

# **Tax Abatement Agreement between Trinity Valley Community College and Lily Solar LLC**

*State of Texas*

*County of Kaufman*

This Tax Abatement Agreement (this “**Agreement**”) is made and entered into by and between Trinity Valley Community College (the “**College**”), acting through its duly elected officers, and Lily Solar LLC, a Texas limited liability company, owner of Eligible Property (as defined below) to be located on a portion of the tract of land within the Lily Solar Reinvestment Zone (as defined below). This Agreement becomes effective upon final signature by both parties (the “**Effective Date**”) and remains in effect until fulfillment of the obligations described in Section IV herein, unless terminated earlier as provided herein.

## **Recitals**

WHEREAS, the College has previously indicated its election to be eligible to participate in tax abatements by resolution;

WHEREAS, the College established Tax Abatement Guidelines and Criteria (the “**Guidelines**”) in a resolution dated April 27, 2020, a copy of which is attached as Attachment B to this Agreement;

WHEREAS, the Board of Trustees of the College (the “**Board of Trustees**”) desires to promote economic development within its jurisdiction as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Tax Code § 312.001, *et seq.*), and the Guidelines;

WHEREAS, the Commissioners Court of Kaufman County, Texas (the “**County**”) created the Lily Solar Reinvestment Zone, and a copy of the resolution designating the reinvestment zone is attached as Attachment A to this Agreement; and

WHEREAS, entering into this Agreement will serve the best interests of the College and its citizens and comply with the Guidelines by:

- A. enhancing and diversifying the economic and industrial bases of the College;
- B. contributing to the retention and expansion of primary employment; and
- C. attracting major investment that will be of benefit to and contribute to the economic development of the College;

WHEREAS, the contemplated use of the Site (as defined below) and the contemplated Project and Improvements (as defined below) as set forth in this Agreement, and the other terms of this Agreement will encourage development of the Reinvestment Zone, are in accordance with the purposes for its creation, and are in compliance with the Guidelines and all applicable laws;

WHEREAS, Owner's (as defined below) use of the Site is expected to favorably influence the economic and employment base of the College;

WHEREAS, the College finds that the Project and Improvements sought are feasible and practical and will be of benefit to the real property located in the Reinvestment Zone, to the Site, and to the College after expiration of this Agreement;

WHEREAS, the College finds that the terms of this Agreement and the proposed Project and Improvements and Eligible Property subject to this Agreement meet the Guidelines;

WHEREAS, as required by Texas Tax Code § 312.207(c), notice of the meeting in which this Agreement was approved by the Board of Trustees was posted more than 30 days in advance of such meeting in accordance with said section of the Texas Tax Code;

NOW, THEREFORE, in consideration of these Recitals, premises, the promises, mutual covenants, and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the College and Owner agree as follows:

## I. Authorization

This Agreement is authorized and governed by Chapter 312 of the Texas Tax Code, as amended, and by the Guidelines.

## II. Definitions

As used in this Agreement, the following terms shall have the meaning set forth below:

- A. "**Abatement**" means the full or partial exemption from ad valorem taxes on property in a Reinvestment Zone as provided herein and in no event can the duration of the Abatement period exceed ten (10) years.
- B. "**Base Year**" means the Calendar Year in which the Effective Date occurs.
- C. "**Calendar Year**" means each year beginning on January 1 and ending on December 31.
- D. "**Certificate**" means a letter, provided by Owner to the College, certifying that the Project and Improvements has achieved Commercial Operations, describing the Project and Improvements in detail and stipulating the overall Nameplate Capacity of the Project and Improvements. Upon receipt of the Certificate, the College may inspect the property in

accordance with this Agreement to determine that the Project and Improvements are in place as certified. If the Certificate indicates that certain ancillary facilities not required for Commercial Operations are still under construction on the date that the Certificate is delivered, Owner will deliver an amended Certificate to the College within thirty (30) days after all Project and Improvements construction is complete.

- E. **“Certified Appraised Value”** means the appraised value, for property tax purposes, of the property within the Reinvestment Zone as certified by the Kaufman County Appraisal District (the **“Appraisal District”**) for each taxable year.
- F. **“COD”** means the date that the Project and Improvements commence Commercial Operations.
- G. **“Commercial Operations”** means that the Project and Improvements have become commercially operational and placed into service for the purpose of generating electricity for sale in one or more commercial markets.
- H. **“Eligible Property”** means property eligible for Abatement under the Guidelines, including: new, expanded or modernized buildings and structures; fixed machinery and equipment; Site improvements; related fixed improvements; other tangible items necessary to the operation and administration of the Project and Improvements; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code and the Guidelines. Taxes on Real Property may be abated only to the extent the property’s value for a given year exceeds its value for the year in which this Agreement is executed. Tangible personal property located on the Real Property at any time before the period covered by this Agreement is not eligible for Abatement. Tangible personal property eligible for Abatement shall not include inventory or supplies.
- I. **“Force Majeure”** includes events not reasonably within the control of the party whose performance is sought to be excused thereby, including the following causes and events (to the extent such causes and events are not reasonably within the control of the party claiming suspension): acts of God and the public enemy; strikes; lockouts or other industrial disturbances; inability to obtain material or equipment or labor due to an event that meets the definition of Force Majeure; wars; blockades; insurrections; riots; epidemics and pandemics; lightning; earthquakes; fires; floods; high water washouts; interruptions by government or court orders; present or future orders of any regulatory body; civil disturbances; explosions; or any other event that is beyond the reasonable control of the party claiming Force Majeure. Notice of any Force Majeure event must be given by Owner immediately, and in no event after sixty (60) days of any such event, or it is waived.
- J. **“Owner”** means Lily Solar LLC, the entity that owns or leases the Real Property for which Abatement is being granted, and any permitted assignee or successor in interest of Lily Solar LLC. The term **“Lily Solar LLC”** means and includes Owner. An **“Affiliate”** of an Owner means any entity that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with such

Owner. For purposes of this definition, “control” of an entity means (i) the ownership, directly or indirectly, of fifty percent (50%) or more of the voting rights in a company or other legal entity or (ii) the right to direct the management or operation of such entity whether by ownership (directly or indirectly) of securities, by contract or otherwise.

K. “**Payments In Lieu of Taxes**” or “**PILOTS**” means the payments to be made by Owner to the College described in Section IV(D) of this Agreement.

L. “**Project and Improvements**” means Eligible Property meeting the definition for improvements provided by Chapter 1 of the Texas Tax Code and includes, without limitation, any building, structure, or fixture erected on or affixed to the land. The Project and Improvements specifically include Owner’s fixed machinery, equipment and process units that may consist of solar panels, substations and switching stations, underground and overhead electrical distribution and transmission facilities, transformers, appurtenant electric equipment, communication cable, and data collection facilities to be installed, added, upgraded, or used on the Site by or for Owner and located in the College. The proposed Project and Improvements are described in Attachment C to this Agreement, which is fully incorporated herein as part of this Agreement.

M. “**Real Property**” means Eligible Property meeting the description for real property provided by Chapter 1 of the Texas Tax Code.

N. “**Reinvestment Zone**” means the Lily Solar Reinvestment Zone, the reinvestment zone (as that term is defined in Chapter 312 of the Texas Tax Code) created by the County and more specifically described in Attachment A to this Agreement. The fact that the designation of the Reinvestment Zone may expire before this Agreement shall not affect the terms and condition of this Agreement.

O. “**Site**” means the portion of the Reinvestment Zone on which Owner constructs the Project and Improvements for which the Abatement is granted hereunder. The Site is described on Attachment C to this Agreement.

P. “**Nameplate Capacity**” means the generating capacity of the Project and Improvements (in megawatts ac) as designated by the manufacturer(s) of the solar panels to be included in the Project and Improvements hereunder and where appropriate may refer to the total or overall generating capacity.

Q. “**Lender**” means any entity or person providing, directly or indirectly, including an assignee of an initial Lender, with respect to the Project and Improvements any of (a) senior or subordinated construction, interim or long-term debt financing or refinancing, whether that financing or refinancing takes the form of private debt, public debt, or any other form of debt (including debt financing or refinancing), (b) a leasing transaction, including a sale leaseback, inverted lease, or leveraged leasing structure, (c) tax equity financing, (d) any interest rate

protection agreements to hedge any of the foregoing obligations, and/or (e) any energy hedge provider. There may be more than one Lender. Owner, at its election, may send written notice to the College with the name and notice information for any Lender.

### **III. Improvements in Reinvestment Zone**

Owner agrees to construct the following Project and Improvements in consideration for the Abatement set forth in Section IV of this Agreement:

- A. Owner is proposing to construct a Project and Improvements on the Site consisting of a solar power electric generation facility with a Nameplate Capacity of up to 146 megawatts (AC) of solar energy generation with a possible additional 50 megawatts of battery energy storage capacity located in the Reinvestment Zone. If constructed, the Project and Improvements shall not differ materially from the description in Attachment C hereto. It is anticipated that, if built to its maximum capacity and based on current estimated equipment costs, the solar power electric generation facility will require a capital investment of approximately one hundred forty-five million dollars (\$145,000,000). The Certified Appraised Value will depend upon annual appraisals by the Appraisal District and may be more than or less than the amount stated herein.
- B. “Project and Improvements” also shall include any other property on the Site meeting the definition of “Eligible Property” that is used to produce solar electrical power and perform other functions related to the production, distribution and transmission of electric power, and specifically including the battery storage equipment. The College agrees, without limitation, that the solar panels, transmission lines, substations, and other related materials and equipment affixed to the land will constitute the Project and Improvements under this Agreement.
- C. Owner agrees that the Project and Improvements shall achieve Commercial Operations on or before December 31, 2022.
- D. If constructed, the Project and Improvements shall not differ materially from the description in Attachment C hereto. It is anticipated that, if built to its maximum capacity and based on current estimated equipment costs, the solar power electric generation facility will require a capital investment of approximately one hundred forty-five million dollars (\$145,000,000). Owner’s construction of improvements that differ materially from the description in Attachment C is a material breach of this Agreement.
- E. Owner agrees and covenants that it shall diligently pursue the completion of the Project and Improvements, and that all such construction shall be in compliance with applicable federal, state and local laws and the stated purpose of the Reinvestment Zone.
- F. Owner shall provide a certification to College each year of the Abatement, no later than March 31, of the costs associated with the Project and Improvements for the time period

up to March 31 (from the beginning of the construction/costs in year one and from the date of the last certification for the remaining years). Such certification shall be supported by all necessary documentation, which documentation shall be retained by Owner for at least four (4) years after the Abatement period ends or termination of this Agreement, whichever is later, and shall be made available to College for inspection and/or audit upon reasonable request. All such certifications shall be deemed to be incorporated herein as part of this Agreement. Owner's Abatement may be denied, and this Agreement terminated if Owner fails to timely provide such certification and/or supply the supporting documentation as set forth herein, as such certification requirements are a material term hereunder.

#### **IV. Term and Portion of Tax Abatement; Taxability of Property**

- A. The College and Owner specifically agree and acknowledge that the property on the Site within the Reinvestment Zone shall be taxable in the following ways before and during the Term of this Agreement:
1. Property not eligible for Abatement, if any, shall be fully taxable at all times;
  2. The Certified Appraised Value of property existing on the Site prior to execution of this Agreement shall not be subject to this Agreement and shall be fully taxable at all times;
  3. Prior to commencement of the Abatement period designated in Section IV(B), 100% of property taxes levied on the Certified Appraised Value of real and personal property of Owner located on the Site will be owed and payable by Owner;
  4. All categories of College property taxes on the Certified Appraised Value of Eligible Property shall be abated for the periods and in the amounts as provided for by Section IV(B) below; and
  5. 100% of the Certified Appraised Value of Eligible Property existing on the Site shall be fully taxable after expiration of the Abatement period designated in Section IV(B), including the remainder of the Term.
- B. The College and Owner specifically agree and acknowledge that this Agreement shall provide for tax Abatement, under the conditions set forth herein, of all categories of College property taxes as follows:
1. Beginning with the Calendar Year after the Calendar Year in which the COD occurs and ending upon the conclusion of ten (10) full Calendar Years thereafter, the Abatement percentage of value of Eligible Property to be abated each year is 100%.

2. The percentage of property taxes set forth in Section IV(B)(1) above on the Certified Appraised Value of the Project and Improvements described in the Certificate (and actually in place on the Site) is abated in the respective period designated in Section IV(B)(1) above.
3. The percentage of property taxes set forth in Section IV(B)(1) above on the Certified Appraised Value of any and all otherwise taxable personal property owned by Owner and located on the Site is abated in the respective period designated in Section IV(B)(1) above.
4. As of January 1 of the Base Year, the value for the proposed Project and Improvements is zero.
5. The Abatement granted under this Agreement shall commence upon January 1 of the Calendar Year after the Calendar Year in which the COD occurs and shall expire at the end of the tenth (10th) Calendar Year thereafter. Owner shall provide the Certificate in writing both to the College and to the Appraisal District within sixty (60) days of the COD. Owner's failure to timely provide the Certificate or any amended Certificate shall be a material breach hereunder. The Certificate shall describe any ancillary facilities not required for Commercial Operations that are still under construction on the date that the Certificate is delivered, and if the Certificate indicates any such facilities exist, Owner will deliver an amended Certificate to the College and to the Appraisal District within thirty (30) days after the construction of the Project and Improvements is complete. Such ancillary facilities, once completed and if eligible, shall become part of the Project and Improvements eligible for the Abatement under this Agreement.
6. If Owner, at its sole election, desires that the ten-year Abatement period commence prior to January 1 of the of the Calendar Year after the Calendar Year in which the COD occurs, then Owner may deliver a notice to the College and the Appraisal District stating such desire (such notice being referred to herein as a "Notice of Abatement Commencement"). If delivered by Owner, the Notice of Abatement Commencement shall contain the following statement: "Owner elects for the ten-year Abatement period to begin on January 1, \_\_\_\_"; the year stated in the Notice of Abatement Commencement shall be the first year of the Abatement period, and the Abatement period shall extend for 9 Calendar Years thereafter. Owner shall only be permitted to deliver a Notice of Abatement Commencement if it anticipates achieving COD during the next Calendar Year. Owner shall still be required to deliver the Certificate on or before the date required in the preceding paragraph.
7. Notwithstanding any statement or implication in this Agreement to the contrary, the parties agree that the Abatement granted hereby shall not extend beyond ten (10) Calendar Years.

- C. A portion or all of the Project and Improvements may be eligible for complete or partial exemption from ad valorem taxes as a result of existing law or future legislation. This Agreement is not to be construed as evidence that no such exemptions shall apply to the Project and Improvements.
- D. As additional consideration for this Abatement, Owner agrees to make an annual Payment in Lieu of Taxes to the College in an amount equal to Forty-One Thousand Six Hundred Eighteen and 00/100 Dollars (\$41,618.00) multiplied by the total Nameplate Capacity included in the Certificate (and actually in place in the Reinvestment Zone) for each of the ten (10) Calendar Years of the Abatement. The first such payment shall be due and payable on January 31 of the Calendar Year immediately following the first Calendar Year of the Abatement, with the remaining nine (9) payments due and payable annually on January 31. By way of illustration, if Year 1 of the Abatement period is 2023, then the PILOT owed for 2023 shall be due and payable on or before January 31, 2024. There shall be a total of ten (10) PILOTs under this Agreement. Past due amounts shall be subject to any and all statutory interest and penalties applicable to the payment and collection of taxes as provided in the Texas Tax Code.
- E. Owner agrees that the Project and Improvements, once constructed, will remain in place until at least fifteen (15) Calendar Years after COD (the period beginning on the Effective Date and ending on the last day of the twentieth Calendar Year after COD is referred to herein as the “**Term**”); provided that nothing herein prevents Owner from replacing equipment or fixtures comprising the Project and Improvements prior to that date, as long as such replacement does not result in a reduction of the Certified Appraised Value of the Project and Improvements. In the event that Owner removes any improvements comprising in the aggregate not more than 20% of the value of the Project and Improvements, Owner’s removal shall not be deemed a default under this Agreement if Owner provides written notice to College of same and pays to the College as liquidated damages for such removal from the Abatement in this Agreement, within thirty (30) days after such removal (automatically and without necessity of action or request by College), all taxes for such removed improvements (which otherwise would have been paid to the College without benefit of a tax Abatement) with interest at the statutory rate under the Texas Tax Code, as amended, but without penalty. Owner’s failure to provide written notice or make any payment required in this paragraph shall be a material breach. **IN THE EVENT OF A BREACH OF THIS SECTION IV(E), THE SOLE REMEDY OF THE COLLEGE, AND OWNER’S SOLE LIABILITY, WILL BE FOR OWNER TO PAY TO THE COLLEGE THE FULL AMOUNT OF ACTUAL TAXES ABATED AT ANY TIME UNDER THIS AGREEMENT ON THE REMOVED IMPROVEMENTS WITH INTEREST, BUT LESS ANY TAX PAYMENTS OR PAYMENTS IN LIEU OF TAXES REMITTED TO THE COLLEGE WITH RESPECT TO THE REMOVED IMPROVEMENTS. IN THE EVENT OF A BREACH OF THIS SECTION IV(E), ANY TAXES DUE BY OWNER SHALL BE SUBJECT TO ANY AND ALL STATUTORY RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE.**

## **V. Representations**



The College and Owner make the following respective representations:

- A. Owner represents and agrees that (i) Owner and its successors and/or assigns will have a taxable interest with respect to the Project and Improvements to be placed on the Site; (ii) construction of the proposed Project and Improvements described in Section III will be performed by Owner, its successors and/or assigns and/or their contractors or subcontractors; (iii) Owner's and its successors' and assigns' use of the property in the Reinvestment Zone will be limited to the use described in this Agreement during the Term; (iv) all representations made in this Agreement and in the Application for Abatement, if any, are true and correct in all material respects to the best of Owner's knowledge; and (v) Owner will make required filings, if any, by Owner with the Office of the Comptroller of Public Accounts and other governmental entities concerning this Agreement that may be required in the future.
- B. The College represents that (i) the College has formally elected to be eligible to grant property tax abatements under Chapter 312 of the Tax Code; (ii) as applicable, (a) no interest in the Project and Improvements or the land on which they are located is held or subleased by a member of the Board of Trustees, or (b) any member of the Board of Trustees that has a potential economic or financial interest in the Project and Improvements or the land on which the Project and Improvements are located has abstained from any vote or decision regarding this Agreement; (iii) the property within the Reinvestment Zone is located within the legal boundaries of the College's taxing jurisdiction; and (iv) the College has made and will continue to make all required filings with the Office of the Comptroller of Public Accounts and other governmental entities concerning this Agreement.

#### **VI. Access to and Inspection of Property by College Employees**

- A. Owner shall allow the College's employees access to the Project and Improvements for the purpose of inspecting any Project and Improvements erected to ensure that the same are conforming to the minimum specifications of this Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving Owner twenty-four (24) hours' notice and shall be conducted in such a manner as to avoid any unreasonable interference with the construction and/or operation of the Project and Improvements. All such inspections shall be made with one (1) or more representatives of Owner in accordance with all applicable safety standards.
- B. Owner shall, on or before March 31 of each Calendar Year starting with the first Calendar Year beginning after Owner delivers the Certificate, certify annually to the College its compliance with this Agreement by providing written testament to the same to the College.

#### **VII. Default, Remedies and Limitation of Liability**

- A. The College may declare a default if Owner breaches any material term or condition of this Agreement. If the College declares a default of this Agreement, this Agreement shall

terminate, after notice and opportunity to cure as provided for below, or the College may modify this Agreement upon mutual agreement with Owner. If Owner believes that such termination was improper, Owner may file suit in the proper court challenging such termination. In the event of default, the College may pursue the remedies provided for in Section VII(C) below or the preceding Section IV(E), as applicable. The College shall not declare a default, and no default will be deemed to have occurred, when the circumstances giving rise to such declaration are the direct result of Force Majeure. Notwithstanding any other provision of this Agreement to the contrary, in the event a party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Agreement (other than any obligation to make payment of any amount when due and payable hereunder), the obligation of such party, so far as it is affected by such Force Majeure, shall be suspended during the continuance of any condition or event of Force Majeure, but for no longer period, and such condition or event shall so far as possible be remedied with all reasonable dispatch. The party prevented or hindered from performing shall give prompt (but in no event later than twenty (20) business days after the occurrence of such event) notice and reasonably full particulars of such event to the other party and shall take all reasonable actions within its power to remove the basis for nonperformance (including securing alternative supply sources) and after doing so shall resume performance as soon as possible. The settlement of strikes or lockouts or resolution of differences with workers shall be entirely within the discretion of the affected party, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes, lockouts or differences by acceding to the demands of the opposing party in such strike, lockout or difference when such course is inadvisable in the reasonably exercised discretion of the affected party.

- B. The College shall notify Owner and any Lender for which Owner has provided contact information to the College of any default in writing in the manner prescribed herein. The College's failure to notify a Lender of a default shall not be a default by College under this Agreement. All contact information for purposes of a notice of default shall be provided to the College. The notice shall specify the basis for the declaration of default, and Owner shall have sixty (60) days from the date of such notice to cure any default, except that where the default is incapable of being cured within sixty (60) days using reasonable business efforts, Owner shall commence performance of the cure within thirty (30) days after receipt of notice and diligently pursue those efforts until the default is cured. Any Lender of which the College has notice shall maintain the right to cure any defect, including any defect caused by an assignee or contractor of Owner during the same cure period identified in the foregoing sentence.
- C. As required by section 312.205 of the Texas Tax Code, if Owner fails to complete the Project and Improvements as provided for by this Agreement or fails to cure a default after proper notice and the expiration of the provided cure period, the College shall be entitled to terminate this Agreement and recapture property tax revenue lost as a result of this Agreement, less any PILOTs paid by Owner to the College, subject to the above provisions regarding notice and right to cure.

D. LIMITATION OF LIABILITY: CANCELLATION OF THIS AGREEMENT (RESULTING IN A FORFEITURE OF ANY RIGHT TO ABATEMENT HEREUNDER BEYOND THE CANCELLATION DATE), RECAPTURE OF PROPERTY TAXES ABATED (BUT LESS ALL PAYMENTS IN LIEU OF TAXES PAID BY OWNER) ONLY AS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED IN SECTION VII(C) OF THIS AGREEMENT, AND/OR RECOVERY OF THE AMOUNTS PROVIDED FOR IN SECTION IV(E) ONLY AS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED IN SECTION IV(E), ALONG WITH ANY REASONABLY INCURRED COSTS AND FEES (INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES), SHALL BE THE COLLEGE'S SOLE REMEDY, AND OWNER'S SOLE LIABILITY, IN THE EVENT OWNER FAILS TO CONSTRUCT THE SPECIFIED PROJECT AND IMPROVEMENTS OR TAKE OTHER ACTION REQUIRED BY THIS AGREEMENT, INCLUDING ANY FAILURE TO PAY AMOUNTS OWED UNDER THIS AGREEMENT. OWNER AND THE COLLEGE AGREE THAT THE LIMITATIONS CONTAINED IN THIS PARAGRAPH ARE REASONABLE AND REFLECT THE BARGAINED FOR RISK ALLOCATION AGREED TO BY THE PARTIES. IN THE EVENT OF A BREACH OF THIS AGREEMENT, ANY AMOUNTS DUE FROM OWNER SHALL BE SUBJECT TO ANY AND ALL STATUTORY RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE.

E. Any notice of default under this Agreement shall prominently state the following at the top of the notice:

**NOTICE OF DEFAULT UNDER TAX ABATEMENT AGREEMENT**

YOU ARE HEREBY NOTIFIED OF THE FOLLOWING DEFAULT UNDER YOUR TAX ABATEMENT AGREEMENT WITH THE COLLEGE. FAILURE TO CURE THIS DEFAULT WITHIN SIXTY (60) DAYS OF NOTICE OR OTHERWISE CURE THE DEFAULT AS PROVIDED BY THIS AGREEMENT SHALL RESULT IN TERMINATION OF THE TAX ABATEMENT AGREEMENT AND MAY INCLUDE RECAPTURE OF TAXES ABATED PURSUANT TO THAT AGREEMENT.

**VIII. Compliance with State and Local Regulations**

Nothing in this Agreement shall be construed to alter or affect the obligations of Owner to comply with any order, rule, statute or regulation of the County or the State of Texas.

**IX. Assignment of Agreement**

A. The rights and responsibilities of Owner hereunder may be assigned in their entirety to an Affiliate without College's prior consent. Owner shall provide notice to the College of any assignment to an Affiliate. Owner's assignment of the Agreement to an Affiliate shall be final only after the execution of a formal assignment document between Owner and the

assignee and the delivery of notice of the execution of such assignment agreement to the College.

- B. The rights and responsibilities of Owner hereunder may be assigned in their entirety to a party other than an Affiliate, but only after obtaining the College's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Any assignment by Owner to a party other than an Affiliate without first obtaining the written consent of the College shall be a default under this Agreement subject to the notice provisions, cure provisions, remedies, and other terms and conditions of Article VII above. Owner shall give the College forty-five (45) days' written notice of any intended assignment to a party other than an Affiliate, and the College shall respond with its consent or refusal within thirty-five (35) days after receipt of Owner's notice of assignment. If the College responds to Owner's notice of assignment with a refusal, the parties agree to work together in good faith to resolve the College's objections to the assignment. Owner's assignment of the Agreement shall be final only after the execution of a formal assignment document between Owner and the assignee and the delivery of notice of the execution of such assignment agreement to the College. Neither Owner's notice of an intended assignment nor the College's formal consent to an intended assignment shall constitute an assignment of the Agreement, and Owner's request for a consent to assignment shall not obligate Owner to assign the Agreement.
- C. No assignment under Paragraph IX(A) or IX(B) shall be allowed if (a) the College has declared a default hereunder that has not been cured within all applicable notice and cure periods, or (b) the assignee is delinquent in the payment of ad valorem taxes owed to the College or any other taxing jurisdiction in the County. Consent to a transfer or assignment requested under Paragraph IX(B) will be subject to the College approving the financial capacity of the transferee/assignee and subject to all conditions and obligations in this Agreement being assumed and guaranteed by the transferee/assignee. The College shall not unreasonably withhold consent to a transfer or an assignment under Paragraph IX(B).
- D. The parties agree that a transfer of all or a portion of the ownership interests in Owner to a third party shall not be considered an assignment under the terms of this Agreement and shall not require any consent of the College.
- E. Upon any assignment and assumption under Paragraph IX(A) or IX(B) of Owner's entire interest in the Agreement, Owner shall have no further rights, duties or obligations under the Agreement. No partial assignments are permitted by Owner.
- F. In addition to its rights under Paragraph IX(A) and IX(B), Owner may, without obtaining the College's consent, mortgage, pledge, or otherwise encumber its interest in this Agreement or the Project and Improvements to a Lender for the purpose of financing the operations of the Project and Improvements or constructing the Project and Improvements or acquiring additional equipment following any initial phase of construction. Owner's encumbering its interest in this Agreement may include an assignment of Owner's rights and obligations under this Agreement for purposes of granting a security interest in this Agreement. In the event Owner takes any of the actions permitted by this subparagraph, it

may provide written notice of such action to the College with such notice to include the name and notice information of the Lender. If Owner provides the name and contact information of a Lender to the College, then the College shall be required to provide a copy to such Lender of all Notices delivered to Owner at the same time that the Notice is delivered to Owner. If Owner does not provide the name and contact information of a Lender to the College in writing, then such Lender shall not have the notice rights or other rights of a Lender under this Agreement.

## **X. Notice**

All notices, demands, or other communications of any type (collectively, “**Notices**” and each individually, a “**Notice**”) given shall be given in accordance with this Section. All Notices shall be in writing and delivered, by commercial delivery service to the office of the person to whom the Notice is directed (provided that that delivery is confirmed by the courier delivery service); by United States Postal Service (USPS), postage prepaid, as a registered or certified item, return receipt requested in a proper wrapper and with proper postage; by recognized overnight delivery service as evidenced by a bill of lading, or by facsimile transmission. Notices delivered by commercial delivery service shall be deemed delivered on receipt or refusal; Notices delivered by USPS shall be deemed to have been given upon deposit with the same; facsimile Notice shall be effective upon receipt by the sender of an electronic confirmation. Regardless of the method of delivery, in no case shall Notice be deemed delivered later than actual receipt. In the event of a notice of default given pursuant to Article VII, such Notice shall be given by at least two (2) methods of delivery and consistent with Section VII(E). All Notices shall be mailed or delivered to the following addresses:

To Owner:

LILY SOLAR, LLC  
c/o Enel Green Power North America  
Attn: Derek Deblois  
100 Brickstone Square, Suite 300  
Andover, MA 01810

To the College:

Trinity Valley Community College  
Attn: President  
100 Cardinal Drive  
Athens, TX 75751

Any party may designate a different address by giving the other party at least ten (10) days written notice in the manner prescribed above.

## **XI. Severability**

In the event any section or other part of this Agreement is held invalid, illegal, factually insufficient, unconstitutional or otherwise unenforceable, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid, illegal, factually insufficient, unconstitutional or otherwise unenforceable section(s) or other part(s). In the event that (i) the term of the Abatement with respect to any property is longer than allowed by law or (ii) the Abatement applies to a broader classification of property than is allowed by law, then the Abatement shall be valid with respect to the classification of property not deemed overly broad, and for the portion of the term of the Abatement not deemed excessive. Any provision required by the Tax Code to be contained herein that does not appear herein is incorporated herein by reference.

## **XII. Applicable Law and Venue**

This Agreement shall be construed under and governed by the laws of the State of Texas. This Agreement, in its entirety, shall be performable in Kaufman County, Texas. As part of the consideration for entering into this Agreement, both the College and Owner agree that any litigation to construe or enforce the terms or conditions of this Agreement shall be brought solely in the state or federal district courts having jurisdiction in Kaufman County, Texas.

## **XIII. Amendment**

Except as otherwise provided, this Agreement may be modified by the parties hereto upon mutual written consent to include other provisions which could have originally been included in this Agreement or to delete provisions that were not originally necessary to this Agreement pursuant to the procedures set forth in Chapter 312 of the Texas Tax Code.

## **XIV. Guidelines and Criteria**

This Agreement is entered into by the parties consistent with the Guidelines. To the extent this Agreement modifies any requirement or procedure set forth in the Guidelines, the Guidelines are deemed amended for purposes of this Agreement only.

## **XV. Entire Agreement**

This Agreement contains the entire and integrated Tax Abatement Agreement between the College and Owner, and supersedes any and all other negotiations and agreements, whether written or oral, between the parties. This Agreement has not been executed in reliance upon any representation or promise except those contained herein.

## **XVI. Authorization**

- A. This Agreement was authorized by the Board of Trustees of the College at its meeting on \_\_\_\_\_, 2020, as indicated in the minutes.

- B. This Agreement was entered into by Owner by authority granted by its Governing Authority, whereby the person signing this Agreement is authorized to sign on behalf of Owner.

*(remainder of page intentionally left blank)*

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the College as authorized by the Board of Trustees and executed by Owner on the respective dates shown below and is effective on the date signed by the College.

**TRINITY VALLEY COMMUNITY COLLEGE**

\_\_\_\_\_  
Dr. Jerry King  
President

Date: \_\_\_\_\_, 2020

\_\_\_\_\_  
Ray Raymond  
President of the Board of Trustees

Attest:

\_\_\_\_\_  
Print Name: \_\_\_\_\_



**LILY SOLAR LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2020

## **Attachment A**

Attached is the Reinvestment Zone created by resolution dated July 14, 2020, duly passed by the County Commissioners Court of Kaufman County and referred to as the Lily Solar Reinvestment Zone.

**COMMISSIONERS' COURT OF KAUFMAN COUNTY  
KAUFMAN COUNTY COURTHOUSE ANNEX**

**RESOLUTION AND ORDER DESIGNATING A  
REINVESTMENT ZONE IN THE JURISDICTION OF  
KAUFMAN COUNTY, TEXAS**

The Commissioners' Court of Kaufman County, Texas, meeting in regular session on July 28, 2020, considered the following resolution:

WHEREAS, the Commissioners Court of Kaufman County, Texas (the "County") has elected to become eligible to participate in tax abatement agreements under the provisions of the Texas Property Redevelopment and Tax Abatement Act (Chapter 312 of the Texas Tax Code) (the "Act"); and

WHEREAS, the County has adopted guidelines and criteria governing tax abatement agreements in a resolution dated on or about February 25, 2020 (the "Guidelines and Criteria"); and

WHEREAS, a public hearing is required by Chapter 312 of the Texas Tax Code prior to approval of a reinvestment zone; and

WHEREAS, the County (a) timely published or posted all applicable notices of public hearing regarding the designation of the real estate described in the attached Exhibit A as a reinvestment zone for tax abatement purposes, and (b) timely notified all applicable presiding officers of the governing body of each taxing unit that includes in its boundaries real property that may be included in the proposed reinvestment zone; and

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

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

**NOW, THEREFORE, BE IT ORDERED by the Commissioners' Court of Kaufman County, that:**

1. That the facts and recitations contained in the preamble of this Resolution and Order are hereby found and declared to be true and correct
2. Kaufman County, Texas, is eligible to participate in tax abatements.

3. That the County Commissioners Court, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:
  - a. That the public hearing on adoption of the Lily Solar Reinvestment Zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone;
  - b. That the boundaries of the Lily Solar Reinvestment Zone should be the area described in the legal description and corresponding map attached hereto as Exhibit A, which is incorporated herein by reference for all purposes;
  - c. That creation of the Lily Solar Reinvestment Zone will result in benefits to the County and to land included in the reinvestment zone and that the improvements sought are feasible and practical; and
  - d. The Lily Solar Reinvestment Zone meets the criteria set forth in Chapter 312 of the Texas Tax Code for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines and Criteria, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property and that would contribute to the economic development of the County, and that the entire tract of land is located entirely within an unincorporated area of the County.
4. That pursuant to the Act and the Guidelines and Criteria, the County Commissioners Court hereby creates the Lily Solar Reinvestment Zone, a reinvestment zone for commercial-industrial tax abatement encompassing only the area described in and as shown on the map in Exhibit A, and such reinvestment zone is hereby designated and shall hereafter be referred to as the Lily Solar Reinvestment Zone.
5. That the Lily Solar Reinvestment Zone shall take effect on the date of this Resolution and Order and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation and may be renewed for an additional five (5) year period thereafter.
6. That if any section, paragraph, clause or provision of this Resolution and Order shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution and Order.
7. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject, of the meeting of the County Commissioners Court at which

this Resolution and Order was adopted was posted at a place convenient and readily accessible at all times as required by the Texas Open Meetings Act, Texas Government Code, Chapter 551, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of general circulation within the County, and furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Act.

[remainder of this page blank]

The foregoing Resolution and Order was lawfully moved by Ken Cates, duly seconded by Terry Barber, and duly adopted by the Commissioner's Court of Kaufman County, Texas, on July 28, 2020.

Hal Richards

Hon. Hal Richards  
County Judge

Mike Hunt

Mike Hunt  
Commissioner Precinct 1

Skeet Phillips

Skeet Phillips  
Commissioner Precinct 2

Terry Barber

Terry Barber  
Commissioner Precinct 3

Ken Cates - audio attendance

Ken Cates  
Commissioner Precinct 4

The foregoing Resolution and Order is a true and correct copy of the Resolution and Order passed by the Commissioners' Court in open and regular session at the Kaufman County Courthouse Annex at 9:00 a.m. on July 28, 2020.

Casra Hughes by BSB

Casra Hughes  
County Clerk, Kaufman County, Texas



**Exhibit A**

**Property Included in the Reinvestment Zone**

The Reinvestment Zone is described by metes and bounds below, and a map is attached as the last page of this Exhibit A:

**Tract 1:**

Being a 1029.82 acre tract of land located in the William P. King Survey No. 4, Abstract No. 277 and in the King & Nelson Survey No. 3, Abstract No. 276, Kaufman County, Texas, and being all of that called "Tract One Part A" 1029.480 acre tract of land as described in deed to Jui-Lien Chou Ho, recorded in Volume 2265, Page 518, Official Public Records, Kaufman County, Texas and being more particularly described as follows:

BEGINNING at set 5/8 inch iron rod capped "WestwoodPS" at the intersection of the northeast line of said William P. King Survey No. 4, Abstract No. 277 and the southeast right of way of FM Highway 1390, said intersection also being in the southwest line of the Andrew Renshaw Survey, Abstract No. 423;

Thence South 45 degrees 42 minutes 24 seconds East, along said northeast line of the William P. King Survey No. 4, Abstract No. 277, and said southwest line of the Andrew Renshaw Survey, Abstract No. 423, and the southwest line of the Charles Howard Survey, Abstract No. 220, and the southwest line of the James Daugherty Survey, Abstract No. 126, at 3853.06 feet pass the southwest corner of said Andrew Renshaw Survey, Abstract No. 423, a found 3/8 inch iron rod bears North 88 degrees 43 minutes 52 seconds East, a distance of 36.81 feet, a found 3/4 inch iron rod bears North 00 degrees 41 minutes 22 seconds West, a distance of 37.58 feet, in all a distance of 5338.96 feet to a set 5/8 inch iron rod capped "WestwoodPS" on the easterly corner of said William P. King Survey No. 4, Abstract No. 277, also being on the southwesterly line of said Abstract No. 126, also being the most southerly outside north corner of the Charles Howard survey, Abstract No. 219;

Thence South 44 degrees 51 minutes 29 seconds West, along the southeast line of said William P. King Survey No. 4, Abstract No. 277, and the northwest line of said Charles Howard survey, Abstract No. 219, at 3371.04 feet pass a found 1/2 inch iron pipe capped "RPLS 5244" that bears North 45 degrees 08 minutes 31 seconds West, a distance of 9.90 feet, in all a distance of 5225.44 feet to a found 1/4 inch iron rod capped "RPLS 5244" at the south corner of said William P. King Survey No. 4, Abstract No. 277, the east corner of said King & Nelson Survey No. 3, Abstract No. 276, the north corner of the J.H. Kyser Survey, Abstract No. 270, and the western most corner of said Abstract No. 219;

Thence South 44 degrees 34 minutes 45 seconds West, along the southeast line of said King & Nelson Survey No. 3, Abstract No. 276 and the northwest line of said J.H. Kyser Survey, Abstract No. 270, at 1824.25 feet pass a found 5/8 iron pipe that bears South 45 degrees 25 minutes 15 seconds East, a distance of 1.05 feet, at 2680.87 feet pass a found 1/2 inch iron pipe that bears South 45 degrees 25 minutes 15 seconds East, a distance of 4.40 feet, at 3578.31 feet pass a found 1/2 inch iron pipe, that bears South 45 degrees 25 minutes 15 seconds East, a distance of 7.97 feet, in all distance of 3973.44 feet to the southernmost corner of said Jui-Lien Chou Ho tract on said northwest line of said Abstract No. 270 and on said southeast line of said Abstract No. 276, also being the most easterly corner of a called 83.820 acre tract described in deed to Triple R Ranch LP, recorded in Volume 3190, Page 118, Official Public Records, Kaufman County, Texas, from which a found 1/2 inch iron rod bears South 45 degrees 25 minutes 15 seconds East, a distance of 9.70 feet, and from which a found 1/4 inch iron rod on the southeasterly line of said Abstract No.



276 and on the northwesterly line of said Abstract No. 270, bears South 44 degrees 34 minutes 45 seconds West, a distance of 1367.59 feet;

Thence North 45 degrees 16 minutes 56 seconds West, along a northeasterly line of said Triple R Ranch LP tract, a distance of 2052.35 feet to a found ½ inch iron pipe on an outside corner of said Triple R Ranch LP tract;

Thence South 49 degrees 15 minutes 23 seconds West, along a line of said Triple R Ranch LP tract, a distance of 82.99 feet to a found ½ inch iron pipe at an ell corner of said Triple R Ranch LP tract;

Thence North 45 degrees 13 minutes 52 seconds West, along the northeasterly line of said Triple R Ranch LP tract, a distance of 1775.27 feet to a found ½ inch iron pipe in said southeast right of way of FM Highway 1390 and being the north corner of said Triple R Ranch LP tract;

Thence Northerly and Northeasterly along said southeast right of way the following calls:

North 11 degrees 31 minutes 51 seconds West, a distance of 56.96 feet to a set 5/8 inch iron rod capped "WestwoodPS" at the point of curve;

Thence Northeasterly 1078.81 feet along a tangential curve, concave to the Southeast, having a central angle of 56 degrees 04 minutes 47 seconds, a radius of 1102.20 feet, a chord bearing of North 16 degrees 38 minutes 43 seconds East, a chord distance of 1036.26 feet to a found 4x4 concrete right of way monument;

Thence North 44 degrees 32 minutes 56 seconds East, a distance of 1894.66 feet to a found 4x4 concrete right of way monument;

Thence Northwesterly 333.00 feet along a tangential curve, concave to the Northwest, having a central angle of 12 degrees 55 minutes 57 seconds, a radius of 1475.33 feet, a chord bearing of North 37 degrees 59 minutes 59 seconds East, a chord distance of 332.30 feet to a set 5/8 inch iron rod capped "WestwoodPS" at the most westerly corner of a called 2.617 acre tract of land described in deed to Progas, Inc., recorded in Volume 881, Page 557, Deed Records, Kaufman County, Texas;

Thence leaving said southeast right of way, North 45 degrees 11 minutes 08 second East, along the southeasterly line of said Progas, Inc. tract, a distance of 791.21 feet to a found 1/2 inch rod at the most easterly corner of said Progas, Inc. tract being on the northeast line of said Abstract No. 276 and the southwest line of said Abstract No. 277;

Thence North 46 degrees 29 minutes 25 seconds West, along the northeast line of said Abstract No. 276 and the southwest line of said Abstract No. 277, and along the northeast line of said Progas, Inc. tract, a distance of 395.23 feet to a set 5/8 inch iron rod capped "WestwoodPS" set in said southeast right of way on said northeast line of said Abstract No. 276 and said southwest line of said Abstract No. 277, and being the most northerly corner of said Progas, Inc. tract;

Thence Northeasterly along said southeast right of way the following calls:

North 13 degrees 37 minutes 19 seconds East, a distance of 504.23 feet to a found 4x4 concrete right of way monument at the point of a curve;

Thence Northeasterly 728.50 feet along a tangential curve, concave to the Southeast, having a central angle of 30 degrees 05 minutes 56 seconds, a radius of 1386.75 feet, a chord bearing of North 28 degrees 33 minutes 25 seconds East, and a chord distance of 720.15 feet, to a 4x4 concrete right of way monument;

Thence North 43 degrees 43 minutes 16 seconds East, pass a 4x4 concrete right of way monument at a distance of 2314.25 feet, pass a 4x4 concrete right of way monument at a distance of 3613.70 feet, in all a distance of 4164.10 feet to the POINT OF BEGINNING, containing 1029.82 acres more or less.

**Tract 2:**

Being a 387.94 acre tract of land located in the King & Nelson Survey No. 2, Abstract No. 279, Kaufman County, Texas, and being all of that called "Tract One Part B" 387.730 acre tract conveyed to Jui-Lien Chou, recorded in Volume 2265, Page 518, Official Public Records, Kaufman County, Texas and being more particularly described as follows:

Beginning at the intersection of the northeast line of said King & Nelson Survey No. 2, Abstract 279 and the northwest right of way of FM Highway 1390; said intersection also being in the southwest line of the Sam H. Davis Survey, Abstract No. 116 and at the south corner of a called 25.008 acre tract as described in deed to Lynn A. Villwok, recorded in Book 1476, Page 6, Deed Records, Kaufman County, Texas, from which a 4 x 4 concrete right of way monument bears South 23 degrees 30 minutes 22 seconds West, a distance of 7.04 feet;

Thence South 43 degrees 43 minutes 16 seconds West, along said northwest right of way, a distance of 4164.92 feet to a point on a curve, from which a 4 x 4 concrete monument bears South 34 degrees 14 minutes 40 seconds East, a distance of 1.94 feet;

Thence continuing along said northwest right of way, Southwesterly 241.56 feet along a tangential curve, concave to the Southeast, having a central angle of 09 degrees 18 minutes 33 seconds, a radius of 1486.76 feet, a chord bearing of South 38 degrees 57 minutes 21 seconds West, and a chord distance of 241.29 feet, to a set 5/8 iron rod capped "WestwoodPS" at the easterly corner of a called "Tract Three" 888.034 acre tract described in deed to Jui-Lien Chou Ho, recorded in Volume 2265, Page 518, Official Public Records, Kaufman County, Texas on said northwest right of way;

Thence leaving said right of way, North 46 degrees 35 minutes 49 seconds West, a distance of 1822.03 feet to a found wood corner post in the center of a levee, a set 5/8 inch iron rod capped "WestwoodPS" is on the east side of said wood corner post.

Thence Northerly and Easterly meandering along the center of said levee the following calls:

Thence North 19 degrees 24 minutes 36 seconds East, a distance of 664.36 feet;  
Thence North 03 degrees 35 minutes 40 seconds West, a distance of 757.84 feet;  
Thence North 28 degrees 29 minutes 39 seconds West, a distance of 207.74 feet;  
Thence North 42 degrees 13 minutes 40 seconds West, a distance of 949.99 feet;  
Thence North 28 degrees 48 minutes 57 seconds West, a distance of 390.06 feet;  
Thence North 02 degrees 30 minutes 05 seconds West, a distance of 458.47 feet;  
Thence North 07 degrees 42 minutes 53 seconds East, a distance of 232.76 feet;  
Thence North 13 degrees 57 minutes 27 seconds East, a distance of 177.43 feet;  
Thence North 26 degrees 18 minutes 26 seconds East, a distance of 456.36 feet;  
Thence North 38 degrees 28 minutes 23 seconds East, a distance of 658.94 feet;  
Thence North 61 degrees 35 minutes 05 seconds East, a distance of 267.48 feet;  
Thence South 85 degrees 25 minutes 15 seconds East, a distance of 420.17 feet;  
Thence South 67 degrees 07 minutes 39 seconds East, a distance of 275.13 feet;  
Thence South 68 degrees 02 minutes 48 seconds East, a distance of 443.69 feet;  
Thence South 87 degrees 31 minutes 08 seconds East, a distance of 163.21 feet;  
Thence North 80 degrees 09 minutes 13 seconds East, a distance of 319.82 feet;

Thence North 78 degrees 16 minutes 07 seconds East, at 183.31 feet pass a found 1 inch iron rod, in all 201.07 feet to a point on said northeast line of King & Nelson Survey No. 2, Abstract No. 279, said line also being in the southwest line of the Sam H. Davis Survey, Abstract No. 116 and the Southwest line of a called 232.792 acre tract as described in deed to NCKGF, 2007 Crandall Land Trust, recorded in Volume 3069, Page 539, Official Public Records, Kaufman County, Texas, a found 1/2 inch iron pipe found at the north corner of said Abstract No. 279 bears North 46 degrees 01 minutes 17 seconds West, a distance of 1814.20 feet;

Thence South 46 degrees 01 minute 17 seconds East, along said northeast line of said King & Nelson Survey No. 2, Abstract No. 279, and along said southwest line of said Abstract No. 116, at 1119.84 feet pass a found 1/4 inch iron pipe that bears South 43 degrees 58 minutes 43 seconds West, a distance of 10.27 feet, in all a distance of 3399.10 feet to the POINT OF BEGINNING, containing 387.94 acres of land more or less.

All bearings, distances, and areas are based on grid and referred to the Texas Coordinate System of NAD 83 (2011 adjustment), North Central Zone, U.S. Survey Feet. Note that the subject deed recorded at Volume 2265, Page 518, Official Public Records, Kaufman County, Texas, did not close. In order to determine the intent of the line calls, back deeds provided by Old Republic National Title Insurance Company were reviewed and relied upon. This includes holding to the northeast line of Abstract No. 277 for the northeast line of Tract 1.

## **Attachment B**

Attached is a copy of College's Guidelines and Criteria.

**TRINITY VALLEY COMMUNITY COLLEGE  
POLICY STATEMENT  
FOR  
TAX ABATEMENT**

I. General Purpose and Objectives

Trinity Valley Community College is committed to the promotion of high quality development in all parts of the College District; and to an ongoing improvement in the quality of life for its citizens. Insofar as these objectives are generally served by the enhancement and expansion of the local economy, Trinity Valley Community College finds that the offering of tax abatements can aid in the accomplishment of these objectives. The following guidelines, provisions, and procedures will be followed to enable the college to consider providing a meaningful contribution to assist in enhancing economic development in the college district.

II. Guidelines

After a city or county properly designates a reinvestment zone on properties located within the taxing jurisdiction of Trinity Valley Community College, the College will consider abating taxes for an individual, company or corporation in accordance with Title 3. Local Taxation, Subtitle B. Special Property Tax Provisions, Chapter 312. Property Development.

Any request for tax abatement shall be reviewed by the Board of Trustees of Trinity Valley Community College at a regularly scheduled meeting within the 90 days following the date the lead taxing unit executes a tax abatement agreement with a client. The Board will choose to grant the abatement according to terms of the lead taxing unit's agreement or choose not to participate in the tax abatement.

Tax abatements will be considered for new facilities and expansion of existing facilities. An agreement may exempt from taxation all or part of the increase in the value of the real property covered by the agreement. The tax abatement agreement may also abate all or part of the value of tangible personal property (other than inventory or supplies) that is brought onto the site after the execution of the tax abatement agreement. Taxes on personal property that was already located on the real property at any time before the period covered by the tax abatement agreement will not be abated.

Factors the Board of Trustees will take into consideration in determining if they will enter into a tax abatement agreement will include, but not be limited to the following:

- A. The number of jobs and amount of payroll generated.
- B. The amount of real and personal property value being added to the tax roll.
- C. Any potentially negative factors such as pollutants or hazardous waste that may be generated.
- D. The potential impact on other employers in the area.

### III. Agreement Provisions

The tax abatement agreement at a minimum will:

- A. Include a list of the kind, number, and location of all proposed improvements to the property;
- B. Provide access to and authorize inspection of the property by appropriate college personnel to ensure compliance with the agreement;
- C. Limit the use of the property consistent with the college's development goals;
- D. Provide for recapturing property tax revenues that are lost if the owner fails to make the improvements as provided in the agreement;
- E. Include each term that was agreed upon with the terms of the agreement to the college;
- F. Allow the college to cancel or modify the agreement at any time if the property owner fails to comply with the terms of the agreement; and
- G. Include commercial properties located in reinvestment zones at the same rate as that approved by the city that created the zone and abatement.

### IV. Procedural Guidelines

Any city or county desiring Trinity Valley Community College to consider tax abatement for its client should forward to the college a copy of its executed tax abatement agreement with the client. Should the college decide to sign a tax abatement agreement with the client; the Board of Trustees of the college will adopt a resolution authorizing the president of the board to enter into a tax abatement agreement with the client.

V. Policy Alterations

This policy may be amended or replaced by a three-fourths majority of board members at any regularly scheduled meeting at which the amendment or repeal of the policy is an agenda item.

VI. Declaration

Nothing within this policy obligates the Board of Trustees of Trinity Valley Community College to grant tax abatement to any individual, company, or corporation.

Unanimously approved the 27th day of April 2020.

\_\_\_\_\_  
President, Board of Trustees

\_\_\_\_\_  
Secretary, Board of Trustees



## Attachment C

Attached is a description of the Site of the proposed Project and Improvements.

### **DESCRIPTION OF PROPOSED PROJECT AND IMPROVEMENTS:**

Lily Solar, LLC is proposing to construct a solar electric generating facility which will encompass approximately 1,417 acres in the southeastern part of the county. The entire facility is expected to have a total capacity of 146 MWac with an additional 50MWac of battery storage. The solar generating facility will feature approximately 535,855 photovoltaic panels and 50 central inverters, along with racking and mounting structures, meteorological equipment, collection circuits, an operations and maintenance building, an on-site electrical substation and interconnection facilities, roadways, paving, and security fencing. The battery energy storage system will consist of battery enclosures (containing racks of lithium-ion batteries), transformer to “step up” and “step down” the system voltage, cooling systems similar to packaged HVAC units used on commercial buildings, and system control instrumentation.

It is contemplated that the Project will include but is not limited to the following components:

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

### **DESCRIPTION OF SITE:**

#### **Tract 1:**

Being a 1029.82 acre tract of land located in the William P. King Survey No. 4, Abstract No. 277 and in the King & Nelson Survey No. 3, Abstract No. 276, Kaufman County, Texas, and being all of that called “Tract One Part A” 1029.480 acre tract of land as described in deed to Jui-Lien Chou Ho, recorded in Volume 2265, Page 518, Official Public Records, Kaufman County, Texas and being more particularly described as follows:

BEGINNING at set 5/8 inch iron rod capped “WestwoodPS” at the intersection of the northeast line of said William P. King Survey No. 4, Abstract No. 277 and the southeast right of way of FM Highway 1390, said intersection also being in the southwest line of the Andrew Renshaw

Survey, Abstract No. 423;

Thence South 45 degrees 42 minutes 24 seconds East, along said northeast line of the William P. King Survey No. 4, Abstract No. 277, and said southwest line of the Andrew Renshaw Survey, Abstract No. 423, and the southwest line of the Charles Howard Survey, Abstract No. 220, and the southwest line of the James Daugherty Survey, Abstract No. 126, at 3853.06 feet pass the southwest corner of said Andrew Renshaw Survey, Abstract No. 423, a found 3/8 inch iron rod bears North 88 degrees 43 minutes 52 seconds East, a distance of 36.81 feet, a found 3/4 inch iron rod bears North 00 degrees 41 minutes 22 seconds West, a distance of 37.58 feet, in all a distance of 5338.96 feet to a set 5/8 inch iron rod capped "WestwoodPS" on the easterly corner of said William P. King Survey No. 4, Abstract No. 277, also being on the southwesterly line of said Abstract No. 126, also being the most southerly outside north corner of the Charles Howard survey, Abstract No. 219;

Thence South 44 degrees 51 minutes 29 seconds West, along the southeast line of said William P. King Survey No. 4, Abstract No. 277, and the northwest line of said Charles Howard survey, Abstract No. 219, at 3371.04 feet pass a found 1/2 inch iron pipe capped "RPLS 5244" that bears North 45 degrees 08 minutes 31 seconds West, a distance of 9.90 feet, in all a distance of 5225.44 feet to a found 1/4 inch iron rod capped "RPLS 5244" at the south corner of said William P. King Survey No. 4, Abstract No. 277, the east corner of said King & Nelson Survey No. 3, Abstract No. 276, the north corner of the J.H. Kyser Survey, Abstract No. 270, and the western most corner of said Abstract No. 219;

Thence South 44 degrees 34 minutes 45 seconds West, along the southeast line of said King & Nelson Survey No. 3, Abstract No. 276 and the northwest line of said J.H. Kyser Survey, Abstract No. 270, at 1824.25 feet pass a found 5/8 inch iron pipe that bears South 45 degrees 25 minutes 15 seconds East, a distance of 1.05 feet, at 2680.87 feet pass a found 1/2 inch iron pipe that bears South 45 degrees 25 minutes 15 seconds East, a distance of 4.40 feet, at 3578.31 feet pass a found 1/2 inch iron pipe, that bears South 45 degrees 25 minutes 15 seconds East, a distance of 7.97 feet, in all distance of 3973.44 feet to the southernmost corner of said Jui-Lien Chou Ho tract on said northwest line of said Abstract No. 270 and on said southeast line of said Abstract No. 276, also being the most easterly corner of a called 83.820 acre tract described in deed to Triple R Ranch LP, recorded in Volume 3190, Page 118, Official Public Records, Kaufman County, Texas, from which a found 1/2 inch iron rod bears South 45 degrees 25 minutes 15 seconds East, a distance of 9.70 feet, and from which a found 1/4 inch iron rod on the southeasterly line of said Abstract No. 276 and on the northwesterly line of said Abstract No. 270, bears South 44 degrees 34 minutes 45 seconds West, a distance of 1367.59 feet;

Thence North 45 degrees 16 minutes 56 seconds West, along a northeasterly line of said Triple R Ranch LP tract, a distance of 2052.35 feet to a found 1/2 inch iron pipe on an outside corner of said Triple R Ranch LP tract;

Thence South 49 degrees 15 minutes 23 seconds West, along a line of said Triple R Ranch LP tract, a distance of 82.99 feet to a found 1/2 inch iron pipe at an ell corner of said Triple R Ranch LP tract;

Thence North 45 degrees 13 minutes 52 seconds West, along the northeasterly line of said Triple R Ranch LP tract, a distance of 1775.27 feet to a found 1/2 inch iron pipe in said southeast right of

way of FM Highway 1390 and being the north corner of said Triple R Ranch LP tract;

Thence Northerly and Northeasterly along said southeast right of way the following calls:

North 11 degrees 31 minutes 51 seconds West, a distance of 56.96 feet to a set 5/8 inch iron rod capped "WestwoodPS" at the point of curve;

Thence Northeasterly 1078.81 feet along a tangential curve, concave to the Southeast, having a central angle of 56 degrees 04 minutes 47 seconds, a radius of 1102.20 feet, a chord bearing of North 16 degrees 38 minutes 43 seconds East, a chord distance of 1036.26 feet to a found 4x4 concrete right of way monument;

Thence North 44 degrees 32 minutes 56 seconds East, a distance of 1894.66 feet to a found 4x4 concrete right of way monument;

Thence Northwesterly 333.00 feet along a tangential curve, concave to the Northwest, having a central angle of 12 degrees 55 minutes 57 seconds, a radius of 1475.33 feet, a chord bearing of North 37 degrees 59 minutes 59 seconds East, a chord distance of 332.30 feet to a set 5/8 inch iron rod capped "WestwoodPS" at the most westerly corner of a called 2.617 acre tract of land described in deed to Progas, Inc., recorded in Volume 881, Page 557, Deed Records, Kaufman County, Texas;

Thence leaving said southeast right of way, North 45 degrees 11 minutes 08 second East, along the southeasterly line of said Progas, Inc. tract, a distance of 791.21 feet to a found 1/2 inch rod at the most easterly corner of said Progas, Inc. tract being on the northeast line of said Abstract No. 276 and the southwest line of said Abstract No. 277;

Thence North 46 degrees 29 minutes 25 seconds West, along the northeast line of said Abstract No. 276 and the southwest line of said Abstract No. 277, and along the northeast line of said Progas, Inc. tract, a distance of 395.23 feet to a set 5/8 inch iron rod capped "WestwoodPS" set in said southeast right of way on said northeast line of said Abstract No. 276 and said southwest line of said Abstract No. 277, and being the most northerly corner of said Progas, Inc. tract;

Thence Northeasterly along said southeast right of way the following calls:

North 13 degrees 37 minutes 19 seconds East, a distance of 504.23 feet to a found 4x4 concrete right of way monument at the point of a curve;

Thence Northeasterly 728.50 feet along a tangential curve, concave to the Southeast, having a central angle of 30 degrees 05 minutes 56 seconds, a radius of 1386.75 feet, a chord bearing of North 28 degrees 33 minutes 25 seconds East, and a chord distance of 720.15 feet, to a 4x4 concrete right of way monument;

Thence North 43 degrees 43 minutes 16 seconds East, pass a 4x4 concrete right of way monument at a distance of 2314.25 feet, pass a 4x4 concrete right of way monument at a distance of 3613.70 feet, in all a distance of 4164.10 feet to the POINT OF BEGINNING, containing 1029.82 acres more or less.

**Tract 2:**

Being a 387.94 acre tract of land located in the King & Nelson Survey No. 2, Abstract No. 279, Kaufman County, Texas, and being all of that called "Tract One Part B" 387.730 acre tract conveyed to Jui-Lien Chou, recorded in Volume 2265, Page 518, Official Public Records, Kaufman County, Texas and being more particularly described as follows:

Beginning at the intersection of the northeast line of said King & Nelson Survey No. 2, Abstract 279 and the northwest right of way of FM Highway 1390; said intersection also being in the southwest line of the Sam H. Davis Survey, Abstract No. 116 and at the south corner of a called 25.008 acre tract as described in deed to Lynn A. Villwok, recorded in Book 1476, Page 6, Deed Records, Kaufman County, Texas, from which a 4 x 4 concrete right of way monument bears South 23 degrees 30 minutes 22 seconds West, a distance of 7.04 feet;

Thence South 43 degrees 43 minutes 16 seconds West, along said northwest right of way, a distance of 4164.92 feet to a point on a curve, from which a 4 x 4 concrete monument bears South 34 degrees 14 minutes 40 seconds East, a distance of 1.94 feet;

Thence continuing along said northwest right of way, Southwesterly 241.56 feet along a tangential curve, concave to the Southeast, having a central angle of 09 degrees 18 minutes 33 seconds, a radius of 1486.76 feet, a chord bearing of South 38 degrees 57 minutes 21 seconds West, and a chord distance of 241.29 feet, to a set 5/8 iron rod capped "WestwoodPS" at the easterly corner of a called "Tract Three" 888.034 acre tract described in deed to Jui-Lien Chou Ho, recorded in Volume 2265, Page 518, Official Public Records, Kaufman County, Texas on said northwest right of way;

Thence leaving said right of way, North 46 degrees 35 minutes 49 seconds West, a distance of 1822.03 feet to a found wood corner post in the center of a levee, a set 5/8 inch iron rod capped "WestwoodPS" is on the east side of said wood corner post.

Thence Northerly and Easterly meandering along the center of said levee the following calls:

Thence North 19 degrees 24 minutes 36 seconds East, a distance of 664.36 feet;

Thence North 03 degrees 35 minutes 40 seconds West, a distance of 757.84 feet;

Thence North 28 degrees 29 minutes 39 seconds West, a distance of 207.74 feet;

Thence North 42 degrees 13 minutes 40 seconds West, a distance of 949.99 feet;

Thence North 28 degrees 48 minutes 57 seconds West, a distance of 390.06 feet;

Thence North 02 degrees 30 minutes 05 seconds West, a distance of 458.47 feet;

Thence North 07 degrees 42 minutes 53 seconds East, a distance of 232.76 feet;

Thence North 13 degrees 57 minutes 27 seconds East, a distance of 177.43 feet;

Thence North 26 degrees 18 minutes 26 seconds East, a distance of 456.36 feet;

Thence North 38 degrees 28 minutes 23 seconds East, a distance of 658.94 feet;

Thence North 61 degrees 35 minutes 05 seconds East, a distance of 267.48 feet;

Thence South 85 degrees 25 minutes 15 seconds East, a distance of 420.17 feet;

Thence South 67 degrees 07 minutes 39 seconds East, a distance of 275.13 feet;

Thence South 68 degrees 02 minutes 48 seconds East, a distance of 443.69 feet;

Thence South 87 degrees 31 minutes 08 seconds East, a distance of 163.21 feet;

Thence North 80 degrees 09 minutes 13 seconds East, a distance of 319.82 feet;

Thence North 78 degrees 16 minutes 07 seconds East, at 183.31 feet pass a found 1 inch iron rod, in all 201.07 feet to a point on said northeast line of King & Nelson Survey No. 2, Abstract No. 279, said line also being in the southwest line of the Sam H. Davis Survey, Abstract No. 116 and the Southwest line of a called 232.792 acre tract as described in deed to NCKGF, 2007 Crandall Land Trust, recorded in Volume 3069, Page 539, Official Public Records, Kaufman County, Texas, a found 1/2 inch iron pipe found at the north corner of said Abstract No. 279 bears North 46 degrees 01 minutes 17 seconds West, a distance of 1814.20 feet;

Thence South 46 degrees 01 minute 17 seconds East, along said northeast line of said King & Nelson Survey No. 2, Abstract No. 279, and along said southwest line of said Abstract No. 116, at 1119.84 feet pass a found 1/4 inch iron pipe that bears South 43 degrees 58 minutes 43 seconds West, a distance of 10.27 feet, in all a distance of 3399.10 feet to the POINT OF BEGINNING, containing 387.94 acres of land more or less.

All bearings, distances, and areas are based on grid and referred to the Texas Coordinate System of NAD 83 (2011 adjustment), North Central Zone, U.S. Survey Feet. Note that the subject deed recorded at Volume 2265, Page 518, Official Public Records, Kaufman County, Texas, did not close. In order to determine the intent of the line calls, back deeds provided by Old Republic National Title Insurance Company were reviewed and relied upon. This includes holding to the northeast line of Abstract No. 277 for the northeast line of Tract 1.

**SITE MAP:**

