

STATE OF TEXAS §
 §
COUNTY OF WEBB §

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (“Agreement”) is entered into by and between Webb County, Texas (“County”) and Charco Land Sales, LLC, a Texas limited liability company (“Charco”).

W I T N E S E T H:

WHEREAS, Charco is the developer of the Coves of Winfield the master planned residential and commercial community (the “Coves”) that is located in City of Laredo Tax Increment Reinvestment Zone Number 2 (the “TIRZ”); and

WHEREAS, the County has or intends to enter into a participation agreement for the TIRZ; and

WHEREAS, in support of the Coves and the surrounding area, Charco, directly or through its affiliate Killam Ranch Properties, Ltd., desires to provide the County with approximately four (4) acres of land (the “Land”) for a public facility to be used for public assembly and public safety, public health, community meetings, and emergency shelter (the “Project”, which Project may be located on a site other than the Land, at the County’s discretion); and

WHEREAS, the parties desire that the cost of construction, including public infrastructure, of the Project be included in the TIRZ project and finance plans and that Charco be eligible for reimbursement of funds advanced to the County for the Project from the TIRZ tax increment fund for the Project; and

WHEREAS, the parties agree that the Project is a public work benefiting the TIRZ and surrounding area; and

NOW THEREFORE, in consideration of the mutual covenants and obligations herein, the parties agree as follows:

A. *Project Obligations.*

1. Land Donation. Provided that the “Participating Taxing Jurisdictions” (collectively, the City of Laredo (the “City”), the County, and the Laredo College District) agree to participate in the tax increment fund for the TIRZ in an amount up to \$77,418,383 for public improvements (less administrative costs), then Charco (directly or through one or more affiliates) shall donate the Land, (described in Exhibit A hereto) to the County by special warranty deed. Charco agrees that prior to conveying the Land to the County, Charco shall (i) abandon and close any wells on the site and (ii) plat the Land.

2. Project Development and Construction; TIRZ Project and Finance Plans. The Project development costs shall be included in the TIRZ project and finance plans, be advanced by Charco to the County, and be fully reimbursable up to \$1,000,000 to Charco for the advance. If the Project is (i) not included by the City in the project and finance plans, (ii) is removed from such plans prior to the County’s full reimbursement, or (iii) is found by the Texas Attorney General or a state district

court to be ineligible for TIRZ reimbursement, Charco (directly or through one or more affiliate) agrees not to seek reimbursement from the County for the development and construction costs of Project advanced to the County.

3. Project Reimbursement. The County agrees to submit construction costs for the Project to Charco. The County further agrees to submit requests for advances to Charco with documentation in the form required by the City to allow for the reimbursement of Charco for the advances. Charco shall advance funds to the County to reimburse the documented costs up to \$1,000,000 within sixty (60) days of receipt of the reimbursement request and shall apply to the City for reimbursement from the TIRZ fund as increment becomes available. County shall have no liability to Charco for any advances that go unreimbursed from the TIRZ fund.

B. Developer Costs.

Charco agrees to pay the County's reasonable legal costs for negotiating and drafting this Development Agreement, as well as the Participation Agreement. Charco further agrees to assume responsibility of the costs associated with platting the land and abandoning and capping the wells if not already abandoned and capped. Charco further agrees that, if permitted by the Texas Comptroller, Charco will utilize separated contracts for the infrastructure to be reimbursed by the TIRZ to make the land in the TIRZ the situs of taxable sales on materials used in the construction of the infrastructure.

C. Written Amendment.

This Agreement may be changed or amended only by a written instrument duly executed on behalf of Charco and the County.

D. Default.

If Charco or County fail to comply any of the terms and conditions of this Agreement, the aggrieved party shall give written notice thereof, including a reasonably detailed statement of the nature of such breach, to the breaching party. The breaching party will have thirty (30) days after notice is given to cure such breach. If the breaching party fails to cure in timely manner, may avail itself of any and all remedies available at law or in equity.

E. Notices.

All notices required or permitted hereunder shall be in writing and delivered by personal delivery, facsimile or United States Postal Service (certified mail, return receipt requested) and addressed to the other party at the address prescribed below, or at such other address as the receiving party may have theretofore prescribed by notice to the sending party.

If to Charco, to:

Charco Land Sales, LLC
4320 University Blvd
Laredo, TX 78041
Attn: Radcliffe Killam, II

If to the County, to:

Webb County

*1000 Houston St. 3rd Floor
Laredo, Texas 78040
Re: Coves at Winfield TIRZ
Attention: County Judge
Phone: (956) 523-4600*

F. Non-Waiver.

Failure of any party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing hereunder upon default or failure of performance shall not be considered a waiver of the right to insist on, or to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future default or failure of performance.

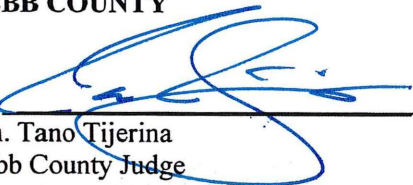
G. Venue.

Venue for any legal action concerning this Agreement will lie in Webb County, Texas. Nothing in this Agreement should be interpreted to waive the County's right to governmental immunity.

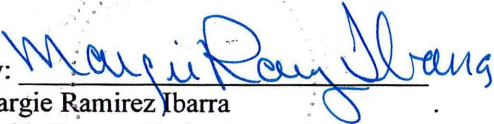
[SIGNATURES ON FOLLOWING PAGE]

EXECUTED and effective as of the 13th day of December, 2021.


WEBB COUNTY

By: 
Hon. Tano Tijerina
Webb County Judge

ATTEST:

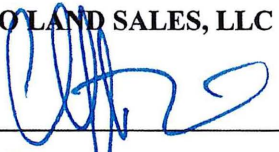
By: 
Margie Ramirez Ibarra
Webb County Clerk

Approved as to Form:

By: 
Nathan R. Bratton
General Counsel
Webb County Civil Legal Division"

**The General Counsel, Civil Legal Division's office, may only advise or approve contracts or legal documents on behalf of its client. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval and should seek review and approval of their own respective attorney(s).*

CHARCO LAND SALES, LLC

By: 
Name: Radcliffe Killam II
Title: President and CEO

**EXHIBIT A
THE LAND**



1701 Jaraman Rd., Suite 411
Laredo, TX 78041
(956) 236-1994
TSPS Certificate of Registration No. 6-48071
Texas Licensed Surveying Firm No. 100138-00

**LEGAL DESCRIPTION for a TRACT OF LAND
containing 4.0208 acres, more or less, situated in Porción 45, Tomas Jose de Oribe, Original
Grantee, Dolores Garcia, Patentee, Abstract 54, Webb County, Texas**

A tract of land containing 4.0208 acres, more or less, situated in Porción 45, Tomas Jose de Oribe, Original Grantee, Dolores Garcia, Patentee, Abstract 54, Webb County, Texas, said 4.0208 acres being out of Part 6 of the San Rafael Farm Partition called to contain 302.177 acres conveyed to Killam Ranch Properties, Ltd., as per Warranty Deed, as recorded in Volume 1333, Pages 298-299, Official Public Records of Webb County, Texas, and as described in Volume 555, Pages 30-38, Official Public Records of Webb County, Texas, this tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a $\frac{1}{2}$ " iron found (N: 17027793, 1100, E: 668521, 3230), same iron rod being an interior corner on the west right-of-way line of U. S. Hwy 83 (ROW Varies), and bears S 54°30'58" W, a distance of 146.55 feet from a TXDOT ROW monument found, and interior corner on the west right-of-way line of U.S HWY 83; **THENCE**, S 35°05'11" E, along the west right-of-way line of U.S. Hwy 83, at 551.23 feet past the southeast corner of the Laredo Ready Mix, Ltd. Tract, as recorded in Volume 4378, Page 622, Official Public Records of Webb County, Texas, and an exterior corner of the said Part 6 of the San Rafael Farm Partition, a total distance of 648.62 feet to a point; **THENCE**, S 89°41'21" W, across said Tract 6, a distance of 282.26 feet to a set $\frac{1}{2}$ " iron rod, same being **THE POINT OF BEGINNING** this tract of land containing 4.0208 acres, more or less, the northeast corner hereof;

THENCE, S 00°18'39" E, a distance of 310.00 feet to a $\frac{1}{2}$ " iron set, the southeast corner hereof;

THENCE, S 89°41'21" W, a distance of 566.00 feet to a $\frac{1}{2}$ " iron set, the southwest corner hereof;

THENCE, N 00°18'39" W, a distance of 285.00 feet to a $\frac{1}{2}$ " iron set, a point of deflection to the right;

THENCE, N 44°41'21" E, a distance of 35.36 feet to a $\frac{1}{2}$ " iron set, a point of deflection to the right;

THENCE, N 89°41'21" E, a distance of 541.00 feet to the **POINT OF BEGINNING** of this tract of land containing 4.0208, more or less.

Basis of Bearings: Texas Coordinate System of 1983, South Zone 4205.

STATE OF TEXAS
COUNTY OF WEBB

I, Hugo Seca, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that this Legal Description and the Plat of Survey attached are true and correct and were prepared from record information and from an actual survey on the ground made under my supervision.

Executed this 14th day of October, 2021.

Hugo Seca, RPLS No. 5783 - Texas



EXHIBIT B
REQUIRED DISCLOSURE AND PROVISIONS – CHARCO LAND SALES, LLC (“CHARCO”)

Section 1. DISCLOSURE OF CERTAIN RELATIONSHIPS: Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any supplier or person doing business with a local government entity disclose in the Questionnaire Form CIQ, the supplier or person’s affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the Records Administrator of the Webb County not later than the 7th business day after the date the supplier or person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

Section 2. ANTI-BOYCOTT VERIFICATION. Pursuant to Section 2271.002, Texas Government Code, to the extent this Agreement is a contract for goods or services, Charco hereby represents that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not Boycott Israel and, subject to or as otherwise required by applicable Federal law, Charco agrees not to Boycott Israel during the term of this Agreement. For purposes of this Section, "Boycott Israel" shall have the meaning given such term in Section 808.001, Texas Government Code. Charco understands "affiliate" for this Section 4.07 to mean an entity that controls, is controlled by, or is under common control with Charco and exists to make a profit.

Section 3. PROHIBITION ON CONTRACTS WITH COMPANIES BOYCOTTING CERTAIN ENERGY COMPANIES. Pursuant to Section 2274.002, Texas Government Code, to the extent this Agreement is a contract for goods or services, Charco hereby represents that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, does not boycott energy companies, and will not boycott energy companies during the term of the contract. For purposes of this Section, "Boycott Energy Company" shall have the meaning given such term in Section 809.001, Texas Government Code.

Section 4. PROHIBITION ON CONTRACTS WITH COMPANIES THAT DISCRIMINATE AGAINST FIREARM AND AMMUNITION INDUSTRIES. Pursuant to Section 2274.003, Texas Government Code, to the extent this Agreement is a contract for goods or services, Charco hereby represents that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of the contract against a firearm entity or firearm trade association. For purposes of this Section, "discriminate against a firearm entity or firearm trade association" shall have the meaning given such term in Section 2274.001., Texas Government Code.

Section 5. PROHIBITION ON CONTRACTS WITH CERTAIN COMPANIES. Charco and the person or persons executing the Development Agreement on behalf of Charco, or representing themselves as executing the Development Agreement on behalf of Charco (collectively, the “Signing Entities”), hereby acknowledge that (i) the Signing Entities do not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) the Signing Entities are not named on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of the Comptroller’s website:

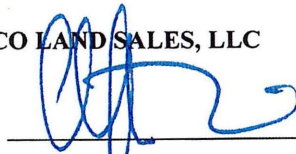
- <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>
- <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>
- <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>

CHARCO LAND SALES, LLC

By: _____

Name: _____

Title: _____


Radcliffe Killam II
President and CEO

Commissioners Court Meeting

Meeting Date: 12/13/2021

Development Agreement with Killam Ltd. for four acre tract donation

Submitted for: Nathan Bratton

Submitted By: Nathan Bratton

Department: Civil Legal Division

Subject:

Discussion and possible action to enter into a Development Agreement with Killam Development, Ltd. for the conveyance to Webb County of an approximate four (4) acre tract of land, located in South Laredo fronting on Modular Blvd., for a public facility to be used for public assembly, public safety, public health, community meetings, and emergency shelter and any other matters incident thereto; authorizing the County Judge to sign all relevant documents. **[Requested by Webb County Commissioners Court]**

Background:

The donation of the four acre tract is being made in conjunction with the County's participation in TIRZ #2.

Previous Court Action:

Fiscal Impact

Budget

Account n/a

Number:

Funding

Source: n/a

Balance: n/a

Financial Impact:

Four acre tract donation.

Attachments

4 acre donation tract - Killam
