

MARGIE R. IBARRA  
COUNTY CLERK  
FILED

2021 SEP 28 AM 11:21  
WEBB COUNTY, TEXAS  
BY: [Signature] DEPUTY

**TAX ABATEMENT AND INCENTIVE AGREEMENT  
FOR PROPERTY IN A NEIGHBORHOOD EMPOWERMENT ZONE**

This Agreement is made and entered into by and between Jose L. Arrellano and wife Andrea L. Arrellano, owner of residential real property located in the City of Laredo's established neighborhood empowerment zone, and Webb County ("County") a political subdivision of the State of Texas pursuant to the authority of Chapters 318 and 378 of the Texas Local Government Code and Chapter 312 of the Tax Code, and shall be effective when duly executed by signature of the authorized representative for each party hereto.

**RECITALS**

**WHEREAS**, the City of Laredo 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" ("NEZ") 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**, Jose L. Arrellano and wife Andrea L. Arrellano are the owners of the land located within said Neighborhood Empowerment Zone and described as 405 Guerrero Street, (Property") which exhibit is incorporated herein by reference for all purposes; and

**WHEREAS**, Webb County has adopted and follows the City of Laredo's neighborhood empowerment zone and has adopted the city's NEZ Tax Abatement Policy; and

**WHEREAS**, Webb 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 Jose L. Arrellano and wife Andrea L. Arrellano have this day entered into the following contract and agreement:

**I. TERM**

This agreement shall be for a period of five (5) years becoming effective on January 1<sup>st</sup> of the year following the year in which a Certificate of Occupancy is issued by the City of Laredo.

**II. OWNER COVENANTS**

**A. Project**

Jose L. Arrellano and wife Andrea L. Arrellano has completed new construction located at 405 Guerrero St, lot number 8 and lot number 9, in block number two hundred forty-four (244), Eastern Division that consists of a residential property and improvements with an estimated value of at least \$55,043.00 Jose L. Arrellano and wife Andrea L. Arrellano agrees to limit the use of the property described herein for said residential development use as that term is defined in the Zoning Ordinance of the City of Laredo.

**B. Completion Date**

Jose L. Arrellano and wife Andrea L. Arrellano represents and certifies that the residential project construction has been completed in accordance with all appropriate codes and permits.

**C. Use of Property**

Jose L. Arrellano and wife Andrea L. Arrellano covenants that the project is new construction 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 residential development.

### **III. TAX ABATEMENT**

Subject to and in accordance with this Agreement, the County hereby grants to Jose L. Arrellano and wife Andrea L. Arrellano a real property tax abatement of County imposed ad valorem taxes on the Property for a period of five (5) years. The total estimated amount of the Abatement granted under this Agreement shall be approximately \$1,750.00. The total certified Base Value for year 2017 as determined by the Webb County Appraisal District is \$192,874.00.

### **IV. 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 Jose L. Arrellano and wife Andrea L. Arrellano the City shall have and Jose L. Arrellano and wife Andrea L. Arrellano shall provide access to the Property in order for the City to inspect the Property and evaluate the required improvements to ensure compliance with the terms and conditions of this Agreement. Jose L. Arrellano and wife Andrea L. Arrellano shall cooperate fully with the City during any such inspection and/or evaluation.

#### **B. Certification**

Jose L. Arrellano and wife Andrea L. Arrellano shall certify annually to the County that it is in compliance with each applicable terms of this Agreement. The County shall have the right to audit the Property; Jose L. Arrellano and wife Andrea L. Arrellano shall make all applicable records available to the County following reasonable advance notice by the City and shall otherwise cooperate fully with the City during any audit.

### **V. DEFAULT AND RECAPTURE**

Jose L. Arrellano and wife Andrea L. Arrellano shall be in default of this Agreement if Jose L. Arrellano and wife Andrea L. Arrellano for any reason fails to substantially comply with the development of the property, discontinues the residential development operations as required by the terms of this Agreement, or if any representation made by Jose L. Arrellano and wife Andrea L. Arrellano 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 Jose L. Arrellano and wife Andrea L. Arrellano . If the County terminates this Agreement as a result of default by Jose L. Arrellano and wife Andrea L. Arrellano , the tax abatement shall be immediately abolished and the County shall have the right to recapture the taxes previously abated. In the event of termination, a bill for the total amounts due will be sent to Jose L. Arrellano and wife Andrea L. Arrellano , and Jose L. Arrellano and wife Andrea L. Arrellano hereby agrees to pay the total amounts due within sixty (60) days after receipt of the bill. Statutory penalties interest and attorney's fees will accrue if Jose L. Arrellano and wife Andrea L. Arrellano fails to timely pay the bill. Nothing in this Agreement shall preclude Jose L. Arrellano and wife Andrea L. Arrellano from disputing the bill.

### **VI. TERMINATION AT WILL**

If the County and Jose L. Arrellano and wife Andrea L. Arrellano 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 Jose L. Arrellano and wife Andrea L. Arrellano 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.

**VII. VENUE AND JURISDICTION**

This Agreement shall be construed in accordance with the laws of the State of Texas. 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.

**VIII. 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.

**IX. BINDING EFFECT**

This agreement shall insure to the benefit of and be binding upon the County and Jose L. Arrellano and wife Andrea L. Arrellano and their affiliated, subsidiaries, successors and assigns.

IN WITNESS WHEREOF, the parties execute this contract on the 27<sup>th</sup> day of September, 2021.

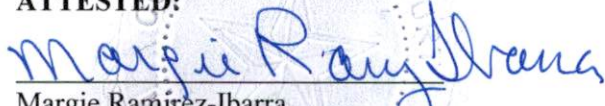
**WEBB COUNTY**

  
\_\_\_\_\_  
Tano E. Tijerina  
Webb County Judge

**Property Owner**


  
\_\_\_\_\_  
Jose L. Arrellano

**ATTESTED:**

  
\_\_\_\_\_  
Margie Ramirez-Ibarra  
Webb County Clerk

  
\_\_\_\_\_  
Andrea L. Arrellano

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
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 clients. 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).