

**Location: 925 Avenue H E**

**Property Owner: Textstars, LLC**

**802 E J Ave**

**Grand Prairie, TX 75050**

**About the Project**

Textstars, LLC is a local quality-based lean fabricator of transparencies that utilize advanced materials and engineering-grade thermoplastic materials supporting the aerospace, military vehicle and other commercial markets. The company has an ongoing partnership with Lockheed Martin Aeronautics in Fort Worth to continue to produce the canopies for the F-35 fighters. Textstars will expand operations at its existing facility located at 925 Avenue H East and purchase new equipment and machinery to support this initiative. In addition, Textstars will make necessary electrical, HVAC and building upgrades to bring up to modern standards and offer best-in-class quality for many years to come.

**Goals of the Project**

Business retention and expansion (Target Industry); job retention and creation; tax base enhancement

**Current Status**

Tax abatement agreement was approved by City Council in December 2020; the agreement was executed by all parties with an Effective Date of March 23, 2021. Assuming all criteria are met, Textstars will be eligible for the first abatement in tax year 2022 (FY23).

**Benefit to City**

90+ jobs created, 101 jobs retained; approximate 7-year benefit of \$100,000 in additional property tax revenue and \$427,000 in property tax revenue on the existing property not eligible for abatement.

<b>Reinvestment Zone</b>	47
<b>Ordinance</b>	20-061
<b>Year Approved by Council</b>	2020
<b>Base Year</b>	2021
<b>Beginning Year</b>	2024
<b>Ending Year</b>	2031
<b>Duration</b>	7 years
<b>Base Year Value</b>	\$ -
<b>Property Tax Account Number(s)</b>	09261621
<b>Total Abatement Allowed</b>	80%
<b>Total Estimated Investment by Company</b>	\$ 25,000,000

**Criteria Evaluated**

- Locate/Install Eligible Property by 12/31/2023 resulting in added taxable value of at least \$10M by tax year 2024, beginning 1/1/2024
- Maintain Eligible Property on the Premises for the duration of the agreement
- Create and fill at least 45 new Jobs for a total Jobs count of at least 146 by 1/1/2022; maintain 146 Jobs through 12/1/2024
- Create and fill an additional 45 new Jobs for a total Jobs count of at least 191 by 1/1/2025; maintain 191 Jobs through remaining term
- Develop MWBE Policy with 25% goal and report progress
- Conform to applicable codes, ordinances, laws and regulations
- Timely payment of ad valorem taxes; render any property for taxation

**Incentives Allowed**

80% of the added taxable value of the Eligible Property (Taxable Business Personal Property Improvements installed after Effective Date and before 12/31/2021)

Year	Abatement Percentage Allowed on Eligible Property	Appraised Value	Percentage of Total Value Abated	Abated Value	Abated Levy	Jobs Reported	Average Salary	Levy Abated as % of Total Tax Liability
2023 (FY24)								
2024 (FY25)								
2025 (FY26)								
2026 (FY27)								
2027 (FY28)								
2028 (FY29)								
2029 (FY30)								
2030 (FY31)								
2031 (FY32)								
<b>TOTAL</b>				<b>\$</b>	<b>-</b>			

**Levy Paid by Taxing Entity**

Year	City of Arlington (024)	Tarrant County (220)	Tarrant County Hospital District (224)	Tarrant County College District (225)	Arlington ISD (901)	Mansfield ISD (908)	Kennedale ISD (914)	Total Annual Tax Bill
2023 (FY24)								-
2024 (FY25)								-
2025 (FY26)								-
2026 (FY27)								-
2027 (FY28)								-
2028 (FY29)								-
2029 (FY30)								-
2030 (FY31)								-
2031 (FY32)								-
	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>

*italics indicates projection*

**Ordinance No. 20-061**

**An ordinance establishing Reinvestment Zone Number Forty-Seven; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading**

WHEREAS, the City Council of the City of Arlington, Texas, desires to promote the development or redevelopment of a certain area within its jurisdiction by the establishment of a Reinvestment Zone for commercial-industrial tax abatement; and

WHEREAS, on April 7, 2009, the City Council of the City of Arlington, Texas passed Resolution No. 09-079 authorizing staff, following a briefing to City Council regarding creation of the zone, to give notice required by law to call public hearings relative to creation of reinvestment zones for tax abatement; and

WHEREAS, on February 25, 2020, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Seven; and

WHEREAS, on November 10, 2020, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Seven; and

WHEREAS, a public hearing was held at which time interested persons were entitled to speak and present evidence for or against the designation of the property described in Exhibit "A" as Reinvestment Zone Number Forty-Seven, and notice of such public hearing was published in a newspaper of general circulation in the City of Arlington not later than the seventh day before the date of the scheduled hearing; and

WHEREAS, the City Council of the City of Arlington has established guidelines and criteria governing tax abatement agreements and has stated that the City elects to become eligible to participate in tax abatement; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

1.

That all of the recitals contained in the preambles of this ordinance are found to be true and are adopted as findings of fact by this governing body and as part of its official record.



2.

The City Council, after conducting a public hearing and having considered all relevant evidence and testimony, has made the following findings and determinations based on such evidence and testimony:

- A. That a public hearing on the designation of Reinvestment Zone Number Forty-Seven has been properly called, held and conducted, and that notice of such hearing was published in accordance with the law; and
- B. That the boundaries of Reinvestment Zone Number Forty-Seven should be the proposed area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and
- C. That the improvements sought to be made in Reinvestment Zone Number Forty-Seven are feasible and practical and would be a benefit to the land to be included in the Zone and to the City of Arlington following the expiration of an executed Tax Abatement Agreement; and
- D. That the proposed area of land to be designated Reinvestment Zone Number Forty-Seven is reasonably likely, as a result of this designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property, thereby contributing to the economic development of the City of Arlington.

3.

In accordance with State law, the City of Arlington hereby officially creates Reinvestment Zone Number Forty-Seven for commercial-industrial tax abatement, which Zone shall hereafter encompass only that certain area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and such Reinvestment Zone shall be officially designated as Tax Abatement Reinvestment Zone Number Forty-Seven of the City of Arlington, Texas.

4.

The designation of Reinvestment Zone Number Forty-Seven of the City of Arlington, Texas shall expire Five (5) years after the effective date of its designation and may be renewed.

5.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington; and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be

inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

6.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

7.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

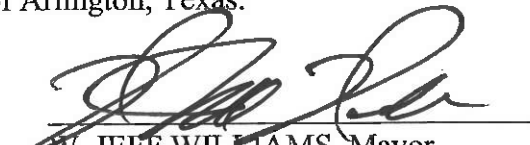
8.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

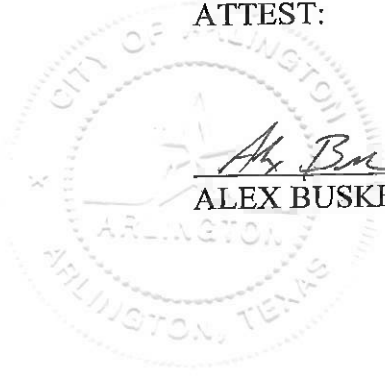
9.

This ordinance shall become effective upon second reading.

PRESENTED AND GIVEN FIRST READING on the 17<sup>th</sup> day of November, 2020, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the 1<sup>st</sup> day of December, 2020, by a vote of 8 ayes and 0 nays at a regular meeting of the City Council of the City of Arlington, Texas.

  
W. JEFF WILLIAMS, Mayor

ATTEST:



Alex Busken  
ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY Teris Solis



## **Exhibit "A"**

### **PROPERTY DESCRIPTION**

BEING a 15.2451 acre tract of land in Industrial Community Number 1, Great Southwest Industrial District, an addition lying partly in the City of Arlington and partly in the City of Grand Prairie, Texas and being recorded in Volume 388-10, Page 85 and Volume 388-10, Page 89, respectively, Plat Records of Tarrant County, Texas; said 15.245 acre tract being parts of Block 4 and Block 5 and of said Industrial Community No. 1.





**Resolution No. 20-328**

**A resolution authorizing the execution of an agreement by and between Texstars, LLC and the City of Arlington, Texas, relative to tax abatement for a project in Reinvestment Zone Number Forty-Seven in the City of Arlington, Texas**

WHEREAS, Texstars, LLC (hereinafter referred to as “Texstars”) has submitted to the City of Arlington (“CITY”) an application for tax abatement of business personal property taxes for its investment in new machinery and equipment for the expansion of its business in Reinvestment Zone Number Forty-Seven in the City of Arlington; and

WHEREAS, the Arlington City Council has elected to participate in tax abatements in accordance with TEX. TAX CODE ANN. Chapter 312, and has adopted policy statements, guidelines, criteria and procedures for evaluating and considering applications and agreements for such incentives; and

WHEREAS, the ultimate goal and public purpose of agreements and programs established under the CITY’s economic development policies is to protect and enhance CITY’s fiscal ability to provide high quality municipal services for the safety, comfort, and enjoyment of CITY residents; and

WHEREAS, the CITY finds that the administration of a program of incentives to Texstars (“Program”) in exchange for Texstars’s completion of the project proposed by Texstar, which would contribute to the retention or expansion of employment in the CITY and would attract major investment, which would contribute to the economic development of the CITY; and

WHEREAS, the CITY has determined that the Program will directly establish a public purpose and that all transactions involving the use of public funds and resources in the establishment and administration of the Program contain sufficient controls to ensure that the public purpose is carried out; and

WHEREAS, the CITY finds that the Project meets the applicable guidelines, criteria, and minimum requirements previously established by CITY; and

WHEREAS, based on these findings, CITY proposes to execute a tax abatement agreement with Texstar allowing abatement of business personal property taxes at 80% for seven (7) years; NOW THEREFORE

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:**

I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

II.

That the City Manager or his designee is hereby authorized to execute an agreement with Texstars, LLC and other necessary or required parties. A substantial copy of the agreement is attached as Exhibit "A".

III.

In authorizing the execution of and in executing the referenced agreement, the City of Arlington, Texas, through its City Council and City officials, hereby exercises a governmental function in accordance with but not limited to Section 101.0215 of the Texas Civil Practices and Remedies Code.

PRESENTED AND PASSED on this the 1st day of December, 2020, by a vote of 8 ayes and 0 nays at a regular meeting of the City Council of the City of Arlington, Texas.



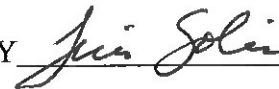
W. JEFF WILLIAMS, Mayor

ATTEST:



ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY 

**Exhibit "A"**

**Tax Abatement Agreement**





THE STATE OF TEXAS    §  
                                  §  
COUNTY OF TARRANT   §

**TAX ABATEMENT**  
**AGREEMENT**

THIS **TAX ABATEMENT AGREEMENT** (hereafter referred to as “Agreement”) is executed on \_\_\_\_\_, 2020, (hereafter referred to as “Effective Date”), by and between **TEXSTARS, LLC**, duly authorized to do business in the State of Texas, acting by and through its authorized officer, (hereafter referred to as “**OWNER**”), and the **CITY OF ARLINGTON, TEXAS**, a home-rule city and municipal corporation of Tarrant County, Texas, acting by and through its City Manager or his designee, (hereafter referred to as “**CITY**”).

WITNESSETH:

WHEREAS, CITY has found that providing a program of incentives to OWNER in exchange for OWNER’s expansion of its business through investment in new machinery and equipment will promote local economic development and stimulate business and commercial activity and job creation within the City of Arlington; and

WHEREAS, the City Council of CITY has resolved that the CITY may elect to participate in tax abatement; and

WHEREAS, the City Council, in accordance with law, has adopted a Policy Statement for Tax Abatement; and

WHEREAS, prior to executing this Agreement, the CITY has adopted a Policy Statement consistent with this Agreement; and

WHEREAS, the Policy Statement constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the CITY; and

WHEREAS, the City Council passed Ordinance No. 20-\_\_ establishing Reinvestment Zone Number Forty-Seven in the City of Arlington, Texas, being a commercial-industrial reinvestment zone for tax abatement as authorized by Texas Tax Code Chapters 311 and 312 (hereafter referred to as “the Code”); and

WHEREAS, the use of the Premises (as hereafter defined), the Eligible Property (as hereafter defined), and the other terms hereof are consistent with encouraging development within Reinvestment Zone Number Forty-Seven, and are in compliance with the Policy Statement and Ordinance No. 20-\_\_ and similar guidelines and criteria adopted by CITY and all applicable law; and

WHEREAS, the City Council finds that the terms of this Agreement meet applicable guidelines and criteria adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Code, to the presiding officers of the governing bodies of each of the taxing units in which the Eligible Property to be subject to this Agreement is located; and

WHEREAS, the City Council finds that it is in the public interest to provide the tax abatement incentive; NOW THEREFORE,

The CITY and OWNER, for and in consideration of the mutual premises and promises contained herein, do hereby agree, covenant, and contract as set forth below:

**I.**  
**Definitions**

- A. “Added Value” is defined as the taxable value of the Eligible Property, as determined by the Tarrant Appraisal District, above the Base Year Value.
- B. “Base Year Value” is defined as the tax year 2020 taxable value of the Eligible Property, as of January 1, 2020, as finally determined by the Tarrant Appraisal District, which shall be \$0.00 for purposes of this Agreement.
- C. “Business Personal Property Improvements” are defined as tangible personal property, excluding inventory and supplies, owned by OWNER.
- D. “Eligible Property” is defined as the taxable Business Personal Property Improvements delivered to, installed, or located on the Premises after the Effective Date and before December 31, 2021, more fully described in **Exhibit “A”**, which is attached hereto and incorporated herein for all purposes.
- E. “Job” is defined as a permanent, full-time employment position that results in actual paid employment of an employee, not independent contractor, at the Project of at least 1,820 hours per position in a year. It shall not include part-time employees.
- F. “Premises” are defined as the real property, owned by OWNER, located entirely within Reinvestment Zone Number Forty-Seven and addressed as 925 Avenue H East, Arlington, Texas 76011, more fully described in **Exhibit “B”**, which is attached hereto and incorporated herein for all purposes.

- G. "Reinvestment Zone Number Forty-Seven" is defined as the real property described in **Exhibit "B"**, which is attached hereto and incorporated herein for all purposes. Such property was designated as Reinvestment Zone Number Forty-Seven by City of Arlington Ordinance No. 20-\_\_\_\_\_, which is attached hereto as **Exhibit "C"**.

**II.**  
**General Provisions**

- A. This Agreement shall commence on the Effective Date and shall expire on the date OWNER makes payment of all taxes owed on the Eligible Property for tax year 2028 (the "Term"), unless otherwise sooner terminated in accordance with the terms of this Agreement.
- B. The Premises are not in an improvement project financed by tax increment bonds.
- C. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of CITY.
- D. It is acknowledged and agreed by the parties that the installation of the Eligible Property is consistent with the purposes of encouraging development or redevelopment of Reinvestment Zone Number Forty-Seven.

**III.**  
**Improvement Conditions and Requirements**

- A. OWNER shall improve the Premises by locating and installing the Eligible Property described in **Exhibit "A"** on or before December 31, 2021.
- B. OWNER's improvement of the Premises through the location and installation of the Eligible Property must result in Added Value of at least Eleven Million Dollars (\$11,000,000) no later than tax year 2022 (beginning January 1, 2022).
- C. Once located or installed, OWNER shall maintain on the Premises the Eligible Property for the remaining Term of this Agreement.
- D. OWNER shall create and fill at least forty-five (45) new Jobs on the Premises for a total Jobs count on the Premises of no less than one hundred and forty-six (146) by no later than January 1, 2022. OWNER shall maintain one hundred and forty-six Jobs on the Premises from January 1, 2022, through December 1, 2024. OWNER shall create and fill an additional forty-five (45) new Jobs on the Premises for a total Jobs count on the Premises of no less than one hundred and ninety-one (191) by no later than January 1, 2025. OWNER shall maintain one hundred and ninety-one (191) Jobs on the Premises from January 1, 2025, through the remaining Term of this Agreement.

- E. Throughout the Term all activity on the Premises shall conform to applicable building codes, zoning ordinances, and all other state, federal, or local laws, ordinances, and regulations. OWNER shall apply for and obtain all necessary governmental permits and approvals for the Eligible Property and operation of the Premises.
- F. OWNER shall not allow the ad valorem taxes owed to CITY on any property owned by OWNER and located within the City of Arlington to become delinquent beyond the last day they can be paid without assessment of penalty.
- G. OWNER shall not fail to render for taxation any property located within the City of Arlington.
- H. OWNER agrees to use diligent efforts and to cause any contractors and subcontractors utilized during the location and installation of the Eligible Property to use diligent efforts to purchase all goods and services from Arlington businesses whenever such goods and services are comparable in availability, terms, quality, and price. OWNER also agrees to develop a policy that establishes a goal of twenty-five percent (25%) use by OWNER of qualified contractors, subcontractors, and suppliers where at least fifty-one percent (51%) of the ownership of such contractors, subcontractors, or suppliers is vested in racial or ethnic minorities or women for design and construction of the Project, which such policy shall contain reasonable exclusions. Upon completion of the location and installation of the Eligible Property, OWNER shall provide the CITY with a report detailing its progress towards the twenty-five percent (25%) goal.

**IV.**  
**Abatement**

If the Improvement Conditions and Requirements set forth in Section III are satisfied, then CITY agrees to exempt from taxation 80% of the Added Value of the Eligible Property. The exemption shall be for a period of seven (7) years, beginning in tax year 2022 (beginning January 1, 2022) through and including tax year 2028 (beginning January 1, 2028).

**V.**  
**Reports, Audits and Inspections**

- A. Annual Certification, TAD Application, and Reports - Pursuant to state law, OWNER shall certify annually that OWNER is in compliance with the terms of this Agreement, and shall provide the reports and records reasonably necessary to support each year of this Agreement, as follows:
  - 1. Annual Certification -- OWNER shall complete and certify a Tax Abatement Certification to be provided by CITY for each year of this Agreement, to be due annually not later than April 1. This certification

shall include, at minimum, the following for all Eligible Property for which OWNER seeks tax abatement: property description, asset number, payment date for property located on Premises, and costs.

2. TAD Application -- OWNER shall submit a completed application for Property Tax Abatement Exemption to the Tarrant Appraisal District (hereinafter "TAD") by the statutory deadline of April 30 in each year that OWNER intends to claim the abatement exemption, with no expectation of prompting or reminding from the TAD or CITY. The application for Property Tax Abatement Exemption must be obtained by OWNER from the Forms section of the TAD's website at <http://www.TAD.org>.
  3. Additional Records -- Additionally, throughout the term of this Agreement, OWNER shall furnish CITY any additional records and information reasonably requested to support the reports required by this Agreement.
- B. Right to Audit Books and Records - CITY shall have the right to audit the books and records related to the Eligible Property and supporting the Eligible Property reports. CITY shall notify OWNER in advance in writing of their intent to audit in order to allow OWNER adequate time to make such books and records available.
- C. Inspection - At all times throughout the term of this Agreement, CITY and TAD shall have reasonable access to the Premises for the purpose of inspecting the Premises to ensure that the Eligible Property is installed, maintained, and operated in accordance with the terms of this Agreement. All inspections shall be conducted in a manner as to not unreasonably interfere with the installation of the Eligible Property or the operation of the Premises. The inspections shall be conducted within a reasonable time period after notice by CITY or TAD to OWNER, provided, however, that all inspections shall be made with one (1) or more representative(s) of OWNER present and in accordance with the safety standards of OWNER.
- D. Protest - This Agreement shall not be construed to prohibit OWNER's protest or contest of any or all appraisals or assessments of any property on the Premises. The amount of the abatement provided for in this Agreement shall be based upon the taxes as finally determined by TAD to be due after such protests or contests are finally determined.

## VI.

### Breach and Recapture

- A. Breach - A breach of this Agreement by OWNER may result in termination or modification of this Agreement and recapture by CITY of all abated taxes. OWNER's failure to satisfy any of the Conditions and Requirements as specified

in Article III or OWNER's failure to provide the annual certification, application, or additional records and reports specified in Article V shall constitute a breach of this Agreement.

- B. Notice of Breach - In the event that CITY makes a reasonable determination that OWNER has breached this Agreement, then CITY shall give OWNER written notice of such. OWNER has sixty (60) days following receipt of said written notice to cure such breach, or this Agreement may be terminated by CITY, and recapture of abated taxes made may occur. Notice of breach and opportunity to cure shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in Article IX of this Agreement.
- C. Recapture - During the Term of this Agreement, should OWNER commit and fail to timely cure a breach of this Agreement, CITY may terminate this Agreement and recapture all abated taxes made under this Agreement. It shall be the duty of CITY to determine whether to require recapture and to demand payment of such. Repayment of abated taxes shall become due 60 days following receipt of such demand. The rights of CITY to require recapture and demand repayment of abated taxes, and the obligation of OWNER to pay such, shall survive termination of this Agreement. The City Attorney has the authority, on behalf of the CITY, to initiate any litigation necessary to pursue payment of recaptured abated taxes pursuant to this Agreement.
- D. Tax Lien Not Impaired - It is expressly agreed and acknowledged between the parties to this Agreement that nothing in this Agreement shall be deemed or construed to affect the lien for taxes against the property established by Section 32.01 of the Tax Code of the State of Texas. Such lien shall secure the payment of all taxes, penalties, and interest ultimately imposed on the property, including any taxes abated and subject to recapture under this Agreement. Any such lien may be fully enforced pursuant to the provisions of the Code. For purposes of this Subsection, "property" refers to the Premises and Eligible Property described herein.

## VII.

### Undocumented Workers

OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker as that term is defined by section 2264.001(4) of the Texas Government Code. In accordance with section 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 132a(f), OWNER shall repay to the CITY the full amount of the abated taxes provided under Article IV of this Agreement, plus 10% per annum from the date such taxes were abated. Repayment shall be paid within 120 days after the date following such conviction that OWNER receives notice of violation from the CITY as provided by 2264.101(c) of the Texas Government Code.

**VIII.**  
**Effect of Sale or Lease of Property**

This Agreement shall not be assignable to any new owner of all or a portion of the Premises or Eligible Property unless such assignment is approved in writing by the CITY with approval of the Arlington City Council.

**IX.**  
**Notice**

All notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail postage prepaid or by hand delivery:

OWNER:      Texstars, LLC  
                  Attention: \_\_\_\_\_  
                  \_\_\_\_\_  
                  \_\_\_\_\_

CITY:           City of Arlington  
                  City Manager's Office  
                  Attention: Economic Development Manager  
                  MS 01-0300  
                  P.O. Box 90231  
                  Arlington, Texas 76004-3231

With Copy to:  
City Attorney  
MS 63-0300  
P.O. Box 90231  
Arlington, Texas 76004-3231

**X.**  
**City Council Authorization**

This Agreement was authorized by resolution of the Arlington City Council authorizing the City Manager or his designee to execute this Agreement on behalf of the CITY.

**XI.**  
**Severability**

In the event any section, subsection, paragraph, sentence, phrase, or word is held invalid, illegal, or unconstitutional, 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 section, subsection, paragraph, sentence, phrase, or word.

**XII.**  
**Estoppel Certificate**

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested, will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the abatement in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

**XIII.**  
**OWNER's Standing**

OWNER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same, and OWNER shall be entitled to intervene in said litigation.

**XIV.**  
**Applicable Law**

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

**XV.**  
**Indemnification**

**OWNER AGREES TO DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT THAT MAY ARISE OUT OF OR BE OCCASIONED BY OWNER'S DEFAULT OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, OR BY ANY NEGLIGENT ACT OR OMISSION OF OWNER, ITS OFFICERS, AGENTS, ASSOCIATES, OR EMPLOYEES, IN THE PERFORMANCE OF THIS AGREEMENT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OF THE CITY OR ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRENT NEGLIGENCE OF BOTH OWNER AND CITY, RESPONSIBILITY, IF ANY, SHALL BE APPORTIONED**



**COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS OR FEDERAL LAW. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.**

**XVI.**  
**Force Majeure**

It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, court injunction, necessary condemnation proceedings, acts of the other party, its affiliates/related entities and/or their contractors, or any actions or inactions of third parties or other circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated or not, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such design or construction requirement shall be extended for a period of time equal to the period such party was delayed.

**XVII.**  
**No Other Agreement**

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified or supplemented only by an instrument or instruments in writing executed by the parties.

**XVIII.**  
**Recordation of Agreement**

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Tarrant County, Texas.

**XIX.**  
**Headings**

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

**XX.**  
**Successors and Assigns**

The parties to this Agreement each bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Agreement.

No successor, executor, administrator, or assign is valid in the place of the parties to this Agreement without the written consent of CITY and such consent shall not be unreasonably withheld.

**XXI.**  
**Counterparts**

This Agreement may be executed in any number of counterparts, each of which may be executed by any one or more of the parties hereto, but all of which shall constitute one instrument, and shall be binding and effective when all of the parties hereto have executed at least one counterpart.

**XXII.**  
**No Third-Party Beneficiaries**

For purposes of this Agreement, including its intended operation and effect, the parties specifically agree that: (1) this Agreement only affects matters/disputes between the parties to this Agreement, and is in no way intended by the parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with CITY or OWNER or both; and (2) the terms of this agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either CITY or OWNER.

**XXIII.**  
**Remedies**

No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this agreement may be waived without consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this agreement.

**XXIV.**  
**Survival of Obligations**

All obligations under this Agreement shall survive the expiration or termination of this Agreement to the extent required for their full observance and performance.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

**TEXSTARS, LLC**

BY \_\_\_\_\_  
Signature

\_\_\_\_\_  
Typed or Printed Title  
Date \_\_\_\_\_

WITNESS:

\_\_\_\_\_

**CITY OF ARLINGTON, TEXAS**

BY \_\_\_\_\_  
JIM PARAJON  
Deputy City Manager  
Date \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY \_\_\_\_\_

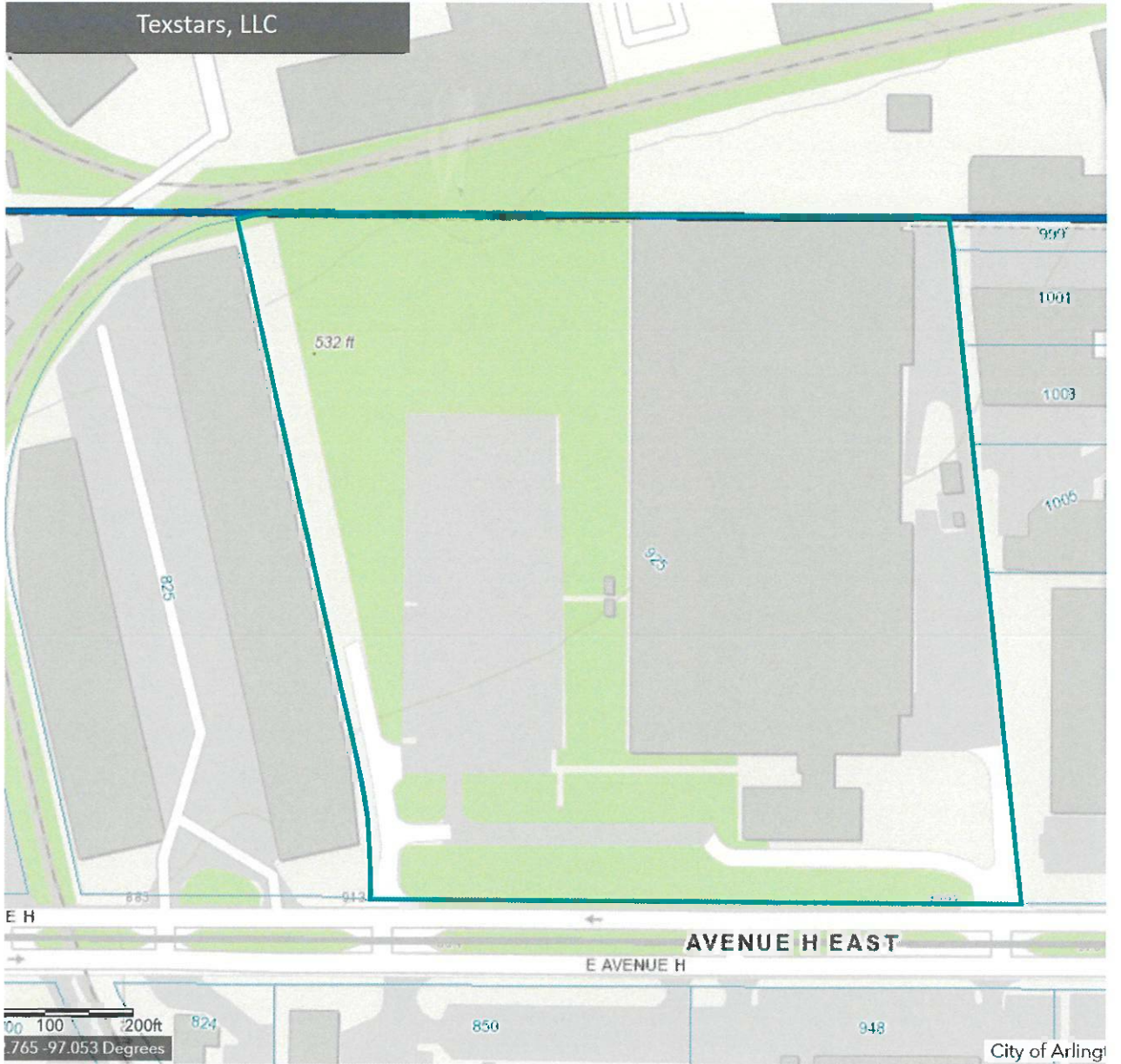


**Exhibit "A"**  
**Eligible Property List**

*The following machinery and equipment will be installed in connection with the project:*

- *Preform and Forming equipment*
- *Casting equipment*
- *Windshield and Canopy machinery*
- *Coating machinery*
- *Material Handling equipment*
- *Other machinery and equipment as necessary for the manufacturing and handling of the Project.*

**Exhibit "B"**  
**Premises**



**Exhibit "C"**  
**Ordinance No. 20-\_\_**  
**Creating Reinvestment Zone No. 47**

**[TO BE INSERTED]**





WHEREAS, the City Council finds that the terms of this Agreement meet applicable guidelines and criteria adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Code, to the presiding officers of the governing bodies of each of the taxing units in which the Eligible Property to be subject to this Agreement is located; and

WHEREAS, the City Council finds that it is in the public interest to provide the tax abatement incentive; NOW THEREFORE,

The CITY and OWNER, for and in consideration of the mutual premises and promises contained herein, do hereby agree, covenant, and contract as set forth below:

**I.**  
**Definitions**

- A. “Added Value” is defined as the taxable value of the Eligible Property, as determined by the Tarrant Appraisal District, above the Base Year Value.
- B. “Base Year Value” is defined as the tax year 2020 taxable value of the Eligible Property, as of January 1, 2020, as finally determined by the Tarrant Appraisal District, which shall be \$0.00 for purposes of this Agreement.
- C. “Business Personal Property Improvements” are defined as tangible personal property, excluding inventory and supplies, owned by OWNER.
- D. “Eligible Property” is defined as the taxable Business Personal Property Improvements delivered to, installed, or located on the Premises after the Effective Date and before December 31, 2021, more fully described in **Exhibit “A”**, which is attached hereto and incorporated herein for all purposes.
- E. “Job” is defined as a permanent, full-time employment position that results in actual paid employment of an employee, not independent contractor, at the Project of at least 1,820 hours per position in a year. It shall not include part-time employees.
- F. “Premises” are defined as the real property, owned by OWNER, located entirely within Reinvestment Zone Number Forty-Seven and addressed as 925 Avenue H East, Arlington, Texas 76011, more fully described in **Exhibit “B”**, which is attached hereto and incorporated herein for all purposes.

- G. “Reinvestment Zone Number Forty-Seven” is defined as the real property described in **Exhibit “B”**, which is attached hereto and incorporated herein for all purposes. Such property was designated as Reinvestment Zone Number Forty-Seven by City of Arlington Ordinance No. 20-~~061~~, which is attached hereto as **Exhibit “C”**.

**II.**  
**General Provisions**

- A. This Agreement shall commence on the Effective Date and shall expire on the date OWNER makes payment of all taxes owed on the Eligible Property for tax year 2028 (the “Term”), unless otherwise sooner terminated in accordance with the terms of this Agreement.
- B. The Premises are not in an improvement project financed by tax increment bonds.
- C. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of CITY.
- D. It is acknowledged and agreed by the parties that the installation of the Eligible Property is consistent with the purposes of encouraging development or redevelopment of Reinvestment Zone Number Forty-Seven.

**III.**  
**Improvement Conditions and Requirements**

- A. OWNER shall improve the Premises by locating and installing the Eligible Property described in **Exhibit “A”** on or before December 31, 2021.
- B. OWNER’s improvement of the Premises through the location and installation of the Eligible Property must result in Added Value of at least Eleven Million Dollars (\$11,000,000) no later than tax year 2022 (beginning January 1, 2022).
- C. Once located or installed, OWNER shall maintain on the Premises the Eligible Property for the remaining Term of this Agreement.
- D. OWNER shall create and fill at least forty-five (45) new Jobs on the Premises for a total Jobs count on the Premises of no less than one hundred and forty-six (146) by no later than January 1, 2022. OWNER shall maintain one hundred and forty-six Jobs on the Premises from January 1, 2022, through December 1, 2024. OWNER shall create and fill an additional forty-five (45) new Jobs on the Premises for a total Jobs count on the Premises of no less than one hundred and ninety-one (191) by no later than January 1, 2025. OWNER shall maintain one hundred and ninety-one (191) Jobs on the Premises from January 1, 2025, through the remaining Term of this Agreement.

- E. Throughout the Term all activity on the Premises shall conform to applicable building codes, zoning ordinances, and all other state, federal, or local laws, ordinances, and regulations. OWNER shall apply for and obtain all necessary governmental permits and approvals for the Eligible Property and operation of the Premises.
- F. OWNER shall not allow the ad valorem taxes owed to CITY on any property owned by OWNER and located within the City of Arlington to become delinquent beyond the last day they can be paid without assessment of penalty.
- G. OWNER shall not fail to render for taxation any property located within the City of Arlington.
- H. OWNER agrees to use diligent efforts and to cause any contractors and subcontractors utilized during the location and installation of the Eligible Property to use diligent efforts to purchase all goods and services from Arlington businesses whenever such goods and services are comparable in availability, terms, quality, and price. OWNER also agrees to develop a policy that establishes a goal of twenty-five percent (25%) use by OWNER of qualified contractors, subcontractors, and suppliers where at least fifty-one percent (51%) of the ownership of such contractors, subcontractors, or suppliers is vested in racial or ethnic minorities or women for design and construction of the Project, which such policy shall contain reasonable exclusions. Upon completion of the location and installation of the Eligible Property, OWNER shall provide the CITY with a report detailing its progress towards the twenty-five percent (25%) goal.

**IV.**  
**Abatement**

If the Improvement Conditions and Requirements set forth in Section III are satisfied, then CITY agrees to exempt from taxation 80% of the Added Value of the Eligible Property. The exemption shall be for a period of seven (7) years, beginning in tax year 2022 (beginning January 1, 2022) through and including tax year 2028 (beginning January 1, 2028).

**V.**  
**Reports, Audits and Inspections**

- A. Annual Certification, TAD Application, and Reports - Pursuant to state law, OWNER shall certify annually that OWNER is in compliance with the terms of this Agreement, and shall provide the reports and records reasonably necessary to support each year of this Agreement, as follows:
  - 1. Annual Certification -- OWNER shall complete and certify a Tax Abatement Certification to be provided by CITY for each year of this Agreement, to be due annually not later than April 1. This certification

shall include, at minimum, the following for all Eligible Property for which OWNER seeks tax abatement: property description, asset number, payment date for property located on Premises, and costs.

2. TAD Application -- OWNER shall submit a completed application for Property Tax Abatement Exemption to the Tarrant Appraisal District (hereinafter "TAD") by the statutory deadline of April 30 in each year that OWNER intends to claim the abatement exemption, with no expectation of prompting or reminding from the TAD or CITY. The application for Property Tax Abatement Exemption must be obtained by OWNER from the Forms section of the TAD's website at <http://www.TAD.org>.
  3. Additional Records -- Additionally, throughout the term of this Agreement, OWNER shall furnish CITY any additional records and information reasonably requested to support the reports required by this Agreement.
- B. Right to Audit Books and Records - CITY shall have the right to audit the books and records related to the Eligible Property and supporting the Eligible Property reports. CITY shall notify OWNER in advance in writing of their intent to audit in order to allow OWNER adequate time to make such books and records available.
- C. Inspection - At all times throughout the term of this Agreement, CITY and TAD shall have reasonable access to the Premises for the purpose of inspecting the Premises to ensure that the Eligible Property is installed, maintained, and operated in accordance with the terms of this Agreement. All inspections shall be conducted in a manner as to not unreasonably interfere with the installation of the Eligible Property or the operation of the Premises. The inspections shall be conducted within a reasonable time period after notice by CITY or TAD to OWNER, provided, however, that all inspections shall be made with one (1) or more representative(s) of OWNER present and in accordance with the safety standards of OWNER.
- D. Protest - This Agreement shall not be construed to prohibit OWNER's protest or contest of any or all appraisals or assessments of any property on the Premises. The amount of the abatement provided for in this Agreement shall be based upon the taxes as finally determined by TAD to be due after such protests or contests are finally determined.

## VI. Breach and Recapture

- A. Breach - A breach of this Agreement by OWNER may result in termination or modification of this Agreement and recapture by CITY of all abated taxes. OWNER's failure to satisfy any of the Conditions and Requirements as specified

in Article III or OWNER's failure to provide the annual certification, application, or additional records and reports specified in Article V shall constitute a breach of this Agreement.

- B. Notice of Breach - In the event that CITY makes a reasonable determination that OWNER has breached this Agreement, then CITY shall give OWNER written notice of such. OWNER has sixty (60) days following receipt of said written notice to cure such breach, or this Agreement may be terminated by CITY, and recapture of abated taxes made may occur. Notice of breach and opportunity to cure shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in Article IX of this Agreement.
- C. Recapture - During the Term of this Agreement, should OWNER commit and fail to timely cure a breach of this Agreement, CITY may terminate this Agreement and recapture all abated taxes made under this Agreement. It shall be the duty of CITY to determine whether to require recapture and to demand payment of such. Repayment of abated taxes shall become due 60 days following receipt of such demand. The rights of CITY to require recapture and demand repayment of abated taxes, and the obligation of OWNER to pay such, shall survive termination of this Agreement. The City Attorney has the authority, on behalf of the CITY, to initiate any litigation necessary to pursue payment of recaptured abated taxes pursuant to this Agreement.
- D. Tax Lien Not Impaired - It is expressly agreed and acknowledged between the parties to this Agreement that nothing in this Agreement shall be deemed or construed to affect the lien for taxes against the property established by Section 32.01 of the Tax Code of the State of Texas. Such lien shall secure the payment of all taxes, penalties, and interest ultimately imposed on the property, including any taxes abated and subject to recapture under this Agreement. Any such lien may be fully enforced pursuant to the provisions of the Code. For purposes of this Subsection, "property" refers to the Premises and Eligible Property described herein.

## VII.

### Undocumented Workers

OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker as that term is defined by section 2264.001(4) of the Texas Government Code. In accordance with section 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 132a(f), OWNER shall repay to the CITY the full amount of the abated taxes provided under Article IV of this Agreement, plus 10% per annum from the date such taxes were abated. Repayment shall be paid within 120 days after the date following such conviction that OWNER receives notice of violation from the CITY as provided by 2264.101(c) of the Texas Government Code.

**VIII.**  
**Effect of Sale or Lease of Property**

This Agreement shall not be assignable to any new owner of all or a portion of the Premises or Eligible Property unless such assignment is approved in writing by the CITY with approval of the Arlington City Council.

**IX.**  
**Notice**

All notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail postage prepaid or by hand delivery:

OWNER:      Texstars, LLC  
                  Attention: \_\_\_\_\_  
                  \_\_\_\_\_  
                  \_\_\_\_\_

CITY:           City of Arlington  
                  City Manager's Office  
                  Attention: Economic Development Manager  
                  MS 01-0300  
                  P.O. Box 90231  
                  Arlington, Texas 76004-3231

With Copy to:  
City Attorney  
MS 63-0300  
P.O. Box 90231  
Arlington, Texas 76004-3231

**X.**  
**City Council Authorization**

This Agreement was authorized by resolution of the Arlington City Council authorizing the City Manager or his designee to execute this Agreement on behalf of the CITY.

**XI.**  
**Severability**

In the event any section, subsection, paragraph, sentence, phrase, or word is held invalid, illegal, or unconstitutional, 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 section, subsection, paragraph, sentence, phrase, or word.

**XII.**  
**Estoppel Certificate**

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested, will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the abatement in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

**XIII.**  
**OWNER's Standing**

OWNER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same, and OWNER shall be entitled to intervene in said litigation.

**XIV.**  
**Applicable Law**

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

**XV.**  
**Indemnification**

**OWNER AGREES TO DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT THAT MAY ARISE OUT OF OR BE OCCASIONED BY OWNER'S DEFAULT OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, OR BY ANY NEGLIGENT ACT OR OMISSION OF OWNER, ITS OFFICERS, AGENTS, ASSOCIATES, OR EMPLOYEES, IN THE PERFORMANCE OF THIS AGREEMENT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OF THE CITY OR ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRENT NEGLIGENCE OF BOTH OWNER AND CITY, RESPONSIBILITY, IF ANY, SHALL BE APPORTIONED**

COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS OR FEDERAL LAW. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

**XVI.**  
**Force Majeure**

It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, court injunction, necessary condemnation proceedings, acts of the other party, its affiliates/related entities and/or their contractors, or any actions or inactions of third parties or other circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated or not, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such design or construction requirement shall be extended for a period of time equal to the period such party was delayed.

**XVII.**  
**No Other Agreement**

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified or supplemented only by an instrument or instruments in writing executed by the parties.

**XVIII.**  
**Recordation of Agreement**

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Tarrant County, Texas.

**XIX.**  
**Headings**

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.



**XX.**

**Successors and Assigns**

The parties to this Agreement each bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Agreement.

No successor, executor, administrator, or assign is valid in the place of the parties to this Agreement without the written consent of CITY and such consent shall not be unreasonably withheld.

**XXI.**

**Counterparts**

This Agreement may be executed in any number of counterparts, each of which may be executed by any one or more of the parties hereto, but all of which shall constitute one instrument, and shall be binding and effective when all of the parties hereto have executed at least one counterpart.

**XXII.**

**No Third-Party Beneficiaries**

For purposes of this Agreement, including its intended operation and effect, the parties specifically agree that: (1) this Agreement only affects matters/disputes between the parties to this Agreement, and is in no way intended by the parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with CITY or OWNER or both; and (2) the terms of this agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either CITY or OWNER.

**XXIII.**

**Remedies**

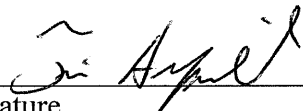
No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this agreement may be waived without consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this agreement.

**XXIV.**  
**Survival of Obligations**

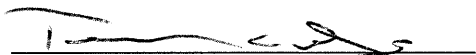
All obligations under this Agreement shall survive the expiration or termination of this Agreement to the extent required for their full observance and performance.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

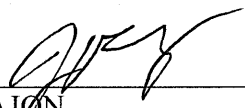
**TEXSTARS, LLC**

BY   
Signature  
Tom H. Pull Tax Director  
Typed or Printed Title  
Date 3/16/2021

WITNESS:



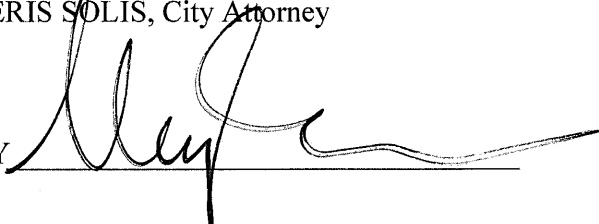
**CITY OF ARLINGTON, TEXAS**

BY   
JIM PARAJON  
Deputy City Manager  
Date 3-23-21

ATTEST:

  
ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY 

THE STATE OF Pennsylvania §  
COUNTY OF Allegheny §

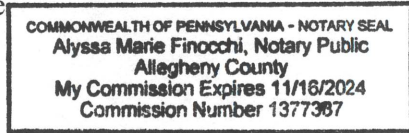
**TEXSTARS, LLC**  
**Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Pennsylvania, on this day personally appeared Timothy Hipwell, known to me or proved to me on the oath of \_\_\_\_\_ or through drivers license (description of identity card or other document) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of **TEXSTARS, LLC**, and as the Tax Director thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 16 day of March, ~~2020~~ 2021

Alyssa Marie Finocchi  
Notary Public in and for  
The State of Pennsylvania  
Alyssa Marie Finocchi  
Notary's Printed Name

November 16, 2024  
My Commission Expires

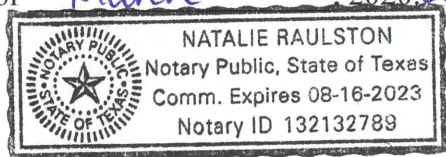


THE STATE OF TEXAS §  
COUNTY OF TARRANT §

**CITY OF ARLINGTON, TEXAS**  
**Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **JIM PARAJON**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the **CITY OF ARLINGTON, TEXAS**, a municipal corporation of Tarrant County, Texas, and as a **Deputy City Manager** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 23<sup>rd</sup> day of March, ~~2020~~ 2021



Natalie Raulston  
Notary Public in and for  
The State of Texas  
Natalie Raulston  
Notary's Printed Name

My Commission Expires 08-16-2023

**Exhibit "A"**  
**Eligible Property List**

*The following machinery and equipment will be installed in connection with the project:*

- *Preform and Forming equipment*
- *Casting equipment*
- *Windshield and Canopy machinery*
- *Coating machinery*
- *Material Handling equipment*
- *Other machinery and equipment as necessary for the manufacturing and handling of the Project.*

**Exhibit "B"**  
**Premises**



**Exhibit "C"**  
**Ordinance No. 20-02 (**  
**Creating Reinvestment Zone No. 47**

**[TO BE INSERTED]**

**Ordinance No. 20-061**

**An ordinance establishing Reinvestment Zone Number Forty-Seven; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading**

WHEREAS, the City Council of the City of Arlington, Texas, desires to promote the development or redevelopment of a certain area within its jurisdiction by the establishment of a Reinvestment Zone for commercial-industrial tax abatement; and

WHEREAS, on April 7, 2009, the City Council of the City of Arlington, Texas passed Resolution No. 09-079 authorizing staff, following a briefing to City Council regarding creation of the zone, to give notice required by law to call public hearings relative to creation of reinvestment zones for tax abatement; and

WHEREAS, on February 25, 2020, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Seven; and

WHEREAS, on November 10, 2020, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Seven; and

WHEREAS, a public hearing was held at which time interested persons were entitled to speak and present evidence for or against the designation of the property described in Exhibit "A" as Reinvestment Zone Number Forty-Seven, and notice of such public hearing was published in a newspaper of general circulation in the City of Arlington not later than the seventh day before the date of the scheduled hearing; and

WHEREAS, the City Council of the City of Arlington has established guidelines and criteria governing tax abatement agreements and has stated that the City elects to become eligible to participate in tax abatement; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

1.

That all of the recitals contained in the preambles of this ordinance are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

2.

The City Council, after conducting a public hearing and having considered all relevant evidence and testimony, has made the following findings and determinations based on such evidence and testimony:

- A. That a public hearing on the designation of Reinvestment Zone Number Forty-Seven has been properly called, held and conducted, and that notice of such hearing was published in accordance with the law; and
- B. That the boundaries of Reinvestment Zone Number Forty-Seven should be the proposed area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and
- C. That the improvements sought to be made in Reinvestment Zone Number Forty-Seven are feasible and practical and would be a benefit to the land to be included in the Zone and to the City of Arlington following the expiration of an executed Tax Abatement Agreement; and
- D. That the proposed area of land to be designated Reinvestment Zone Number Forty-Seven is reasonably likely, as a result of this designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property, thereby contributing to the economic development of the City of Arlington.

3.

In accordance with State law, the City of Arlington hereby officially creates Reinvestment Zone Number Forty-Seven for commercial-industrial tax abatement, which Zone shall hereafter encompass only that certain area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and such Reinvestment Zone shall be officially designated as Tax Abatement Reinvestment Zone Number Forty-Seven of the City of Arlington, Texas.

4.

The designation of Reinvestment Zone Number Forty-Seven of the City of Arlington, Texas shall expire Five (5) years after the effective date of its designation and may be renewed.

5.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington; and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be



inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

6.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

7.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

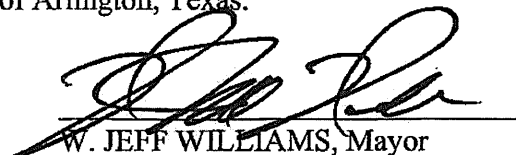
8.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

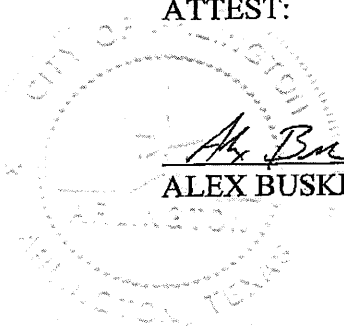
9.

This ordinance shall become effective upon second reading.

PRESENTED AND GIVEN FIRST READING on the 17th day of November, 2020, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the 1st day of December, 2020, by a vote of 8 ayes and 0 nays at a regular meeting of the City Council of the City of Arlington, Texas.

  
W. JEFF WILLIAMS, Mayor

ATTEST:



Alex Busken  
ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY Teris Solis



**Exhibit "A"**

**PROPERTY DESCRIPTION**

BEING a 15.2451 acre tract of land in Industrial Community Number 1, Great Southwest Industrial District, an addition lying partly in the City of Arlington and partly in the City of Grand Prairie, Texas and being recorded in Volume 388-10, Page 85 and Volume 388-10, Page 89, respectively, Plat Records of Tarrant County, Texas; said 15.245 acre tract being parts of Block 4 and Block 5 and of said Industrial Community No. 1.





# CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

**1 Name of business entity filing form, and the city, state and country of the business entity's place of business.**  
Texstars, LLC  
Arlington, TX United States

Certificate Number:  
2022 000672

Date Filed:  
07/13/2022

Date Acknowledged:  
7/22/2022

**2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.**  
City of Arlington

**3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.**  
Z2-174  
F-35 Canopies

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	PPG Industries, Inc	Pittsburgh, PA United States	X	
	Ryan, LLC	Dallas, TX United States		X

5 Check only if there is NO Interested Party.

**6 UNSWORN DECLARATION**

My name is Tim Hipwell, and my date of birth is 7/5/68.

My address is One PPG Place, Pittsburgh, PA, 15272, USA.  
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Allegheny County, State of Pennsylvania on the 13 day of July, 20 22.  
(month) (year)

Tim Hipwell  
Signature of authorized agent of contracting business entity  
(Declarant)

**Resolution No. 22-174**

**A resolution authorizing the execution of the First Amended and Restated Tax Abatement Agreement by and between Texstars, LLC and the City of Arlington, Texas, relative to tax abatement for a project in Reinvestment Zone Number Forty-Seven in the City of Arlington, Texas**

WHEREAS, on December 1, 2020, City Council passed Ordinance No. 20-061 establishing Reinvestment Zone Number Forty-Seven on the property at 925 Avenue H East, Arlington, Texas; and

WHEREAS, on December 1, 2020, by Resolution No. 20-328, City Council approved a Tax Abatement Agreement with Texstars, LLC regarding economic development incentives associated with 925 Avenue H East, Arlington, Texas, within Reinvestment Zone Number Forty-Seven; and

WHEREAS, the City of Arlington and Texstars, LLC desire to amend and fully restate the Tax Abatement Agreement to extend the agreement terms out by one year and begin in 2023 due to pandemic and Federal Government inspection delays; NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

II.

That the City Manager or his designee is hereby authorized to execute the First Amended and Restated Tax Abatement Agreement with Texstars, LLC and other necessary or required parties. A substantial copy of the agreement is attached as Exhibit "A".

III.

A substantial copy of the First Amended and Restated Tax Abatement Agreement is attached hereto as Exhibit "A" and incorporated herein for all intents and purposes.

PRESENTED AND PASSED on this the 28th day of June, 2022,  
by a vote of 7 ayes and 0 nays at a regular meeting of the City Council of the  
City of Arlington, Texas.



\_\_\_\_\_  
JIM R ROSS, Mayor

ATTEST:



\_\_\_\_\_  
ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY  \_\_\_\_\_



**Exhibit "A"**

**First Amended and Restated Tax Abatement Agreement**





THE STATE OF TEXAS    §  
                                  §  
                                  §  
COUNTY OF TARRANT   §

**FIRST AMENDED AND RESTATED**  
**TAX ABATEMENT**  
**AGREEMENT**

**THIS FIRST AMENDED AND RESTATED TAX ABATEMENT AGREEMENT** (hereafter referred to as “Agreement”) is executed on July 28, 2022, (hereafter referred to as “Effective Date”), by and between **TEXSTARS, LLC**, duly authorized to do business in the State of Texas, acting by and through its authorized officer, (hereafter referred to as “OWNER”), and the **CITY OF ARLINGTON, TEXAS**, a home-rule city and municipal corporation of Tarrant County, Texas, acting by and through its City Manager or his designee, (hereafter referred to as “CITY”).

WITNESSETH:

WHEREAS, CITY has found that providing a program of incentives to OWNER in exchange for OWNER’s expansion of its business through investment in new machinery and equipment will promote local economic development and stimulate business and commercial activity and job creation within the City of Arlington; and

WHEREAS, the City Council of CITY has resolved that the CITY may elect to participate in tax abatement; and

WHEREAS, the City Council, in accordance with law, has adopted a Policy Statement for Tax Abatement; and

WHEREAS, prior to executing this Agreement, the CITY has adopted a Policy Statement consistent with this Agreement; and

WHEREAS, the Policy Statement constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the CITY; and

WHEREAS, the City Council passed Ordinance No. 20-061 establishing Reinvestment Zone Number Forty-Seven in the City of Arlington, Texas, being a commercial-industrial reinvestment zone for tax abatement as authorized by Texas Tax Code Chapters 311 and 312 (hereafter referred to as “the Code”); and

WHEREAS, the use of the Premises (as hereafter defined), the Eligible Property (as hereafter defined), and the other terms hereof are consistent with encouraging development within Reinvestment Zone Number Forty-Seven, and are in compliance with the Policy Statement and Ordinance No. 20-061 and similar guidelines and criteria adopted by CITY and all applicable law; and

WHEREAS, the City Council finds that the terms of this Agreement meet applicable guidelines and criteria adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Code, to the presiding officers of the governing bodies of each of the taxing units in which the Eligible Property to be subject to this Agreement is located; and

WHEREAS, the City Council finds that it is in the public interest to provide the tax abatement incentive; NOW THEREFORE,

The CITY and OWNER, for and in consideration of the mutual premises and promises contained herein, do hereby agree, covenant, and contract as set forth below:

**I.**  
**Definitions**

- A. "Added Value" is defined as the taxable value of the Eligible Property, as determined by the Tarrant Appraisal District, above the Base Year Value.
- B. "Base Year Value" is defined as the tax year 2021 taxable value of the Eligible Property, as of January 1, 2020, as finally determined by the Tarrant Appraisal District, which shall be \$0.00 for purposes of this Agreement.
- C. "Business Personal Property Improvements" are defined as tangible personal property, excluding inventory and supplies, owned by OWNER.
- D. "Eligible Property" is defined as the taxable Business Personal Property Improvements delivered to, installed, or located on the Premises after the Effective Date, the original date of this Agreement March 23, 2021, and before December 31, 2022, more fully described in Exhibit "A", which is attached hereto and incorporated herein for all purposes.
- E. "Job" is defined as a permanent, full-time employment position that results in actual paid employment of an employee, not independent contractor, at the Project of at least 1,820 hours per position in a year. It shall not include part-time employees.
- F. "Premises" are defined as the real property, owned by OWNER, located entirely within Reinvestment Zone Number Forty-Seven and addressed as 925 Avenue H East, Arlington, Texas 76011, more fully described in Exhibit "B", which is attached hereto and incorporated herein for all purposes.

- G. “Reinvestment Zone Number Forty-Seven” is defined as the real property described in **Exhibit “B”**, which is attached hereto and incorporated herein for all purposes. Such property was designated as Reinvestment Zone Number Forty-Seven by City of Arlington Ordinance No. 20-061, which is attached hereto as **Exhibit “C”**.

**II.**  
**General Provisions**

- A. This Agreement shall commence on the Effective Date and shall expire on the date OWNER makes payment of all taxes owed on the Eligible Property for tax year 2029 (the “Term”), unless otherwise sooner terminated in accordance with the terms of this Agreement.
- B. The Premises are not in an improvement project financed by tax increment bonds.
- C. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of CITY.
- D. It is acknowledged and agreed by the parties that the installation of the Eligible Property is consistent with the purposes of encouraging development or redevelopment of Reinvestment Zone Number Forty-Seven.

**III.**  
**Improvement Conditions and Requirements**

- A. OWNER shall improve the Premises by locating and installing the Eligible Property described in **Exhibit “A”** on or before December 31, 2022.
- B. OWNER’s improvement of the Premises through the location and installation of the Eligible Property must result in Added Value of at least Ten Million Dollars (\$10,000,000) no later than tax year 2023 (beginning January 1, 2023).
- C. Once located or installed, OWNER shall maintain on the Premises the Eligible Property for the remaining Term of this Agreement.
- D. OWNER shall maintain one hundred and forty-six Jobs on the Premises from January 1, 2022, through December 1, 2024. OWNER shall create and fill an additional forty-five (45) new Jobs on the Premises for a total Jobs count on the Premises of no less than one hundred and ninety-one (191) by no later than January 1, 2025. OWNER shall maintain one hundred and ninety-one (191) Jobs on the Premises from January 1, 2025, through the remaining Term of this Agreement.
- E. Throughout the Term all activity on the Premises shall conform to applicable building codes, zoning ordinances, and all other state, federal, or local laws,

ordinances, and regulations. OWNER shall apply for and obtain all necessary governmental permits and approvals for the Eligible Property and operation of the Premises.

- F. OWNER shall not allow the ad valorem taxes owed to CITY on any property owned by OWNER and located within the City of Arlington to become delinquent beyond the last day they can be paid without assessment of penalty.
- G. OWNER shall not fail to render for taxation any property located within the City of Arlington.
- H. OWNER agrees to use diligent efforts and to cause any contractors and subcontractors utilized during the location and installation of the Eligible Property to use diligent efforts to purchase all goods and services from Arlington businesses whenever such goods and services are comparable in availability, terms, quality, and price. OWNER also agrees to develop a policy that establishes a goal of twenty-five percent (25%) use by OWNER of qualified contractors, subcontractors, and suppliers where at least fifty-one percent (51%) of the ownership of such contractors, subcontractors, or suppliers is vested in racial or ethnic minorities or women for design and construction of the Project, which such policy shall contain reasonable exclusions. Upon completion of the location and installation of the Eligible Property, OWNER shall provide the CITY with a report detailing its progress towards the twenty-five percent (25%) goal.

#### IV. Abatement

If the Improvement Conditions and Requirements set forth in Section III are satisfied, then CITY agrees to exempt from taxation 80% of the Added Value of the Eligible Property. The exemption shall be for a period of seven (7) years, beginning in tax year 2023 (beginning January 1, 2023) through and including tax year 2029 (beginning January 1, 2029).

#### V. Reports, Audits and Inspections

- A. Annual Certification, TAD Application, and Reports - Pursuant to state law, OWNER shall certify annually that OWNER is in compliance with the terms of this Agreement, and shall provide the reports and records reasonably necessary to support each year of this Agreement, as follows:
  - 1. Annual Certification -- OWNER shall complete and certify a Tax Abatement Certification to be provided by CITY for each year of this Agreement, to be due annually not later than April 1. This certification shall include, at minimum, the following for all Eligible Property for

which OWNER seeks tax abatement: property description, asset number, payment date for property located on Premises, and costs.

2. TAD Application -- OWNER shall submit a completed application for Property Tax Abatement Exemption to the Tarrant Appraisal District (hereinafter "TAD") by the statutory deadline of April 30 in each year that OWNER intends to claim the abatement exemption, with no expectation of prompting or reminding from the TAD or CITY. The application for Property Tax Abatement Exemption must be obtained by OWNER from the Forms section of the TAD's website at <http://www.TAD.org>.
  3. Additional Records -- Additionally, throughout the term of this Agreement, OWNER shall furnish CITY any additional records and information reasonably requested to support the reports required by this Agreement.
- B. Right to Audit Books and Records - CITY shall have the right to audit the books and records related to the Eligible Property and supporting the Eligible Property reports. CITY shall notify OWNER in advance in writing of their intent to audit in order to allow OWNER adequate time to make such books and records available.
- C. Inspection - At all times throughout the term of this Agreement, CITY and TAD shall have reasonable access to the Premises for the purpose of inspecting the Premises to ensure that the Eligible Property is installed, maintained, and operated in accordance with the terms of this Agreement. All inspections shall be conducted in a manner as to not unreasonably interfere with the installation of the Eligible Property or the operation of the Premises. The inspections shall be conducted within a reasonable time period after notice by CITY or TAD to OWNER, provided, however, that all inspections shall be made with one (1) or more representative(s) of OWNER present and in accordance with the safety standards of OWNER.
- D. Protest - This Agreement shall not be construed to prohibit OWNER's protest or contest of any or all appraisals or assessments of any property on the Premises. The amount of the abatement provided for in this Agreement shall be based upon the taxes as finally determined by TAD to be due after such protests or contests are finally determined.

## VI. Breach and Recapture

- A. Breach - A breach of this Agreement by OWNER may result in termination or modification of this Agreement and recapture by CITY of all abated taxes. OWNER's failure to satisfy any of the Conditions and Requirements as specified in Article III or OWNER's failure to provide the annual certification, application,

or additional records and reports specified in Article V shall constitute a breach of this Agreement.

- B. Notice of Breach - In the event that CITY makes a reasonable determination that OWNER has breached this Agreement, then CITY shall give OWNER written notice of such. OWNER has sixty (60) days following receipt of said written notice to cure such breach, or this Agreement may be terminated by CITY, and recapture of abated taxes made may occur. Notice of breach and opportunity to cure shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in Article IX of this Agreement.
- C. Recapture - During the Term of this Agreement, should OWNER commit and fail to timely cure a breach of this Agreement, CITY may terminate this Agreement and recapture all abated taxes made under this Agreement. It shall be the duty of CITY to determine whether to require recapture and to demand payment of such. Repayment of abated taxes shall become due 60 days following receipt of such demand. The rights of CITY to require recapture and demand repayment of abated taxes, and the obligation of OWNER to pay such, shall survive termination of this Agreement. The City Attorney has the authority, on behalf of the CITY, to initiate any litigation necessary to pursue payment of recaptured abated taxes pursuant to this Agreement.
- D. Tax Lien Not Impaired - It is expressly agreed and acknowledged between the parties to this Agreement that nothing in this Agreement shall be deemed or construed to affect the lien for taxes against the property established by Section 32.01 of the Tax Code of the State of Texas. Such lien shall secure the payment of all taxes, penalties, and interest ultimately imposed on the property, including any taxes abated and subject to recapture under this Agreement. Any such lien may be fully enforced pursuant to the provisions of the Code. For purposes of this Subsection, "property" refers to the Premises and Eligible Property described herein.

## VII. Undocumented Workers

OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker as that term is defined by section 2264.001(4) of the Texas Government Code. In accordance with section 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 132a(f), OWNER shall repay to the CITY the full amount of the abated taxes provided under Article IV of this Agreement, plus 10% per annum from the date such taxes were abated. Repayment shall be paid within 120 days after the date following such conviction that OWNER receives notice of violation from the CITY as provided by 2264.101(c) of the Texas Government Code.

**VIII.**  
**Effect of Sale or Lease of Property**

This Agreement shall not be assignable to any new owner of all or a portion of the Premises or Eligible Property unless such assignment is approved in writing by the CITY with approval of the Arlington City Council.

**IX.**  
**Notice**

All notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail postage prepaid or by hand delivery:

OWNER:      Textstars, LLC  
                  Attention: Tim Hipwell  
                  One PPG Place - Tax Dept  
                  Pittsburgh, PA 15272

CITY:           City of Arlington  
                  City Manager's Office  
                  Attention: Economic Development Manager  
                  MS 01-0300  
                  P.O. Box 90231  
                  Arlington, Texas 76004-3231

With Copy to:  
City Attorney  
MS 63-0300  
P.O. Box 90231  
Arlington, Texas 76004-3231

**X.**  
**City Council Authorization**

This Agreement was authorized by resolution of the Arlington City Council authorizing the City Manager or his designee to execute this Agreement on behalf of the CITY.

**XI.**  
**Severability**

In the event any section, subsection, paragraph, sentence, phrase, or word is held invalid, illegal, or unconstitutional, 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 section, subsection, paragraph, sentence, phrase, or word.

**XII.**  
**Estoppel Certificate**

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested, will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the abatement in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

**XIII.**  
**OWNER's Standing**

OWNER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same, and OWNER shall be entitled to intervene in said litigation.

**XIV.**  
**Applicable Law**

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

**XV.**  
**Indemnification**

**OWNER AGREES TO DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT THAT MAY ARISE OUT OF OR BE OCCASIONED BY OWNER'S DEFAULT OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, OR BY ANY NEGLIGENT ACT OR OMISSION OF OWNER, ITS OFFICERS, AGENTS, ASSOCIATES, OR EMPLOYEES, IN THE PERFORMANCE OF THIS AGREEMENT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OF THE CITY OR ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRENT NEGLIGENCE OF BOTH OWNER AND CITY, RESPONSIBILITY, IF ANY, SHALL BE APPORTIONED**



**COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS OR FEDERAL LAW. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.**

**XVI.**  
**Force Majeure**

It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, court injunction, necessary condemnation proceedings, acts of the other party, its affiliates/related entities and/or their contractors, or any actions or inactions of third parties or other circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated or not, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such design or construction requirement shall be extended for a period of time equal to the period such party was delayed.

**XVII.**  
**No Other Agreement**

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified or supplemented only by an instrument or instruments in writing executed by the parties.

**XVIII.**  
**Recordation of Agreement**

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Tarrant County, Texas.

**XIX.**  
**Headings**

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

**XX.**  
**Successors and Assigns**

The parties to this Agreement each bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Agreement.

No successor, executor, administrator, or assign is valid in the place of the parties to this Agreement without the written consent of CITY and such consent shall not be unreasonably withheld.

**XXI.**  
**Counterparts**

This Agreement may be executed in any number of counterparts, each of which may be executed by any one or more of the parties hereto, but all of which shall constitute one instrument, and shall be binding and effective when all of the parties hereto have executed at least one counterpart.

**XXII.**  
**No Third-Party Beneficiaries**

For purposes of this Agreement, including its intended operation and effect, the parties specifically agree that: (1) this Agreement only affects matters/disputes between the parties to this Agreement, and is in no way intended by the parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with CITY or OWNER or both; and (2) the terms of this agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either CITY or OWNER.

**XXIII.**  
**Remedies**


No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this agreement may be waived without consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this agreement.

**XXIV.**  
**Survival of Obligations**

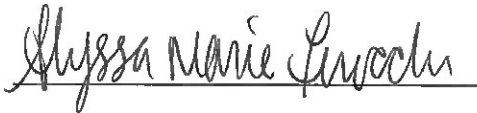
All obligations under this Agreement shall survive the expiration or termination of this Agreement to the extent required for their full observance and performance.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.


**TEXSTARS, LLC**

BY   
Signature TAX DIRECTOR  
Typed or Printed Title  
Date 7/13/22

WITNESS:



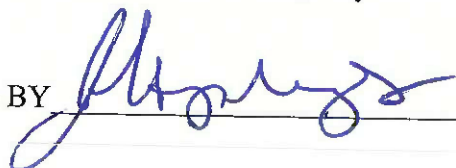
**CITY OF ARLINGTON, TEXAS**

BY   
TREY YELVERTON  
City Manager  
Date 7/28/2022

ATTEST:

  
ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
MOLLY SHORTALL, City Attorney

BY 

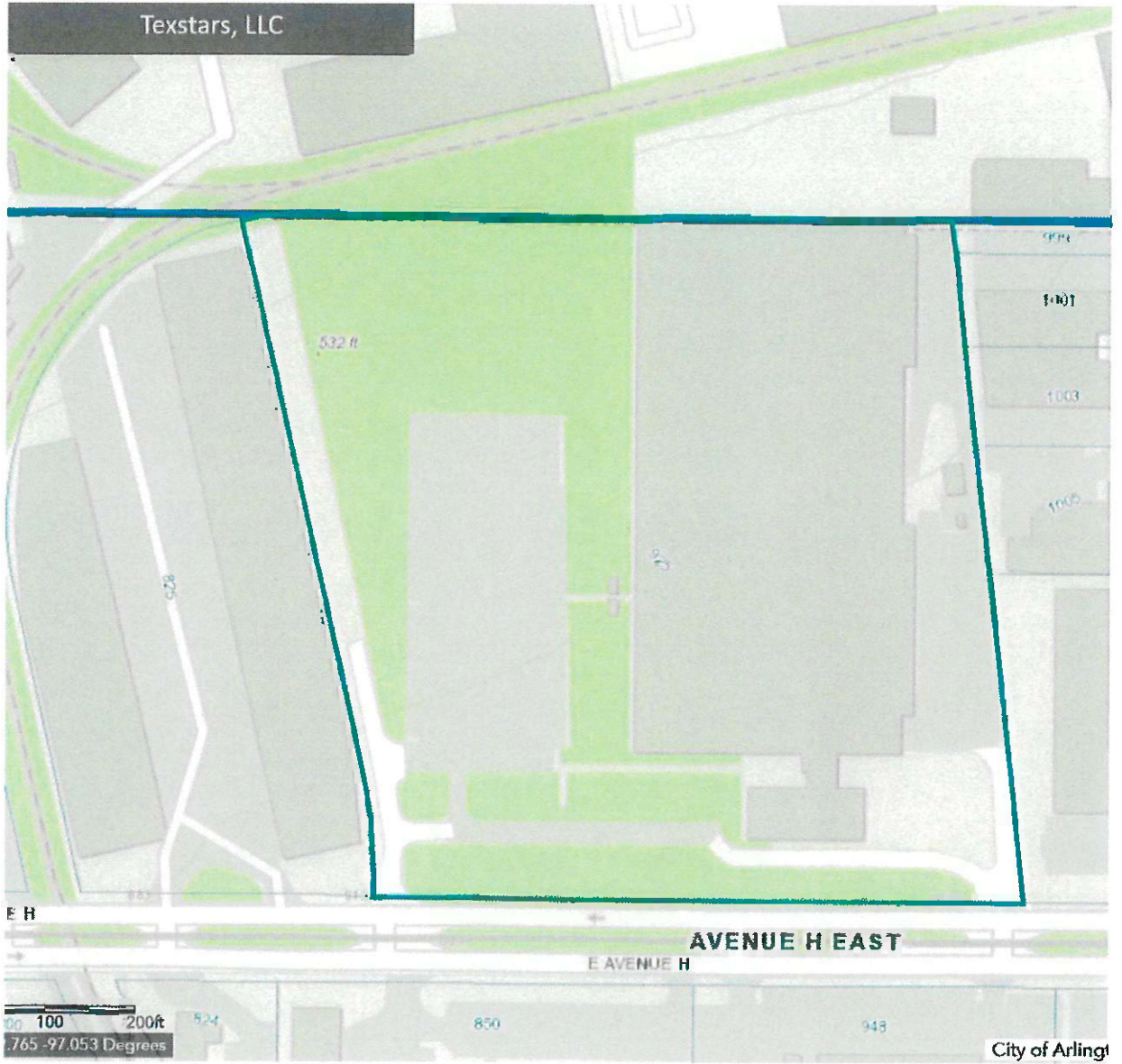


**Exhibit "A"**  
**Eligible Property List**

*The following machinery and equipment will be installed in connection with the project:*

- *Preform and Forming equipment*
- *Casting equipment*
- *Windshield and Canopy machinery*
- *Coating machinery*
- *Material Handling equipment*
- *Other machinery and equipment as necessary for the manufacturing and handling of the Project.*

**Exhibit "B"**  
**Premises**



**Exhibit "C"**  
**Ordinance No. 20-061**  
**Creating Reinvestment Zone No. 47**

**[TO BE INSERTED]**

**Ordinance No. 20-061**

**An ordinance establishing Reinvestment Zone Number Forty-Seven; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading**

**WHEREAS,** the City Council of the City of Arlington, Texas, desires to promote the development or redevelopment of a certain area within its jurisdiction by the establishment of a Reinvestment Zone for commercial-industrial tax abatement; and

**WHEREAS,** on April 7, 2009, the City Council of the City of Arlington, Texas passed Resolution No. 09-079 authorizing staff, following a briefing to City Council regarding creation of the zone, to give notice required by law to call public hearings relative to creation of reinvestment zones for tax abatement; and

**WHEREAS,** on February 25, 2020, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Seven; and

**WHEREAS,** on November 10, 2020, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Seven; and

**WHEREAS,** a public hearing was held at which time interested persons were entitled to speak and present evidence for or against the designation of the property described in Exhibit "A" as Reinvestment Zone Number Forty-Seven, and notice of such public hearing was published in a newspaper of general circulation in the City of Arlington not later than the seventh day before the date of the scheduled hearing; and

**WHEREAS,** the City Council of the City of Arlington has established guidelines and criteria governing tax abatement agreements and has stated that the City elects to become eligible to participate in tax abatement; **NOW THEREFORE,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:**

**1.**

That all of the recitals contained in the preambles of this ordinance are found to be true and are adopted as findings of fact by this governing body and as part of its official record.



2.

The City Council, after conducting a public hearing and having considered all relevant evidence and testimony, has made the following findings and determinations based on such evidence and testimony:

- A. That a public hearing on the designation of Reinvestment Zone Number Forty-Seven has been properly called, held and conducted, and that notice of such hearing was published in accordance with the law; and
- B. That the boundaries of Reinvestment Zone Number Forty-Seven should be the proposed area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and
- C. That the improvements sought to be made in Reinvestment Zone Number Forty-Seven are feasible and practical and would be a benefit to the land to be included in the Zone and to the City of Arlington following the expiration of an executed Tax Abatement Agreement; and
- D. That the proposed area of land to be designated Reinvestment Zone Number Forty-Seven is reasonably likely, as a result of this designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property, thereby contributing to the economic development of the City of Arlington.

3.

In accordance with State law, the City of Arlington hereby officially creates Reinvestment Zone Number Forty-Seven for commercial-industrial tax abatement, which Zone shall hereafter encompass only that certain area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and such Reinvestment Zone shall be officially designated as Tax Abatement Reinvestment Zone Number Forty-Seven of the City of Arlington, Texas.

4.

The designation of Reinvestment Zone Number Forty-Seven of the City of Arlington, Texas shall expire Five (5) years after the effective date of its designation and may be renewed.

5.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington; and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be

inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

6.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

7.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

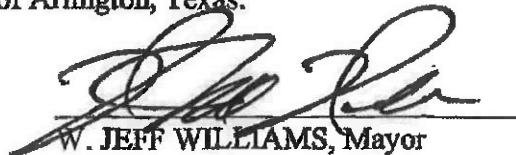
8.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

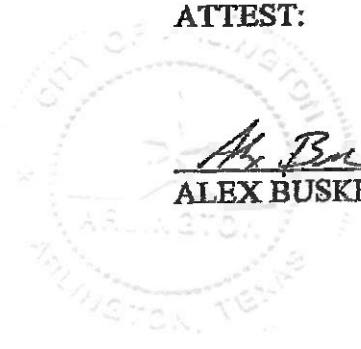
9.

This ordinance shall become effective upon second reading.

PRESENTED AND GIVEN FIRST READING on the 17<sup>th</sup> day of November, 2020, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the 1<sup>st</sup> day of December, 2020, by a vote of 8 ayes and 0 nays at a regular meeting of the City Council of the City of Arlington, Texas.

  
W. JEFF WILLIAMS, Mayor

**ATTEST:**



*Alex Busken*  
**ALEX BUSKEN, City Secretary**

**APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney**

BY *Teris Solis*



**Exhibit "A"**

**PROPERTY DESCRIPTION**

**BEING a 15.2451 acre tract of land in Industrial Community Number 1, Great Southwest Industrial District, an addition lying partly in the City of Arlington and partly in the City of Grand Prairie, Texas and being recorded in Volume 388-10, Page 85 and Volume 388-10, Page 89, respectively, Plat Records of Tarrant County, Texas; said 15.245 acre tract being parts of Block 4 and Block 5 and of said Industrial Community No. 1.**





**Resolution No. 23-098**

**A resolution authorizing the execution of the Second Amended and Restated Tax Abatement Agreement by and between Texstars, LLC and the City of Arlington, Texas, relative to tax abatement for a project in Reinvestment Zone Number Forty-Seven in the City of Arlington, Texas**

WHEREAS, on December 1, 2020, City Council passed Ordinance No. 20-061 establishing Reinvestment Zone Number Forty-Seven on the property at 925 Avenue H East, Arlington, Texas; and

WHEREAS, on December 1, 2020, by Resolution No. 20-328, City Council approved a Tax Abatement Agreement with Texstars, LLC regarding economic development incentives associated with 925 Avenue H East, Arlington, Texas, within Reinvestment Zone Number Forty-Seven; and

WHEREAS, on June 28, 2022, by Resolution No. 22-174, City Council approved the First Amended and Restated Tax Abatement Agreement with Texstars, LLC to extend the agreement terms out by one year and begin in 2023 due to pandemic and Federal Government inspection delays; and

WHEREAS, the City of Arlington and Texstars, LLC desire to amend and fully restate the Tax Abatement Agreement to extend the agreement terms out by one additional year and begin in 2024 due to pandemic and Federal Government inspection delays; NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

II.

That the City Manager or his designee is hereby authorized to execute the Second Amended and Restated Tax Abatement Agreement with Texstars, LLC and other necessary or required parties. A substantial copy of the agreement is attached as Exhibit "A".

III.

A substantial copy of the Second Amended and Restated Tax Abatement Agreement is attached hereto as Exhibit "A" and incorporated herein for all intents and purposes.

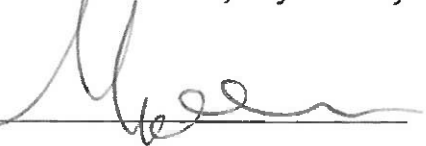
PRESENTED AND PASSED on this the 11th day of April, 2023,  
by a vote of 9 ayes and 0 nays at a regular meeting of the City Council of the  
City of Arlington, Texas.

  
\_\_\_\_\_  
JIM R. ROSS, Mayor

ATTEST:

  
\_\_\_\_\_  
ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
MOLLY SHORTALL, City Attorney

BY   
\_\_\_\_\_



**Exhibit "A"**

**Second Amended and Restated Tax Abatement Agreement**





THE STATE OF TEXAS     §  
  §     SECOND AMENDED AND RESTATED  
  §     TAX ABATEMENT  
COUNTY OF TARRANT   §     AGREEMENT

THIS SECOND AMENDED AND RESTATED TAX ABATEMENT AGREEMENT (hereafter referred to as "Agreement") is executed on May 16<sup>th</sup>, 2023, (hereafter referred to as "Effective Date"), by and between **TEXSPARS, LLC**, duly authorized to do business in the State of Texas, acting by and through its authorized officer, (hereafter referred to as "**OWNER**"), and the **CITY OF ARLINGTON, TEXAS**, a home-rule city and municipal corporation of Tarrant County, Texas, acting by and through its City Manager or his designee, (hereafter referred to as "**CITY**").

WITNESSETH:

- WHEREAS, CITY has found that providing a program of incentives to OWNER in exchange for OWNER's expansion of its business through investment in new machinery and equipment will promote local economic development and stimulate business and commercial activity and job creation within the City of Arlington; and
- WHEREAS, the City Council of CITY has resolved that the CITY may elect to participate in tax abatement; and
- WHEREAS, the City Council, in accordance with law, has adopted a Policy Statement for Tax Abatement; and
- WHEREAS, prior to executing this Agreement, the CITY has adopted a Policy Statement consistent with this Agreement; and
- WHEREAS, the Policy Statement constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the CITY; and
- WHEREAS, the City Council passed Ordinance No. 20-061 establishing Reinvestment Zone Number Forty-Seven in the City of Arlington, Texas, being a commercial-industrial reinvestment zone for tax abatement as authorized by Texas Tax Code Chapters 311 and 312 (hereafter referred to as "the Code"); and
- WHEREAS, the use of the Premises (as hereafter defined), the Eligible Property (as hereafter defined), and the other terms hereof are consistent with encouraging development within Reinvestment Zone Number Forty-Seven, and are in compliance with the Policy Statement and Ordinance No. 20-061 and similar guidelines and criteria adopted by CITY and all applicable law; and

WHEREAS, the City Council finds that the terms of this Agreement meet applicable guidelines and criteria adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Code, to the presiding officers of the governing bodies of each of the taxing units in which the Eligible Property to be subject to this Agreement is located; and

WHEREAS, the City Council finds that it is in the public interest to provide the tax abatement incentive; NOW THEREFORE,

The CITY and OWNER, for and in consideration of the mutual premises and promises contained herein, do hereby agree, covenant, and contract as set forth below:

**I.**  
**Definitions**

- A. “Added Value” is defined as the taxable value of the Eligible Property, as determined by the Tarrant Appraisal District, above the Base Year Value.
- B. “Base Year Value” is defined as the tax year 2021 taxable value of the Eligible Property, as of January 1, 2020, as finally determined by the Tarrant Appraisal District, which shall be \$0.00 for purposes of this Agreement.
- C. “Business Personal Property Improvements” are defined as tangible personal property, excluding inventory and supplies, owned by OWNER.
- D. “Eligible Property” is defined as the taxable Business Personal Property Improvements delivered to, installed, or located on the Premises after the Effective Date, the original date of this Agreement March 23, 2021, and before December 31, 2023, more fully described in Exhibit “A”, which is attached hereto and incorporated herein for all purposes.
- E. “Job” is defined as a permanent, full-time employment position that results in actual paid employment of an employee, not independent contractor, at the Project of at least 1,820 hours per position in a year. It shall not include part-time employees.
- F. “Premises” are defined as the real property, owned by OWNER, located entirely within Reinvestment Zone Number Forty-Seven and addressed as 925 Avenue H East, Arlington, Texas 76011, more fully described in Exhibit “B”, which is attached hereto and incorporated herein for all purposes.

- G. “Reinvestment Zone Number Forty-Seven” is defined as the real property described in Exhibit “B”, which is attached hereto and incorporated herein for all purposes. Such property was designated as Reinvestment Zone Number Forty-Seven by City of Arlington Ordinance No. 20-061, which is attached hereto as Exhibit “C”.

**II.**  
**General Provisions**

- A. This Agreement shall commence on the Effective Date and shall expire on the date OWNER makes payment of all taxes owed on the Eligible Property for tax year 2030 (the “Term”), unless otherwise sooner terminated in accordance with the terms of this Agreement.
- B. The Premises are not in an improvement project financed by tax increment bonds.
- C. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of CITY.
- D. It is acknowledged and agreed by the parties that the installation of the Eligible Property is consistent with the purposes of encouraging development or redevelopment of Reinvestment Zone Number Forty-Seven.

**III.**  
**Improvement Conditions and Requirements**

- A. OWNER shall improve the Premises by locating and installing the Eligible Property described in Exhibit “A” on or before December 31, 2023.
- B. OWNER’s improvement of the Premises through the location and installation of the Eligible Property must result in Added Value of at least Ten Million Dollars (\$10,000,000) no later than tax year 2024 (beginning January 1, 2024).
- C. Once located or installed, OWNER shall maintain on the Premises the Eligible Property for the remaining Term of this Agreement.
- D. OWNER shall maintain one hundred and forty-six Jobs on the Premises from January 1, 2022, through December 1, 2024. OWNER shall create and fill an additional forty-five (45) new Jobs on the Premises for a total Jobs count on the Premises of no less than one hundred and ninety-one (191) by no later than January 1, 2025. OWNER shall maintain one hundred and ninety-one (191) Jobs on the Premises from January 1, 2025, through the remaining Term of this Agreement.
- E. Throughout the Term all activity on the Premises shall conform to applicable building codes, zoning ordinances, and all other state, federal, or local laws,

ordinances, and regulations. OWNER shall apply for and obtain all necessary governmental permits and approvals for the Eligible Property and operation of the Premises.

- F. OWNER shall not allow the ad valorem taxes owed to CITY on any property owned by OWNER and located within the City of Arlington to become delinquent beyond the last day they can be paid without assessment of penalty.
- G. OWNER shall not fail to render for taxation any property located within the City of Arlington.
- H. OWNER agrees to use diligent efforts and to cause any contractors and subcontractors utilized during the location and installation of the Eligible Property to use diligent efforts to purchase all goods and services from Arlington businesses whenever such goods and services are comparable in availability, terms, quality, and price. OWNER also agrees to develop a policy that establishes a goal of twenty-five percent (25%) use by OWNER of qualified contractors, subcontractors, and suppliers where at least fifty-one percent (51%) of the ownership of such contractors, subcontractors, or suppliers is vested in racial or ethnic minorities or women for design and construction of the Project, which such policy shall contain reasonable exclusions. Upon completion of the location and installation of the Eligible Property, OWNER shall provide the CITY with a report detailing its progress towards the twenty-five percent (25%) goal.

#### IV. Abatement

If the Improvement Conditions and Requirements set forth in Section III are satisfied, then CITY agrees to exempt from taxation 80% of the Added Value of the Eligible Property. The exemption shall be for a period of seven (7) years, beginning in tax year 2024 (beginning January 1, 2024) through and including tax year 2030 (beginning January 1, 2030).

#### V. Reports, Audits and Inspections

- A. Annual Certification, TAD Application, and Reports - Pursuant to state law, OWNER shall certify annually that OWNER is in compliance with the terms of this Agreement, and shall provide the reports and records reasonably necessary to support each year of this Agreement, as follows:
  - 1. Annual Certification -- OWNER shall complete and certify a Tax Abatement Certification to be provided by CITY for each year of this Agreement, to be due annually not later than April 1. This certification shall include, at minimum, the following for all Eligible Property for

which OWNER seeks tax abatement: property description, asset number, payment date for property located on Premises, and costs.

2. TAD Application -- OWNER shall submit a completed application for Property Tax Abatement Exemption to the Tarrant Appraisal District (hereinafter "TAD") by the statutory deadline of April 30 in each year that OWNER intends to claim the abatement exemption, with no expectation of prompting or reminding from the TAD or CITY. The application for Property Tax Abatement Exemption must be obtained by OWNER from the Forms section of the TAD's website at <http://www.TAD.org>.
  3. Additional Records -- Additionally, throughout the term of this Agreement, OWNER shall furnish CITY any additional records and information reasonably requested to support the reports required by this Agreement.
- B. Right to Audit Books and Records - CITY shall have the right to audit the books and records related to the Eligible Property and supporting the Eligible Property reports. CITY shall notify OWNER in advance in writing of their intent to audit in order to allow OWNER adequate time to make such books and records available.
- C. Inspection - At all times throughout the term of this Agreement, CITY and TAD shall have reasonable access to the Premises for the purpose of inspecting the Premises to ensure that the Eligible Property is installed, maintained, and operated in accordance with the terms of this Agreement. All inspections shall be conducted in a manner as to not unreasonably interfere with the installation of the Eligible Property or the operation of the Premises. The inspections shall be conducted within a reasonable time period after notice by CITY or TAD to OWNER, provided, however, that all inspections shall be made with one (1) or more representative(s) of OWNER present and in accordance with the safety standards of OWNER.
- D. Protest - This Agreement shall not be construed to prohibit OWNER's protest or contest of any or all appraisals or assessments of any property on the Premises. The amount of the abatement provided for in this Agreement shall be based upon the taxes as finally determined by TAD to be due after such protests or contests are finally determined.

## VI. Breach and Recapture

- A. Breach - A breach of this Agreement by OWNER may result in termination or modification of this Agreement and recapture by CITY of all abated taxes. OWNER's failure to satisfy any of the Conditions and Requirements as specified in Article III or OWNER's failure to provide the annual certification, application,

or additional records and reports specified in Article V shall constitute a breach of this Agreement.

- B. Notice of Breach - In the event that CITY makes a reasonable determination that OWNER has breached this Agreement, then CITY shall give OWNER written notice of such. OWNER has sixty (60) days following receipt of said written notice to cure such breach, or this Agreement may be terminated by CITY, and recapture of abated taxes made may occur. Notice of breach and opportunity to cure shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in Article IX of this Agreement.
- C. Recapture - During the Term of this Agreement, should OWNER commit and fail to timely cure a breach of this Agreement, CITY may terminate this Agreement and recapture all abated taxes made under this Agreement. It shall be the duty of CITY to determine whether to require recapture and to demand payment of such. Repayment of abated taxes shall become due 60 days following receipt of such demand. The rights of CITY to require recapture and demand repayment of abated taxes, and the obligation of OWNER to pay such, shall survive termination of this Agreement. The City Attorney has the authority, on behalf of the CITY, to initiate any litigation necessary to pursue payment of recaptured abated taxes pursuant to this Agreement.
- D. Tax Lien Not Impaired - It is expressly agreed and acknowledged between the parties to this Agreement that nothing in this Agreement shall be deemed or construed to affect the lien for taxes against the property established by Section 32.01 of the Tax Code of the State of Texas. Such lien shall secure the payment of all taxes, penalties, and interest ultimately imposed on the property, including any taxes abated and subject to recapture under this Agreement. Any such lien may be fully enforced pursuant to the provisions of the Code. For purposes of this Subsection, "property" refers to the Premises and Eligible Property described herein.

## VII.

### Undocumented Workers

OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker as that term is defined by section 2264.001(4) of the Texas Government Code. In accordance with section 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 132a(f), OWNER shall repay to the CITY the full amount of the abated taxes provided under Article IV of this Agreement, plus 10% per annum from the date such taxes were abated. Repayment shall be paid within 120 days after the date following such conviction that OWNER receives notice of violation from the CITY as provided by 2264.101(c) of the Texas Government Code.

**VIII.**  
**Effect of Sale or Lease of Property**

This Agreement shall not be assignable to any new owner of all or a portion of the Premises or Eligible Property unless such assignment is approved in writing by the CITY with approval of the Arlington City Council.

**IX.**  
**Notice**

All notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail postage prepaid or by hand delivery:

OWNER:       Texstars, LLC  
                  Attention: \_\_\_\_\_  
                  \_\_\_\_\_  
                  \_\_\_\_\_

CITY:           City of Arlington  
                  City Manager's Office  
                  Attention: Economic Development Manager  
                  MS 01-0300  
                  P.O. Box 90231  
                  Arlington, Texas 76004-3231

                  With Copy to:  
                  City Attorney  
                  MS 63-0300  
                  P.O. Box 90231  
                  Arlington, Texas 76004-3231

**X.**  
**City Council Authorization**

This Agreement was authorized by resolution of the Arlington City Council authorizing the City Manager or his designee to execute this Agreement on behalf of the CITY.

**XI.**  
**Severability**

In the event any section, subsection, paragraph, sentence, phrase, or word is held invalid, illegal, or unconstitutional, 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 section, subsection, paragraph, sentence, phrase, or word.

**XII.**  
**Estoppel Certificate**

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested, will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the abatement in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

**XIII.**  
**OWNER's Standing**

OWNER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same, and OWNER shall be entitled to intervene in said litigation.

**XIV.**  
**Applicable Law**

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

**XV.**  
**Indemnification**

**OWNER AGREES TO DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT THAT MAY ARISE OUT OF OR BE OCCASIONED BY OWNER'S DEFAULT OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, OR BY ANY NEGLIGENT ACT OR OMISSION OF OWNER, ITS OFFICERS, AGENTS, ASSOCIATES, OR EMPLOYEES, IN THE PERFORMANCE OF THIS AGREEMENT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OF THE CITY OR ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRENT NEGLIGENCE OF BOTH OWNER AND CITY, RESPONSIBILITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF**



**TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS OR FEDERAL LAW. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.**

**XVI.**  
**Force Majeure**

It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, court injunction, necessary condemnation proceedings, acts of the other party, its affiliates/related entities and/or their contractors, or any actions or inactions of third parties or other circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated or not, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such design or construction requirement shall be extended for a period of time equal to the period such party was delayed.

**XVII.**  
**No Other Agreement**

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified or supplemented only by an instrument or instruments in writing executed by the parties.

**XVIII.**  
**Recordation of Agreement**

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Tarrant County, Texas.

**XIX.**  
**Headings**

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

**XX.**  
**Successors and Assigns**

The parties to this Agreement each bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Agreement.

No successor, executor, administrator, or assign is valid in the place of the parties to this Agreement without the written consent of CITY and such consent shall not be unreasonably withheld.

**XXI.**  
**Counterparts**

This Agreement may be executed in any number of counterparts, each of which may be executed by any one or more of the parties hereto, but all of which shall constitute one instrument, and shall be binding and effective when all of the parties hereto have executed at least one counterpart.

**XXII.**  
**No Third-Party Beneficiaries**

For purposes of this Agreement, including its intended operation and effect, the parties specifically agree that: (1) this Agreement only affects matters/disputes between the parties to this Agreement, and is in no way intended by the parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with CITY or OWNER or both; and (2) the terms of this agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either CITY or OWNER.

**XXIII.**  
**Remedies**

No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this agreement may be waived without consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this agreement.

**XXIV.**  
**Survival of Obligations**

All obligations under this Agreement shall survive the expiration or termination of this Agreement to the extent required for their full observance and performance.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

**TEXSTARS, LLC**

BY [Signature]  
Signature  
Sc. Tax Manager  
Typed or Printed Title  
Date 5-7-2023

WITNESS:

[Signature]

**CITY OF ARLINGTON, TEXAS**

BY [Signature]  
TREY YELVERTON  
City Manager  
Date 5/16/2023

ATTEST:

[Signature]  
ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
MOLLY SHORTALL, City Attorney

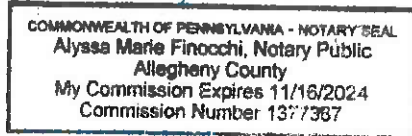
BY [Signature]

THE STATE OF PA §  
§  
COUNTY OF Allegheny §

**TEXSTARS, LLC**  
**Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of PA, on this day personally appeared TOM Garbin, known to me or proved to me on the oath of \_\_\_\_\_ or through id card (description of identity card or other document) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of **TEXSTARS, LLC**, and as the Sr Tax Director thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 3 day of May, 2023.



11/16/2024  
My Commission Expires

Alyssa Marie Finocchi  
Notary Public in and for  
The State of PA  
Alyssa Marie Finocchi  
Notary's Printed Name

THE STATE OF TEXAS §  
§  
COUNTY OF TARRANT §

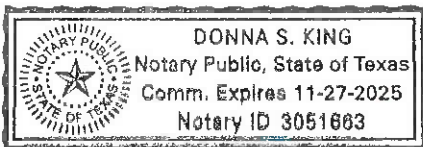
**CITY OF ARLINGTON, TEXAS**  
**Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **TREY YELVERTON**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the **CITY OF ARLINGTON, TEXAS**, a municipal corporation of Tarrant County, Texas, and as a **Deputy City Manager** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 16<sup>th</sup> day of May, 2023.

11/27/25  
My Commission Expires

Donna S. King  
Notary Public in and for  
The State of Texas  
Donna S. King  
Notary's Printed Name

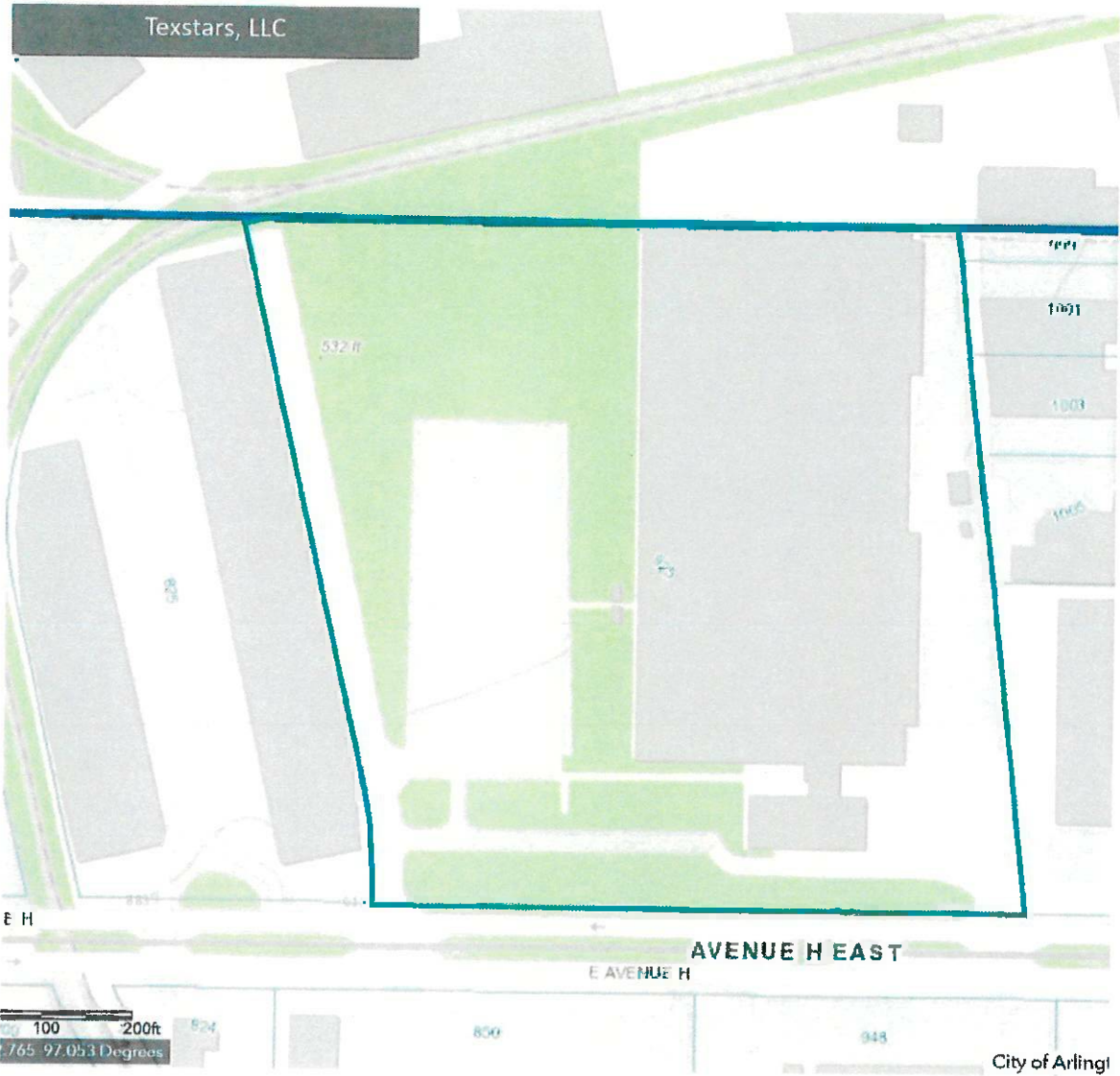


**Exhibit "A"**  
**Eligible Property List**

*The following machinery and equipment will be installed in connection with the project:*

- *Preform and Forming equipment*
- *Casting equipment*
- *Windshield and Canopy machinery*
- *Coating machinery*
- *Material Handling equipment*
- *Other machinery and equipment as necessary for the manufacturing and handling of the Project.*

**Exhibit "B"**  
**Premises**



**Exhibit "C"**  
**Ordinance No. 20-061**  
**Creating Reinvestment Zone No. 47**

**Ordinance No. 20-061**

**An ordinance establishing Reinvestment Zone Number Forty-Seven; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading**

WHEREAS, the City Council of the City of Arlington, Texas, desires to promote the development or redevelopment of a certain area within its jurisdiction by the establishment of a Reinvestment Zone for commercial-industrial tax abatement; and

WHEREAS, on April 7, 2009, the City Council of the City of Arlington, Texas passed Resolution No. 09-079 authorizing staff, following a briefing to City Council regarding creation of the zone, to give notice required by law to call public hearings relative to creation of reinvestment zones for tax abatement; and

WHEREAS, on February 25, 2020, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Seven; and

WHEREAS, on November 10, 2020, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Seven; and

WHEREAS, a public hearing was held at which time interested persons were entitled to speak and present evidence for or against the designation of the property described in Exhibit "A" as Reinvestment Zone Number Forty-Seven, and notice of such public hearing was published in a newspaper of general circulation in the City of Arlington not later than the seventh day before the date of the scheduled hearing; and

WHEREAS, the City Council of the City of Arlington has established guidelines and criteria governing tax abatement agreements and has stated that the City elects to become eligible to participate in tax abatement; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

1.

That all of the recitals contained in the preambles of this ordinance are found to be true and are adopted as findings of fact by this governing body and as part of its official record.



2.

The City Council, after conducting a public hearing and having considered all relevant evidence and testimony, has made the following findings and determinations based on such evidence and testimony:

- A. That a public hearing on the designation of Reinvestment Zone Number Forty-Seven has been properly called, held and conducted, and that notice of such hearing was published in accordance with the law; and
- B. That the boundaries of Reinvestment Zone Number Forty-Seven should be the proposed area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and
- C. That the improvements sought to be made in Reinvestment Zone Number Forty-Seven are feasible and practical and would be a benefit to the land to be included in the Zone and to the City of Arlington following the expiration of an executed Tax Abatement Agreement; and
- D. That the proposed area of land to be designated Reinvestment Zone Number Forty-Seven is reasonably likely, as a result of this designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property, thereby contributing to the economic development of the City of Arlington.

3.

In accordance with State law, the City of Arlington hereby officially creates Reinvestment Zone Number Forty-Seven for commercial-industrial tax abatement, which Zone shall hereafter encompass only that certain area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and such Reinvestment Zone shall be officially designated as Tax Abatement Reinvestment Zone Number Forty-Seven of the City of Arlington, Texas.

4.

The designation of Reinvestment Zone Number Forty-Seven of the City of Arlington, Texas shall expire Five (5) years after the effective date of its designation and may be renewed.

5.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington; and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be

inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

6.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

7.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

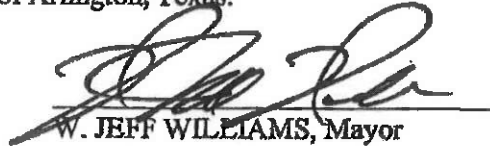
8.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

9.

This ordinance shall become effective upon second reading.

PRESENTED AND GIVEN FIRST READING on the 17th day of November, 2020, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the 1st day of December, 2020, by a vote of 8 ayes and 0 nays at a regular meeting of the City Council of the City of Arlington, Texas.

  
W. JEFF WILLIAMS, Mayor

ATTEST:

*Alex Busken*  
ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY *Teris Solis*

**Exhibit "A"**

**PROPERTY DESCRIPTION**

**BEING a 15.2451 acre tract of land in Industrial Community Number 1, Great Southwest Industrial District, an addition lying partly in the City of Arlington and partly in the City of Grand Prairie, Texas and being recorded in Volume 388-10, Page 85 and Volume 388-10, Page 89, respectively, Plat Records of Tarrant County, Texas; said 15.245 acre tract being parts of Block 4 and Block 5 and of said Industrial Community No. 1.**

