

COUNTY OF WEBB

**NEIGHBORHOOD EMPOWERMENT ZONE (NEZ),
NUMBER ONE, TAX ABATEMENT AND
INCENTIVE AGREEMENT**

This Agreement is made and entered into by and between Frank Group Ltd duly authorized to transact business in Texas, and the County of Webb, a political subdivision of the State of Texas, (the "County"), pursuant to the authority of Chapters 318 and 378 of the Texas Local Government Code, and shall be effective when duly executed by signature of the authorized representative for each party hereto.

RECITALS

WHEREAS, the County of Webb pursuant to the provisions of Chapters 312 and 378 of the Local Government Code of the State of Texas, known as the "Neighborhood Empowerment Zone," has designated an area as an empowerment zone, thereby making the area eligible as a reinvestment zone for tax abatement under Section 312.002 of the Tax Code; and other incentives;

WHEREAS, Frank Group Ltd are the owners of the land located within said Neighborhood Empowerment Zone, NUMBER ONE and described as 1312 Houston St. Avenue, ("Property") which exhibit is incorporated herein by reference for all purposes; and

WHEREAS, the County desires to promote and encourage the development of the community and the expansion and growth of the Property;

NOW THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, the County and Frank Group Ltd have this day entered into the following contract and agreement:

I. TERM

This agreement shall be for a period of 10 years becoming effective on January 1 of the year following the year in which a Certificate of Occupancy is issued.

II. Frank Group Ltd COVENANTS

A. Project

Frank Group Ltd shall cause to be a commercial project at 1312 Houston St. being Lots 3, 4 & 5, Block 127 Western Division respectively that consists of rehabilitation of the existing structure of approximately 6,160 sq. ft. with an estimated value of at least \$269,066.75 and Frank Group Ltd agrees to limit the use of the property described herein for said Central Business District use as that term is defined in the Zoning Ordinance of the City of Laredo.

B. Completion Date

Frank Group Ltd certifies that the commercial project construction will be completed within one year from issuance and receipt of the building permit, unless delayed because of force majeure, in which case the one year shall be extended by the number of days comprising the specific force majeure. For purposes of this Agreement, force majeure shall mean an event beyond Frank Group Ltd's reasonable control as determined by the County of Webb in its sole discretion, which shall not be unreasonably withheld, including, without limitation, delays caused by adverse weather, delays in receipt of any required permits or approvals from any governmental authority, acts of God, or fires. Force majeure shall not include construction delays caused due to purely financial matters, such as, without limitation, delays in obtaining of adequate financing.

C. Use of Property

Frank Group Ltd covenants that the project shall be constructed in a manner that is consistent with the general purposes of encouraging development or redevelopment in the Zone and the Property shall be continuously used as a commercial development.

III. TAX ABATEMENT

Subject to and in accordance with this Agreement, the County hereby grants to Frank Group Ltd a real property tax abatement of County of Webb imposed taxes on the Property for a period of 10 ten years. The estimated amount of the Abatement granted under this Agreement shall be approximately \$1,261.92 annually.

IV. WAIVER OF PERMIT FEES

Subject to and in accordance with this Agreement, the County hereby agrees to waive all fees associated with acquiring the necessary building permit, plan review, plumbing permit, sprinkler system permit for development of the property. The estimated amount of permit fees to be waived is approximately N/A.

V. RECORDS, AUDITS AND EVALUATION OF REQUIRED IMPROVEMENTS

A. Inspection of Property

Between the execution date of this Agreement and the last day of the Term, at any time during normal office hours throughout the Term and the year following the Term and following reasonable notice to Frank Group Ltd the County shall have and Frank Group Ltd shall provide access to the Property in order for the County to inspect the Property and evaluate the required improvements to ensure compliance with the terms and conditions of this Agreement. Frank Group Ltd shall cooperate fully with the County during any such inspection and/or evaluation.

B. Certification

[Frank Group Ltd] shall certify annually to the County that it is in compliance with each applicable term of this Agreement. The County shall have the right to audit the Property. [Frank Group Ltd] shall make all applicable records available to the County following reasonable advance notice by the County and shall otherwise cooperate fully with the County during any audit.

VI. DEFAULT AND RECAPTURE

[Frank Group Ltd] shall be in default of this Agreement if [Frank Group Ltd] for any reason refuses, fails, or neglects to substantially comply with the development of the property, or discontinues the commercial use as required by the terms of this Agreement, or if any representation made by [Frank Group Ltd] is false or misleading in any material aspect. Termination of this Agreement may be effected if default is not cured within sixty (60) days after written notice by the County to [Frank Group Ltd]. If the County terminates this Agreement as a result of default by [Frank Group Ltd], the tax abatement shall be immediately abolished and the County shall have the right to recapture the amount of all previously waived permit and inspection fees, and the taxes previously abated. In the event of termination, a bill for the total amounts due will be sent to [Frank Group Ltd], and [Frank Group Ltd] hereby agrees to pay the total amounts due within sixty (60) days after receipt of the bill. Statutory penalties interest and attorney fees will accrue if [Frank Group Ltd] fails to timely pay the bill. Nothing in this Agreement shall preclude [Frank Group Ltd] from disputing the bill.

VII. TERMINATION AT WILL

If the County and [Frank Group Ltd] mutually determine that the development or use of the Property is longer appropriate or feasible, or that a better use is preferable, the County and [Frank Group Ltd] may terminate this Agreement in writing signed by both parties. In this event, if the Term has commenced, the Term shall expire as of the effective date of the termination of this Agreement; there shall be no recapture of any taxes previously abated or fees waived; and neither party shall have any further rights or obligations hereunder.

VIII. VENUE AND JURISDICTION

This Agreement shall be construed in accordance with the laws of the State of Texas and applicable ordinances, rules, regulations or policies of the County of Webb. Venue for any action under this Agreement shall lie in the State District Court of Webb County, Texas. This Agreement is performable in Webb County, Texas.

IX. SEVERABILITY

If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

This agreement shall insure to the benefit of and be binding upon the County of Webb and Frank Group Ltd and their affiliated, subsidiaries, successors and assigns.

Executed this 12th day of June 2017, by County of Webb.

BY: _____
Hon. Tano E. Tijerina, Webb County Judge

Executed this _____ day of _____ 2017, by Frank Group Ltd

BY: _____
Name: _____
Title: _____

Attest:

Margie Ibarra, Webb County Clerk



1312 Houston St

10 year tax abatement



1312 Houston St
Laredo, TX 78040

