxes rather than a payment in lieu of taxation.

V. CONTEMPLATED IMPROVEMENTS

The Company represents that it will develop, construct, install and operate facilities, equipment, fixtures and personal property additions to the Property to create a renewable energy project using solar panels for the generation of electricity. The Facility is expected to be an approximately 50MWac photovoltaic power generation facility using approximately 128,000 solar panels and the PILOT payment amount and abatement term are based on that Anticipated Investment Amount. During the construction of the Facility, the Company may make such change orders as to the project as are reasonably necessary, provided that no such change order may be made which will change the qualification of the project as a “Facility” under the Guidelines for Granting Tax Abatement approved by the County and provided that advance notice of the same is given to the County in writing and that changes that decrease the Company’s Anticipated Investment Amount are subject to reasonable approval pursuant to Paragraph (IV)(C)(1)

hereinabove. All improvements shall be completed in accordance with all applicable laws, ordinances, rules or regulations. During the term of this Agreement, use of the Property shall be limited to operation of the Facility described herein consistent with the general purpose of encouraging development or redevelopment of the zone during the period of this Agreement.

VIII. EVENTS OF DEFAULT, NOTICE AND CURE PERIODS AND RECAPTURES

A. EVENTS OF DEFAULT: The following shall be Events of Default hereunder:

1. Discontinued or Reduced Operation During Term of Agreement. In the event that the Facility is completed and begins operation, but subsequently discontinues operation for any reason other than a Force Majeure event for a period of six (6) months during the abatement period.

2. Failure to Certify Compliance by the Company. Failure by the Company to certify annually, through a notarized statement to the County and the Hunt County Appraisal District, that the Company is in compliance with each applicable term of this agreement.

3. Delinquent Taxes. The Company's failure to timely pay all unabated property taxes and rollback taxes applicable to the Property. In the event that the that the Company: (1) allows its ad valorem taxes owed the County to become delinquent and fails to cure during the Cure Period or timely and properly file the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the Cure Period.

4. Failure to pay PILOT Payments. The Company's failure to timely pay PILOT payments hereunder and fails to cure during the Cure Period.

5. Violation of Term and Condition of the Agreement. The Company's violation of any term or condition of this Agreement and failure to cure during the Cure Period.

B. NOTICE AND CURE PERIOD

Should the County and/or the Hunt County Appraisal District determine that an Event of Default has occurred under this Agreement, it shall notify the Company in writing at the address stated in this Agreement that the Company is in default hereunder ("Notice of Default"). The Company shall have sixty (60) days from the date of the Notice of Default to cure the Event of Default (the "Cure Period").

C. TERMINATION OF AGREEMENT AND RECAPTURE

1) Termination and Recapture. In the event the Company fails to cure any Event of Default to the reasonable satisfaction of the County during the Cure Period, then this Agreement may be terminated by written notice to the Company at the address provided herein (the "Termination Letter") and the taxes abated by virtue of the Agreement will be recaptured and paid as provided herein.

The taxes otherwise abated for that calendar year shall be paid to the County within sixty (60) days from the date of termination and, for the remainder of the Abatement term, on the applicable due dates for such unabated taxes. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty (60) day notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

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2) Challenge of Termination: If the Company believes that a Notice of Default or a Notice of Termination hereunder was improperly issued, the Company may file suit in the Hunt County district courts appealing the same within sixty (60) days of the issuance of such notice by the County, in which case any Cure Period currently running will toll, and shall not be considered for any purpose as having run, until the issuance of a final court decision or other final resolution of such court proceeding. If an appeal suit is filed, the Company shall remit to the County, within sixty (60) days after the issuance of such notice, any additional and/or recaptured taxes as may be payable during the pendency of the litigation which are not in dispute pursuant to the payment provision of Section 42.08, Texas Tax Code. If the final determination of the appeal increases the Company's tax liability above the amount of tax paid, the Company shall remit the additional tax to the County pursuant to Section 42.42, Texas Tax Code. If the final determination of the appeal decreases the Company's tax liability, the County shall refund the Company the difference between the amount of tax paid and the amount of tax for which owner is liable pursuant to Section 42.43, Texas Tax Code.

VII. ADMINISTRATION

The Company shall allow employees and/or representative(s) of the County to have access to the Property during the term of this Agreement to inspect the facility to determine compliance with the terms and conditions of this Agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the Company and in accordance with the Company's safety standards.

Upon completion of construction, the County shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

The Chief Appraiser of the Hunt County Appraisal District shall annually determine (i) the taxable value of the real and personal property comprising the Property, taking in to consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the real and personal property comprising the Property. The Chief Appraiser shall record both the abated taxable value and the full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Company shall furnish the Chief Appraiser with such information outlined in Chapter 22, Texas Tax Code, as amended, and as may be necessary for the administration of the Agreement specified herein.

VIII. ASSIGNMENT

The Company may assign its rights, duties, and/or obligations under this Agreement, in whole or in part, (i) with notice to, but without the consent of the County, if the assignment is to an entity controlled by, controlling, or under common control with the Company (any such entity, an "Affiliate"), or (ii) to any other entity, including to a new owner of the same Facility, upon the approval by resolution of the County, subject to the financial capacity of the assignee, and provided that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in this Agreement, guaranteed by the execution of a new contractual agreement with the County. Any assignee of this Agreement shall have the same obligations, including to provide substantially the same improvements to the Property, except to the extent such improvements have been completed. No assignment required to be approved by the County shall be approved if the Company or any assignee are indebted to the County for ad valorem taxes or other obligations. Approval shall not be unreasonably withheld.

IX. NOTICE

Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when deposited with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, with the United States Postal Service, addressed to the County or the Company at the following addresses. If mailed, any notice or communication shall be deemed to be received three days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

To the Company:

BT Signal Ranch, LLC

13612 Midway Road, Suite 200

Farmers Branch, TX 75244

Attention: Lloyd Pope, President

To the County:

Hunt County

Attention: County Judge

2507 Lee Street

Greenville, Texas 75401

Either party may designate a different address by giving the other party ten (10) days written notice.

This agreement has been executed by the parties in multiple originals or counterparts, each having full force and effect.

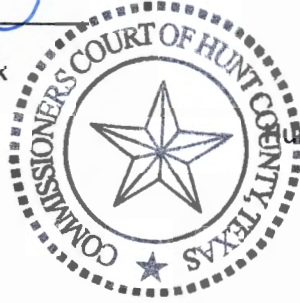
Executed this the _____ day of _____, 2020.

WITNESS:

COUNTY:

Jennifer Lindenzweig

Jennifer Lindenzweig, County Clerk
Hunt County, Greenville, Texas



Bobby Stovall

Bobby Stovall, County Judge
Hunt County, Greenville, Texas

APPROVED AS TO FORM:

Daniel Ray, County Civil Attorney
Hunt County
Greenville, Texas

WITNESS:

COMPANY:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT "A"

PROPERTY DESCRIPTION

Being all that certain lot, tract or parcel of land situated in the City of Greenville, Hunt County, Texas, having a center line of latitude 32.983050/longitude -96.089676, containing approximately 229.69 acres and being more particularly described as.

Tract 1 (the "Morrison Parcel")

All that certain lot, tract or parcel of land lying and being situated in Hunt County, Texas and being a part of the Mary Latham Survey, Abstract number 597 and being all of that called 25.00 acre tract of land described in deed to Charley Morrison record in Volume: 881, Page 143, Official Public Records, Hunt County, Texas and being more fully described by metes and bounds as follows:

BEGINNING at the Southwest corner of said 25.00 acre tract and being the Southeast corner of a called 273.063 acre tract of land described in deed to Signal Ranch, LP recorded in Instrument number 2012-13739, Official Public Records, Hunt County, Texas and being in the approximate center of County Road 3504;

THENCE along the common line of said 273.063 acre tract and this tract, North 00 degrees 28 minutes 50 seconds West, 2424.61 feet to a capped iron rod found at the Northwest corner of said 25.00 acre tract and the Southwest corner of said 60.00 acre tract;

THENCE North 89 degrees 45 minutes 22 seconds East, 461.91 feet to a 1/2 inch iron rod found;

THENCE South 00 degrees 05 minutes 23 seconds West, 2422.94 feet to a 1/2 inch iron rod found at the Southeast corner of said 25.00 acre tract and being in the approximate center of said County Road 3504;

THENCE along said center, South 89 degrees 32 minutes 05 seconds West, 437.78 feet to the PLACE OF BEGINNING and containing 25.03 acres of land more or less.

Together With:

Tract 2 (the "Signal Ranch Parcel")

All that certain lot, tract or parcel of land lying and being situated in Hunt County, Texas and being a part of the Mary Latham Survey, Abstract number 597 and being a part of that called 273.063 acre tract of land described in deed to Signal Ranch LP recorded in Instrument number 2012-13739, Official Public Records, Hunt County, Texas being more fully described by metes and bounds as follows:

BEGINNING at the Southeast corner of said 273.063 acre tract and being the Southwest corner of a called 25.00 acre tract of land described in deed to Charley Morrison recorded in Volume 881, Page 143, Official Public Records, Hunt County, Texas and being in the approximate center of County Road 3504;

THENCE along said center, South 89 degrees 32 minutes 05 seconds West, 2494.26 feet to the Southwest corner of said 273.063 acre tract;

THENCE North 00 degrees 27 minutes 49 seconds West, passing a 1/2 inch iron rod found at 20.04 feet, continuing in all a total distance of 1703.78 feet to a point for corner;

THENCE North 89 degrees 41 minutes 03 seconds East, 770.27 feet to a metal fence corner post;

THENCE North 00 degrees 05 minutes 01 seconds West, 2730.65 feet to a point for corner;

THENCE North 89 degrees 59 minutes 23 seconds East, 1705.87 feet to a point in the East line of said 273.063 acre tract;

THENCE South 00 degrees 26 minutes 41 seconds East, 1994.20 feet to a capped iron rod found at the Northwest corner of the aforementioned 25.00 acre tract;

THENCE along the common line of said 25.00 acre tract and this tract, South 00 degrees 28 minutes 50 seconds East, passing a 1/2 inch iron rod found at 2393.07 feet, continuing in all a total distance of 2424.61 feet to the PLACE OF BEGINNING and containing 204.66 acres of land more or less.