

MARGIE R IBARRA
COUNTY CLERK
FILED

2023 JUN 12 PM 1:19

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

WEBB COUNTY, TEXAS

all

This Agreement is made and entered into by and between Outer Loop, LLC, 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.

DEPUTY

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, Outer Loop, LLC. is the owner of the land located within said Neighborhood Empowerment Zone and described as 1022 Bob Bullock Loop, Emerald Hills Laredo, Texas 78043, (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 Outer Loop, LLC have this day entered into the following contract and agreement:

I. TERM

This agreement shall be for a period of ten (10) years becoming effective on January 1st of the year following the year in which a Certificate of Occupancy is issued by the City of Laredo.

II. OWNER COVENANTS

A. Project

Outer Loop, LLC has completed new construction located at 1022 Bob Bullock Loop, Emerald Hills, Laredo, Texas 78043 (a track of land situated in Webb County, Texas, and being the surface only of the Surface Estate Only in and to Lot Two (2), Block One (1), Emerald Hills Subdivision situated in the City of Laredo, Webb County, Texas, according to Plat thereof recorded in Volume 21, Page 70, Plat Records of Webb County, Texas; save and except 13,534 square feet conveyed to the State of Texas indeed recorded in Volume 2738, Page 166, Official Public Records of Webb County, Texas which will consist of a commercial car lot with an estimated value of at least \$1,061,262.58. Outer Loop, LLC agrees to limit the use of the property described herein for said Commercial Car Lot use as that term is defined in the Zoning Ordinance of the City of Laredo.

B. Completion Date

Owner, Outer Loop, LLC, certifies that the Commercial Car Lot project construction represents and certifies that this project will be completed in accordance with all appropriate codes and permits.

C. Use of Property

Outer Loop, LLC 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 Outer Loop, LLC a real property tax abatement of County imposed ad valorem taxes on the Property for a period of ten (10) years. The total estimated amount of the Abatement granted under this Agreement shall be approximately \$48,643.43. The total certified Base Value for year 2021 as determined by the Webb County Appraisal District is \$303,292.00 in property value.

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 Outer Loop, LLC the City shall have and Outer Loop, LLC 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. Outer Loop, LLC shall cooperate fully with the City during any such inspection and/or evaluation.

B. Certification

Outer Loop, LLC 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; Outer Loop, LLC 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

Outer Loop, LLC shall be in default of this Agreement if Outer Loop, LLC 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 Outer Loop, LLC is false or misleading in any material aspect. Termination of this Agreement may be affected if default is not cured within sixty (60) days after written notice by the County to Outer Loop, LLC. If the County terminates this Agreement as a result of default by Outer Loop, LLC, 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 Outer Loop, LLC, and Outer Loop, LLC 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 Outer Loop, LLC fails to timely pay the bill. Nothing in this Agreement shall preclude Outer Loop, LLC from disputing the bill.

VI. TERMINATION AT WILL

If the County and Outer Loop, LLC mutually determine that the development or use of the Property is no longer appropriate or feasible, or that a better use is preferable, the County and Outer Loop, LLC 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.

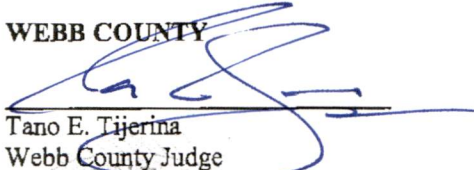
IX. BINDING EFFECT

This agreement shall insure to the benefit of and be binding upon the County and Outer Loop, LLC and their affiliated, subsidiaries, successors and assigns.

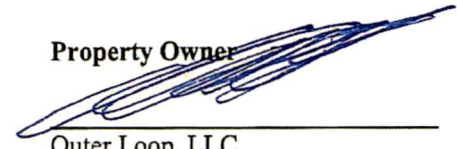
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties execute this contract on the 23rd day of May, 2023.

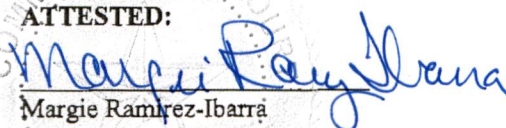
WEBB COUNTY


Tano E. Tijerina
Webb County Judge

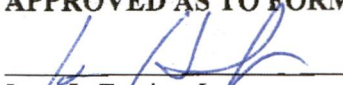
Property Owner


Outer Loop, LLC
Octavio Benavides Jr

ATTESTED:


Margie Ramirez-Ibarra
Webb County Clerk

APPROVED AS TO FORM:


Jorge L. Trevino, Jr.
Assistant 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).