

**CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Economic and International Development

AGENDA DATE: 4/28/2015

CONTACT PERSON/PHONE: Cary Westin, Economic Development, 212-1614

DISTRICT(S) AFFECTED: 2

SUBJECT:

That the City Manager be authorized to execute a Chapter 380 Economic Development Sales Tax Rebate Program Agreement by and between the City of El Paso and James L Millender, the property owner, pursuant to the City's Infill Development Incentive Policy, for the construction of a 4,166 sq feet quadraplex on the vacant lot of 8747 Neptune Street, El Paso, Texas 79904.

(DISTRICT 2) [Cary S. Westin, Economic Development, 212-1614]

BACKGROUND/DISCUSSION:

The Infill Development Incentive Policy was passed by Council on 08/24/10, amended on 11/16/10 and 11/16/13. The applicant, James L. Millender, is proposing to build a housing quadraplex on a vacant lot. The total investment for the proposed development is \$231,850 and the agreement consists of a five (5) year property tax abatement, Development fee waivers (up to \$10,000), and a Sales Tax Rebate on Construction Materials and labor.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

- 4/10/12: 2308 Wheeling Ave, 79930; 4-plex rental housing
- 4/2/13: 540 S. Yarbrough Dr. 79915; 26-unit apartment complex
- 4/2/13: 2431 Yandell Dr., 79903; ft. office space
- 8/13/13: 2413 Tremont Ave., 79930; 12-unit apartment complex
- 11/12/13: 4301 E. Missouri, 79903; 18-unit apartment complex
- 12/3/2013: 5000 Riley Ct., 79924; 10-unit apartment complex
- 7/21/2014: 1423 Missouri Ave. 79902; commercial office space
- 9/2/2014: 1217 Magoffin Ave. 79901; mixed use
- 10/22/2014: 1731 Myrtle. 79901; warehouse
- 11/4/2014: 5301, 5305, and 5309 Ridge Street. 79932. Quadraplex housing.
- 12/11/2014: 6801 N. Mesa. 79912; retail, office, and restaurant space.
- 3/3/2015: 3359 Fred Wilson. 79904; Dialysis clinic
- 3/10/2015: 4805 Atlas & 4806 Titanic | 4801 Vulcan | 4725 Vulcan ; 37 units of housing (apartments)
- 3/17/2015: 2227 Pacheco Drive. 20 unit Apartment complex
- 3/31/2015: 2126 Myrtle. 79901. 5 unit apartment complex, one office unit.
- 4/14/2015: 1013 E Missouri. 79902. Office for roofing and insulation services.

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

N/A

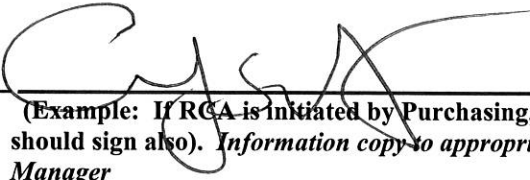
BOARD/COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD: _____

A large, stylized handwritten signature in black ink is written over the horizontal line of the 'DEPARTMENT HEAD' field.

(Example: If RCA is initiated by Purchasing, client department should sign also). *Information copy to appropriate Deputy City Manager*

APPROVED FOR AGENDA:

CITY MANAGER: _____ **DATE:** _____

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to execute a Chapter 380 Economic Development Sales Tax Rebate Program Agreement by and between the City of El Paso and James L Millender, the property owner, pursuant to the City's Infill Development Incentive Policy, for the construction of a 4,166 square foot affordable housing complex on the vacant lot of 8747 Neptune Street, El Paso, Texas 79904.

APPROVED this _____ day of _____, 2015.

CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Karla M. Nieman
Assistant City Attorney

APPROVED AS TO CONTENT:



Cary S. Westin, Managing Director
Economic and International Development

STATE OF TEXAS) **CHAPTER 380 ECONOMIC DEVELOPMENT**
) **PROGRAM AGREEMENT**
COUNTY OF EL PASO) **(Infill Construction Materials Sales Tax Rebate)**

This Chapter 380 Economic Development Program Agreement ("Agreement") is made and entered into by and between the **CITY OF EL PASO, TEXAS**, a Texas home rule municipal corporation, ("CITY"), and **James L Millender**, the property owner (the "APPLICANT"), for the purposes and considerations stated below:

RECITALS

WHEREAS, the APPLICANT desires to enter into this Agreement pursuant to Chapter 380 of the Texas Local Government Code (hereinafter referred to as "Chapter 380"); and

WHEREAS, the CITY desires to provide, pursuant to Chapter 380, incentives to APPLICANT to construct or renovate the REAL PROPERTY located at 8747 Neptune Street, El Paso, Texas 79904, meeting the eligibility requirements of the Infill Development Incentive Policy, such development being more specifically described in Exhibit "A" attached hereto (the "Legal Description) and Exhibit "B" the Project Description attached hereto (the "DEVELOPMENT") which project meets the criteria described in the Infill Development Incentive Policy; and

WHEREAS, the CITY has the authority under Chapter 380 to make loans or grants of public funds for the purposes of promoting local economic development and stimulating business and commercial activity within the City of El Paso; and

WHEREAS, the CITY determines that a grant of funds to APPLICANT will serve the public purpose of enhancing the value of the local tax base and foster and support economic growth and opportunity and to ensure new investments will market the area as a thriving place to work, live and visit; and

WHEREAS, the CITY and APPLICANT desire the construction or renovation of the DEVELOPMENT and the CITY has further determined that the DEVELOPMENT will advance the CITY'S revitalization strategy for the future growth and development of the CITY and directly and indirectly result in the creation of additional jobs in the CITY and stimulate commercial activity in an undeveloped area, the value of such benefits to the CITY outweighing the amount of the REBATE the CITY will provide to APPLICANT under this Agreement; and

WHEREAS, the contemplated use and improvement of the Property in the amounts and for the purposes set forth in this Agreement and the other terms hereof will encourage increased economic development in the CITY, provide significant increases in the CITY'S sales tax revenues, and improve the CITY'S ability to provide for the health, safety and welfare of the citizens of El Paso; and

WHEREAS, the CITY has concluded and hereby finds that this Agreement clearly promotes economic development in the City of El Paso and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code and further, is in the best interests of the CITY and APPLICANT.

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

- A. **Agreement.** The word “Agreement” means this Chapter 380 Economic Development Program and Agreement, together with all exhibits and schedules attached to this Agreement and incorporated herein by reference.
- B. **Applicant.** The word “APPLICANT” means **James L. Millender**, the property owner.
- C. **Base Year Value.** The words “Base Year Value” mean valuation by the El Paso Central Appraisal District as of 2015 for the Properties. However, under no circumstances shall the Base Year Value be interpreted to be equivalent or determinative for appraisal purposes or to be utilized in any way to determine market value.
- D. **City.** The word “CITY” means the City of El Paso, Texas.
- E. **Construction Materials Sales Tax Rebate.** The words “Construction Materials Sales Tax Rebate” means a 100% rebate of the CITY’s one percent (1%) Sales and Use Tax Receipts for materials and labor of Taxable Items used in the construction of the Development. To be eligible for this rebate, a current minimum expenditure amount for improvements or new construction of \$50,000 (Minimum Expenditure”) is required.
- F. **Development.** The word “DEVELOPMENT” means new construction on a vacant lot or renovation of an existing vacant or blighted building(s) to be used for any of the following land uses: single-family homes for attainable rental housing, office, retail, restaurant, multifamily residential facilities, commercial and industrial within the City of El Paso, as authorized by the existing local law, such DEVELOPMENT being more specifically described by Exhibit B, which is attached hereto and incorporated herein for all purposes.
- G. **Development Fee Waivers/Rebate.** The words “Development Fee Waivers” means 100% of certain development fees will be waived or rebated, **but in no event will the total fee waiver or rebate amount exceed \$10,000.**
- H. **Effective Date.** The last date after both parties have fully executed this Agreement as set forth on the signature page hereof.
- I. **Event of Default.** This phrase shall have the meaning set forth in Section 5 hereof.
- J. **Event of Nonappropriation.** The phrase means the failure of the City to appropriate for any Fiscal Year, sufficient funds to pay the Grant payment, or the reduction of any previously appropriated money below the amount necessary to permit the City to pay the Grant payments from lawfully available funds.

- K. **Grant.** The word “Grant” means each annual payment to APPLICANT under the terms of this Agreement computed as the sum of the applicable rebates: (i) Property Tax Rebate (ii) Construction Materials Sales Tax Rebate and (iii) Development Fee Waivers/Rebate.
- L. **Qualified Expenditures.** The words “Qualified Expenditures” means the local sales and use tax paid or caused to be paid by APPLICANT after the Effective Date of this Agreement on:
1. The purchase of material for use in constructing or renovating the DEVELOPMENT; and
 2. Labor in the construction or renovation of the DEVELOPMENT.
- M. **Rebate.** The word “REBATE” means payments to APPLICANT under the terms of this Agreement computed with reference to one hundred percent (100%) of the CITY’S one percent (1%) of Sales and Use Taxes revenue generated by and attributed solely to the APPLICANT’S Qualified Expenditures
- N. **Rebate Submittal Package.** The words “Rebate Submittal Package” mean the documentation required to be supplied to CITY annually as a condition of receipt of any REBATE, accompanied by the submittal form, which is attached as Exhibit “C” to this Agreement.
- O. **Real Property.** The words "REAL PROPERTY" mean the real property owned by APPLICANT located at 8747 Neptune El Paso, Texas 79904, and as more fully described on Exhibit “A” attached hereto and incorporated herein by reference. The REAL PROPERTY is the location for APPLICANT’S proposed DEVELOPMENT.
- P. **Vacant Building.** The words “Vacant Building” means a building that is sixty percent (60%) or more unoccupied and is registered as a vacant building with the City of El Paso, pursuant to Title 18, Chapter 18.40, El Paso City Code.

SECTION 2. TERM.

Except as otherwise provided herein, the term of this Agreement shall commence on the Effective Date (as hereinafter defined) and shall terminate on the first to occur of: (i) the date when the REBATE is fully paid; (ii) twenty-four (24) months from the Effective Date; (iii) the proper termination of this Agreement in accordance with the applicable provisions contained herein; or (iv) termination by mutual consent of the parties in writing. The Effective Date of this Agreement shall be the later of the date upon which both parties have fully executed this Agreement.

SECTION 3. OBLIGATIONS OF APPLICANT.

During the term of this Agreement, APPLICANT shall comply with the following terms and conditions:

A. **DEVELOPMENT.**

- (1) APPLICANT agrees that the DEVELOPMENT is a project to construct on a vacant lot or renovate an existing vacant or blighted building(s) to be used for any of the following land uses: single-family homes for attainable rental housing, office, retail, restaurant, multifamily residential facilities, commercial and industrial within the City of El Paso, as authorized by the existing local law.
- (2) APPLICANT agrees that the REAL PROPERTY is either a platted, unimproved lot; contains a vacant building; contains a building that has a Central Appraisal District physical condition factor of thirty (30) or lower; or will be renovated for use as attainable rental housing.
- (3) APPLICANT agrees that, except in the case of vacant land, that APPLICANT purchased the REAL PROPERTY within the one-year period preceding the Effective Date of this Agreement.
- (4) APPLICANT agrees that APPLICANT has neither caused nor contributed to the present condition of the REAL PROPERTY.
- (5) APPLICANT agrees to develop and construct, at its sole cost and expense, the DEVELOPMENT and to expend a minimum of Two Hundred Thousand and NO/100 Dollars (\$200,000.00) in Qualified Expenditures to construct the DEVELOPMENT.
- (6) APPLICANT agrees that it will first obtain or caused to be obtained all applicable approvals and permits before the construction of the DEVELOPMENT begins.
- (7) APPLICANT shall submit within twenty-four (24) calendar months documentation to the CITY to verify:
 - (a) the expenditure of a minimum amount of Two Hundred Thousand Dollars and No/100 (\$200,000.00) in Qualified Expenditures; and
 - (b) that APPLICANT has received a Certificate of Occupancy for the DEVELOPMENT.
- (8) APPLICANT agrees that the DEVELOPMENT shall not include the demolition of properties with a historic overlay that are deemed historic or contributing unless specifically approved by El Paso City Council.
- (9) APPLICANT agrees that DEVELOPMENT shall be in accordance with the requirements and review provisions of Chapter 20.20 (Historic Landmark Preservation) of the City municipal code, where applicable.

B. **DISBURSEMENT OF REBATE.**

(1) During the term of this Agreement and beginning as of the Effective Date of this Agreement and ending twenty-four (24) months thereafter, or at termination, whichever comes first, and subject to the conditions contained in this Agreement, APPLICANT shall be eligible to receive a REBATE.

(2) APPLICANT'S eligibility for any payment is expressly contingent upon APPLICANT'S satisfaction of the requirements of Section 3 of this Agreement. APPLICANT shall not be entitled to receive the REBATE unless it satisfies all the requirements of this Agreement. APPLICANT agrees to provide the CITY with any documentation the CITY may reasonably require or request to substantiate the APPLICANT'S compliance with this Agreement.

(3) In order to receive the disbursement of the REBATE, APPLICANT must submit a Rebate Submittal Package, as specified in Section 3(C) below.

C. **REBATE SUBMITTAL PACKAGE.**

(1) Unless otherwise agreed by the CITY and APPLICANT in writing, APPLICANT shall submit annually no more than one Rebate Submittal Package in the form attached hereto as Exhibit "C", together with the requisite documentation.

(2) The Rebate Submittal Package must contain copies of the receipts or other proof of payment as documentation of the Qualified Expenditures incurred in the construction of the DEVELOPMENT and that APPLICANT has paid or caused to be paid all the CITY'S local sales and use taxes associated with the Qualified Expenditures.

(3) The Rebate Submittal Package must contain copies of the permits for the DEVELOPMENT and APPLICANT'S certification that all documentation attached to the Rebate Submittal Package is true and correct.

D. **DELINQUENT TAXES.** APPLICANT must demonstrate before the receipts of any REBATE payments under this incentive program that APPLICANT has incurred no delinquency taxes by providing certified city tax certificates for each parcel of property owned in the City of El Paso.

E. **PROPERTY VALUE.** APPLICANT covenants and agrees that during the term of this Agreement it shall not challenge or permit anyone else to take actions on its behalf to challenge any assessments by the El Paso Central Appraisal District Thirty Five Thousand Three Hundred Thirteen and 00/100 Dollars (\$35,313.00) or lower. It is the intent of the parties that the assessed value of the Property on the tax rolls have a base value of Thirty Five Thousand Three Hundred Thirteen and 00/100 Dollars (\$35,313.00) during the term of this agreement and any affirmative act by APPLICANT to reduce the assessed value to amount lower than Thirty Five Thousand Three Hundred Thirteen and 00/100 Dollars (\$35,313.00) will be an event of default that will result in termination of this Agreement. This property value should in no way be interpreted to affect the values set by the Central Appraisal District for tax purposes.

F. **RIGHT OF ACCESS AND INSPECTION.** APPLICANT, during normal business hours, at its principal place of business in El Paso, shall allow the CITY or its agents reasonable access to operating records, accounting, books, and any other records related to the economic development considerations and incentives described herein, which are in APPLICANT'S possession, custody, or control, for purposes of verifying the Qualified Expenditures generated by the DEVELOPMENT and for audit, is so requested by the CITY. The confidentiality of such records will be maintained in accordance with and subject to all applicable laws.

SECTION 4. OBLIGATIONS OF CITY.

During the Term of this Agreement and so long as an event of default has not occurred and is not continuing as set forth in Section 5 of this Agreement (provided, however, an event of default hereunder shall not be deemed to have occurred until after the expiration of the applicable notice and cure period), CITY shall comply with the following terms and conditions:

- A. The CITY agrees to process any REBATE payments to APPLICANT within ninety (90) days after receipt of the APPLICANT'S annual Rebate Submittal Package.
- B. The CITY'S determination of the amount of the REBATE payment due to APPLICANT is final; provided, however, APPLICANT may appeal to the City Council within thirty (30) days of payment, the City Council shall hear the appeal within thirty (30) days and the City Council's determination of the amount of the REBATE payment shall be final; provided, however, nothing herein shall limit (or be construed to limit) APPLICANT'S rights and remedies as described in Section 5 of this Agreement.

SECTION 5. EVENTS OF DEFAULT.

Each of the following shall constitute an Event of Default under this Agreement:

- A. **False Statements.** Any written warranty, representation or statement made or furnished to the CITY by APPLICANT under this Agreement or any document(s) related hereto furnished to the CITY by APPLICANT that is/are false or misleading in any material respect, either now or at the time made or furnished, and APPLICANT fails to cure same within thirty (30) days after written notice from the CITY describing the violation, or if such violation cannot be cured within such thirty (30) day period in the exercise of all due diligence, then if APPLICANT fails to commence such cure within such thirty (30) day period or fails to continuously thereafter diligently prosecute the cure of such violation, or if APPLICANT obtains actual knowledge that any such warranty, representation or statement has become false or misleading after the time that it was made, and APPLICANT fails to provide written notice to the CITY of the false or misleading nature of such warranty, representation or statement within ten (10) days after APPLICANT learns of its false or misleading nature.
- B. **Insolvency.** APPLICANT files a voluntary petition in bankruptcy, a proceeding in bankruptcy is instituted against the APPLICANT and the APPLICANT is thereafter adjudicated bankrupt, a receiver for the APPLICANT'S assets is appointed, or any assignment of all or substantially all of the assets of APPLICANT for the benefit of creditors of APPLICANT.

- C. **Construction of Development.** APPLICANT'S failure to comply with its construction obligations set forth in this Agreement and APPLICANT'S failure to cure same within thirty (30) Days after written notice from the CITY shall be deemed an event of default. If such failure cannot be cured within such thirty (30) day period in the exercise of all due diligence but APPLICANT fails or refuses to commence such cure within such thirty (30) day period or fails or refuses to continuously thereafter diligently prosecute such cure, except to the extent such failure is caused by any act or failure to act on the part of the CITY, such actions or omission shall be deemed events of default.
- D. **Property Taxes.** If APPLICANT allows its personal or real property taxes owed to the CITY to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes and to cure such failure or post a satisfactory bond within thirty (30) days after written notice thereof from the CITY and/or El Paso Central Appraisal District.
- E. **Other Defaults.** Failure of APPLICANT to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any related documents, or failure of APPLICANT to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement between the CITY and APPLICANT, and APPLICANT fails to cure such failure within thirty (30) days after written notice from the CITY.
- F. **Failure to Cure.** If any Event of Default by APPLICANT shall occur, and after APPLICANT fails to cure same in accordance herewith, then this Agreement is terminated and the CITY'S obligations end at that time. If a default has not been cured within the time frame stated herein, the non-defaulting party shall have all rights and remedies under the law or in equity.

SECTION 6. RECAPTURE.

Should the APPLICANT default under Section 5 of this Agreement and provided that the cure period for such default has expired, all REBATES previously provided by the CITY pursuant to this Agreement shall be recaptured and repaid by APPLICANT within sixty (60) days from the date of such termination.

SECTION 7. TERMINATION OF AGREEMENT BY CITY WITHOUT DEFAULT.

CITY may terminate this Agreement without an event of default by APPLICANT and effective immediately if any state or federal statute, regulation, case law, or other law renders this Agreement ineffectual, impractical or illegal, including case law holding that a Chapter 380 Economic Development Agreement such as this Agreement is an unconstitutional debt.

SECTION 8. MISCELLANEOUS PROVISIONS.

The following miscellaneous provisions are a part of this Agreement:

- A. **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

- B. **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in El Paso County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of El Paso County, Texas.
- C. **Applicant's Sale or Transfer of the Development.** Prior to any sale or other transfer of ownership rights in the DEVELOPMENT, APPLICANT shall notify the CITY in writing of such sale or transfer within thirty (30) business days of the effectiveness of such sale or transfer. This provision is a material term of this Agreement and the failure to notify the CITY of such sale or transfer within the applicable period shall constitute an event of default.
- D. **Assignment.** APPLICANT understands and agrees that the CITY expressly prohibits APPLICANT from selling, transferring, assigning or conveying in any way any rights to receive the REBATE proceeds or this Agreement without the CITY'S *prior written* consent. Any such attempt to sell, transfer, assign or convey without the CITY'S prior written consent is void and may result in the immediate termination of this Agreement and recapture of the taxes rebated prior to the attempted transfer..
- E. **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. CITY warrants and represents that the individual executing this Agreement on behalf of CITY has full authority to execute this Agreement and bind CITY to the same. APPLICANT warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind APPLICANT to the same.
- F. **Use of Real Property.** As consideration for the agreements of the CITY as contained herein, APPLICANT agrees that it will diligently and faithfully in a good and workmanlike manner pursue the completion of the DEVELOPMENT and that the construction of same will be in accordance with all applicable federal, state and local laws and regulations. The REAL PROPERTY shall be limited in its use to those uses consistent with the DEVELOPMENT consistent with the CITY'S development goals, which include the encouraging of development or redevelopment of the reinvestment zone.
- G. **Confidentiality Obligations.** The confidentiality of records related to the CITY'S economic development considerations and incentives provided herein will be maintained in accordance with and subject to all applicable laws, including the Public Information Act, Chapter 552, Texas Government Code. To the extent permitted by state or federal law, the CITY shall maintain the confidentiality of any proprietary information and shall not copy any such information except as necessary for dissemination to the CITY'S agents or employees and agrees that, as required by the Public Information Act, it will notify Applicant if a request relating to such proprietary information is received. APPLICANT represents that it understands that the Public Information Act excepts disclosure of trade secret and confidential commercial information and that it will need to assert the proprietary interest of APPLICANT as a basis for nondisclosure.

- H. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.
- I. **Employment of Undocumented Workers.** During the term of this Agreement, APPLICANT agrees not to knowingly employ any undocumented workers as defined in Texas Government Code Section 2264.001. If convicted of a violation under 8 U.S.C. Section 1324a(f), APPLICANT shall repay the amount of the Grant payments received by APPLICANT from the CITY as of the date of such violation not later than one hundred twenty (120) days after the date APPLICANT is notified by CITY of a violation of this section, plus interest from the date the Grant payment(s) was paid to APPLICANT, at the rate of seven percent (7%) per annum. The interest will accrue from the date the Grant payment(s) were paid to APPLICANT until the date the reimbursement payments are repaid to CITY. CITY may also recover court costs and reasonable attorney's fees incurred in an action to recover the Grant payment(s) subject to repayment under this section. APPLICANT is not liable for a violation by its subsidiary, affiliate, or franchisee, or by a person which whom APPLICANT contracts.
- J. **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, or court injunction, 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 obligation or requirement shall be extended for a period of time equal to the period such party was delayed.
- K. **Notices.** All notices required to be given under this Agreement shall be given in writing and shall be effective when actually delivered or when deposited in the United States mail, first class, postage prepaid, delivered personally, sent by a nationally recognized overnight courier, or sent by facsimile with an original sent by United States first class mail, postage prepared on the same date addressed to the party to whom the notice is to be given at the addresses shown below. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, each party agrees to keep the other informed at all times of its current address.

APPLICANT:	James L. Millender Property Owner 4517 Fairbanks Drive El Paso, Texas 79924
CITY:	City of El Paso City Manager P.O. Box 1890 El Paso, Texas 79950-1890

Copy To: City of El Paso
Economic Development Department Director
P.O. Box 1890
El Paso, Texas 79950-1890

- L. **Ordinance Applicability.** The signatories hereto shall be subject to all ordinances of the CITY, whether now existing or in the future arising.
- M. **Severability.** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.
- N. **Headings.** The Section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- O. **No Joint Venture.** It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create any partnership or joint venture among the parties. The CITY, its past, present and future officers, elected officials, employees and agents of the CITY, do not assume any responsibilities or liabilities to any third party in connection with the DEVELOPMENT or the design, construction, or operation of the DEVELOPMENT, or any portion thereof.

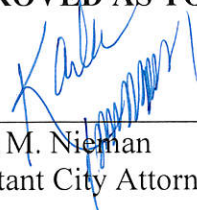
(SIGNATURES BEGIN ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have executed this Agreement on this ____ day of _____, 2015 (the "Effective Date").

CITY OF EL PASO:


Tomás González
City Manager

APPROVED AS TO FORM:



Karla M. Nieman
Assistant City Attorney

APPROVED AS TO CONTENT:



Cary S. Westin, Managing Director
Economic & International Development

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

This instrument was acknowledged before me on the ____ day of _____, 2015, by Tomás González as City Manager of the City of El Paso, Texas, on behalf of the City of El Paso, Texas.

Notary Public, State of Texas

My Commission Expires:

(SIGNATURES CONTINUE ON FOLLOWING PAGE)

APPLICANT:

James L. Millender

James L. Millender

By: James L Millender

Title: Property Owner

ACKNOWLEDGMENT

STATE OF Texas §

COUNTY OF El Paso §

This instrument was acknowledged before me on the 13th day of April, 2015, by James L. Millender, as Property Owner.

Nancy M. Spencer
Notary Public, State of Texas

My Commission Expires:

11-24-2017

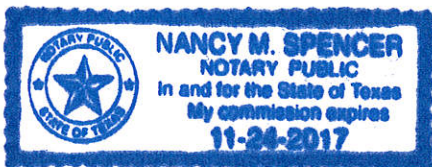


EXHIBIT "A"

[Legal Description of the REAL PROPERTY]

SUNRISE ACRES #1 S 96.0 FT OF E 98.0 FT OF LOT 272 (9408 SQ FT)

EXHIBIT "B"

Description of Development

APPLICANT proposes to build a housing quadraplex on vacant land located at 8747 Neptune Street, El Paso, TX, 79904. The approximate square footage of the proposed development will be 4,166 sq feet. The total cost of the development is Three Hundred Twenty Four Thousand Eight Hundred Ten Dollars and No/00 (\$324,810.00).

EXHIBIT "C"

Rebate Submittal Package Form

James L. Millender (APPLICANT) believes that he has substantially met his obligations under the Chapter 380 Agreement executed on _____ (date). Pursuant to the agreement, APPLICANT submits this Rebate Submittal Package Form in compliance with said Agreement and in anticipation of receiving the Rebate in consideration for his obligations met under the Agreement.

As required by the Agreement, the following information is submitted.

1. Copies of receipts evidencing payment by Applicant or an Applicant's behalf of at least a minimum aggregate of TWO HUNDRED THOUSAND DOLLARS AND NO/100 (\$200,000.00) in Qualified Expenditures associated with the Development, as those terms are defined in the Agreement.
2. Copies of all required permits and approvals obtained by APPLICANT or on APPLICANT'S behalf for construction of improvements in the Development.
3. Property Tax Payment Receipt(s) of payment for tax year _____.

It is understood by APPLICANT that the City of El Paso has up to ninety (90) days to process this request and reserves the right to deny the Rebate claim if the APPLICANT has failed to comply with the terms of the Agreement.

By the signature of APPLICANT below, APPLICANT hereby certifies that: (1) the copies of the receipts attached to this Rebate Submittal Package Form represent Qualified Expenditures incurred in the improvements and new construction to the Development; (2) APPLICANT has paid or caused to be paid the City's local sales and use taxes associated with the Qualified Expenditures; and (3) that the copies of the receipts and copies of the permits attached herein are true and correct.

Signature: _____

STATE OF TEXAS) CHAPTER 380 ECONOMIC DEVELOPMENT
) PROGRAM AGREEMENT
COUNTY OF EL PASO) (Infill Construction Materials Sales Tax Rebate)

This Chapter 380 Economic Development Program Agreement ("Agreement") is made and entered into by and between the **CITY OF EL PASO, TEXAS**, a Texas home rule municipal corporation, ("CITY"), and **James L Millender**, the property owner (the "APPLICANT"), for the purposes and considerations stated below:

RECITALS

WHEREAS, the APPLICANT desires to enter into this Agreement pursuant to Chapter 380 of the Texas Local Government Code (hereinafter referred to as "Chapter 380"); and

WHEREAS, the CITY desires to provide, pursuant to Chapter 380, incentives to APPLICANT to construct or renovate the REAL PROPERTY located at 8747 Neptune Street, El Paso, Texas 79904, meeting the eligibility requirements of the Infill Development Incentive Policy, such development being more specifically described in Exhibit "A" attached hereto (the "Legal Description) and Exhibit "B" the Project Description attached hereto (the "DEVELOPMENT") which project meets the criteria described in the Infill Development Incentive Policy; and

WHEREAS, the CITY has the authority under Chapter 380 to make loans or grants of public funds for the purposes of promoting local economic development and stimulating business and commercial activity within the City of El Paso; and

WHEREAS, the CITY determines that a grant of funds to APPLICANT will serve the public purpose of enhancing the value of the local tax base and foster and support economic growth and opportunity and to ensure new investments will market the area as a thriving place to work, live and visit; and

WHEREAS, the CITY and APPLICANT desire the construction or renovation of the DEVELOPMENT and the CITY has further determined that the DEVELOPMENT will advance the CITY'S revitalization strategy for the future growth and development of the CITY and directly and indirectly result in the creation of additional jobs in the CITY and stimulate commercial activity in an undeveloped area, the value of such benefits to the CITY outweighing the amount of the REBATE the CITY will provide to APPLICANT under this Agreement; and

WHEREAS, the contemplated use and improvement of the Property in the amounts and for the purposes set forth in this Agreement and the other terms hereof will encourage increased economic development in the CITY, provide significant increases in the CITY'S sales tax revenues, and improve the CITY'S ability to provide for the health, safety and welfare of the citizens of El Paso; and

WHEREAS, the CITY has concluded and hereby finds that this Agreement clearly promotes economic development in the City of El Paso and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code and further, is in the best interests of the CITY and APPLICANT.

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

- A. **Agreement.** The word “Agreement” means this Chapter 380 Economic Development Program and Agreement, together with all exhibits and schedules attached to this Agreement and incorporated herein by reference.
- B. **Applicant.** The word “APPLICANT” means **James L. Millender**, the property owner.
- C. **Base Year Value.** The words “Base Year Value” mean valuation by the El Paso Central Appraisal District as of 2015 for the Properties. However, under no circumstances shall the Base Year Value be interpreted to be equivalent or determinative for appraisal purposes or to be utilized in any way to determine market value.
- D. **City.** The word “CITY” means the City of El Paso, Texas.
- E. **Construction Materials Sales Tax Rebate.** The words “Construction Materials Sales Tax Rebate” means a 100% rebate of the CITY’s one percent (1%) Sales and Use Tax Receipts for materials and labor of Taxable Items used in the construction of the Development. To be eligible for this rebate, a current minimum expenditure amount for improvements or new construction of \$50,000 (Minimum Expenditure”) is required.
- F. **Development.** The word “DEVELOPMENT” means new construction on a vacant lot or renovation of an existing vacant or blighted building(s) to be used for any of the following land uses: single-family homes for attainable rental housing, office, retail, restaurant, multifamily residential facilities, commercial and industrial within the City of El Paso, as authorized by the existing local law, such DEVELOPMENT being more specifically described by Exhibit B, which is attached hereto and incorporated herein for all purposes.
- G. **Development Fee Waivers/Rebate.** The words “Development Fee Waivers” means 100% of certain development fees will be waived or rebated, **but in no event will the total fee waiver or rebate amount exceed \$10,000.**
- H. **Effective Date.** The last date after both parties have fully executed this Agreement as set forth on the signature page hereof.
- I. **Event of Default.** This phrase shall have the meaning set forth in Section 5 hereof.
- J. **Event of Nonappropriation.** The phrase means the failure of the City to appropriate for any Fiscal Year, sufficient funds to pay the Grant payment, or the reduction of any previously appropriated money below the amount necessary to permit the City to pay the Grant payments from lawfully available funds.

- K. **Grant.** The word “Grant” means each annual payment to APPLICANT under the terms of this Agreement computed as the sum of the applicable rebates: (i) Property Tax Rebate (ii) Construction Materials Sales Tax Rebate and (iii) Development Fee Waivers/Rebate.
- L. **Qualified Expenditures.** The words “Qualified Expenditures” means the local sales and use tax paid or caused to be paid by APPLICANT after the Effective Date of this Agreement on:
1. The purchase of material for use in constructing or renovating the DEVELOPMENT; and
 2. Labor in the construction or renovation of the DEVELOPMENT.
- M. **Rebate.** The word “REBATE” means payments to APPLICANT under the terms of this Agreement computed with reference to one hundred percent (100%) of the CITY’S one percent (1%) of Sales and Use Taxes revenue generated by and attributed solely to the APPLICANT’S Qualified Expenditures
- N. **Rebate Submittal Package.** The words “Rebate Submittal Package” mean the documentation required to be supplied to CITY annually as a condition of receipt of any REBATE, accompanied by the submittal form, which is attached as Exhibit “C” to this Agreement.
- O. **Real Property.** The words "REAL PROPERTY" mean the real property owned by APPLICANT located at 8747 Neptune El Paso, Texas 79904, and as more fully described on Exhibit “A” attached hereto and incorporated herein by reference. The REAL PROPERTY is the location for APPLICANT’S proposed DEVELOPMENT.
- P. **Vacant Building.** The words “Vacant Building” means a building that is sixty percent (60%) or more unoccupied and is registered as a vacant building with the City of El Paso, pursuant to Title 18, Chapter 18.40, El Paso City Code.

SECTION 2. TERM.

Except as otherwise provided herein, the term of this Agreement shall commence on the Effective Date (as hereinafter defined) and shall terminate on the first to occur of: (i) the date when the REBATE is fully paid; (ii) twenty-four (24) months from the Effective Date; (iii) the proper termination of this Agreement in accordance with the applicable provisions contained herein; or (iv) termination by mutual consent of the parties in writing. The Effective Date of this Agreement shall be the later of the date upon which both parties have fully executed this Agreement.

SECTION 3. OBLIGATIONS OF APPLICANT.

During the term of this Agreement, APPLICANT shall comply with the following terms and conditions:

A. DEVELOPMENT.

- (1) APPLICANT agrees that the DEVELOPMENT is a project to construct on a vacant lot or renovate an existing vacant or blighted building(s) to be used for any of the following land uses: single-family homes for attainable rental housing, office, retail, restaurant, multifamily residential facilities, commercial and industrial within the City of El Paso, as authorized by the existing local law.
- (2) APPLICANT agrees that the REAL PROPERTY is either a platted, unimproved lot; contains a vacant building; contains a building that has a Central Appraisal District physical condition factor of thirty (30) or lower; or will be renovated for use as attainable rental housing.
- (3) APPLICANT agrees that, except in the case of vacant land, that APPLICANT purchased the REAL PROPERTY within the one-year period preceding the Effective Date of this Agreement.
- (4) APPLICANT agrees that APPLICANT has neither caused nor contributed to the present condition of the REAL PROPERTY.
- (5) APPLICANT agrees to develop and construct, at its sole cost and expense, the DEVELOPMENT and to expend a minimum investment amount of Fifty Thousand and 00/100 Dollars (\$50,000.00) in Qualified Expenditures to construct the DEVELOPMENT.
- (6) APPLICANT agrees that it will first obtain or caused to be obtained all applicable approvals and permits before the construction of the DEVELOPMENT begins.
- (7) APPLICANT shall submit within twenty-four (24) calendar months documentation to the CITY to verify:
 - (a) the expenditure of a minimum investment amount of Fifty Thousand Dollars and 00/100 (\$50,000.00) in Qualified Expenditures; and
 - (b) that APPLICANT has received a Certificate of Occupancy for the DEVELOPMENT.
- (8) APPLICANT agrees that the DEVELOPMENT shall not include the demolition of properties with a historic overlay that are deemed historic or contributing unless specifically approved by El Paso City Council.
- (9) APPLICANT agrees that DEVELOPMENT shall be in accordance with the requirements and review provisions of Chapter 20.20 (Historic Landmark Preservation) of the City municipal code, where applicable.

B. DISBURSEMENT OF REBATE.

(1) During the term of this Agreement and beginning as of the Effective Date of this Agreement and ending twenty-four (24) months thereafter, or at termination, whichever comes first, and subject to the conditions contained in this Agreement, APPLICANT shall be eligible to receive a REBATE.

(2) APPLICANT'S eligibility for any payment is expressly contingent upon APPLICANT'S satisfaction of the requirements of Section 3 of this Agreement. APPLICANT shall not be entitled to receive the REBATE unless it satisfies all the requirements of this Agreement. APPLICANT agrees to provide the CITY with any documentation the CITY may reasonably require or request to substantiate the APPLICANT'S compliance with this Agreement.

(3) In order to receive the disbursement of the REBATE, APPLICANT must submit a Rebate Submittal Package, as specified in Section 3(C) below.

C. REBATE SUBMITTAL PACKAGE.

(1) Unless otherwise agreed by the CITY and APPLICANT in writing, APPLICANT shall submit annually no more than one Rebate Submittal Package in the form attached hereto as Exhibit "C", together with the requisite documentation.

(2) The Rebate Submittal Package must contain copies of the receipts or other proof of payment as documentation of the Qualified Expenditures incurred in the construction of the DEVELOPMENT and that APPLICANT has paid or caused to be paid all the CITY'S local sales and use taxes associated with the Qualified Expenditures.

(3) The Rebate Submittal Package must contain copies of the permits for the DEVELOPMENT and APPLICANT'S certification that all documentation attached to the Rebate Submittal Package is true and correct.

D. DELINQUENT TAXES. APPLICANT must demonstrate before the receipts of any REBATE payments under this incentive program that APPLICANT has incurred no delinquency taxes by providing certified city tax certificates for each parcel of property owned in the City of El Paso.

E. PROPERTY VALUE. APPLICANT covenants and agrees that during the term of this Agreement it shall not challenge or permit anyone else to take actions on its behalf to challenge any assessments by the El Paso Central Appraisal District of Twenty Four Thousand Five Hundred Fifty Five and 00/100 Dollars (\$24,555.00) or lower. It is the intent of the parties that the assessed value of the Property on the tax rolls have a base value of Twenty Four Thousand Five Hundred Fifty Five and 00/100 Dollars (\$24,555.00) during the term of this agreement and any affirmative act by APPLICANT to reduce the assessed value to amount lower than Twenty Four Thousand Five Hundred Fifty Five and 00/100 Dollars (\$24,555.00) will be an event of default that will result in termination of this Agreement. This property value should in no way be interpreted to affect the values set by the Central Appraisal District for tax purposes.

F. **RIGHT OF ACCESS AND INSPECTION.** APPLICANT, during normal business hours, at its principal place of business in El Paso, shall allow the CITY or its agents reasonable access to operating records, accounting, books, and any other records related to the economic development considerations and incentives described herein, which are in APPLICANT'S possession, custody, or control, for purposes of verifying the Qualified Expenditures generated by the DEVELOPMENT and for audit, is so requested by the CITY. The confidentiality of such records will be maintained in accordance with and subject to all applicable laws.

SECTION 4. OBLIGATIONS OF CITY.

During the Term of this Agreement and so long as an event of default has not occurred and is not continuing as set forth in Section 5 of this Agreement (provided, however, an event of default hereunder shall not be deemed to have occurred until after the expiration of the applicable notice and cure period), CITY shall comply with the following terms and conditions:

- A. The CITY agrees to process any REBATE payments to APPLICANT within ninety (90) days after receipt of the APPLICANT'S annual Rebate Submittal Package.
- B. The CITY'S determination of the amount of the REBATE payment due to APPLICANT is final; provided, however, APPLICANT may appeal to the City Council within thirty (30) days of payment, the City Council shall hear the appeal within thirty (30) days and the City Council's determination of the amount of the REBATE payment shall be final; provided, however, nothing herein shall limit (or be construed to limit) APPLICANT'S rights and remedies as described in Section 5 of this Agreement.

SECTION 5. EVENTS OF DEFAULT.

Each of the following shall constitute an Event of Default under this Agreement:

- A. **False Statements.** Any written warranty, representation or statement made or furnished to the CITY by APPLICANT under this Agreement or any document(s) related hereto furnished to the CITY by APPLICANT that is/are false or misleading in any material respect, either now or at the time made or furnished, and APPLICANT fails to cure same within thirty (30) days after written notice from the CITY describing the violation, or if such violation cannot be cured within such thirty (30) day period in the exercise of all due diligence, then if APPLICANT fails to commence such cure within such thirty (30) day period or fails to continuously thereafter diligently prosecute the cure of such violation, or if APPLICANT obtains actual knowledge that any such warranty, representation or statement has become false or misleading after the time that it was made, and APPLICANT fails to provide written notice to the CITY of the false or misleading nature of such warranty, representation or statement within ten (10) days after APPLICANT learns of its false or misleading nature.
- B. **Insolvency.** APPLICANT files a voluntary petition in bankruptcy, a proceeding in bankruptcy is instituted against the APPLICANT and the APPLICANT is thereafter adjudicated bankrupt, a receiver for the APPLICANT'S assets is appointed, or any assignment of all or substantially all of the assets of APPLICANT for the benefit of creditors of APPLICANT.

- C. **Construction of Development.** APPLICANT'S failure to comply with its construction obligations set forth in this Agreement and APPLICANT'S failure to cure same within thirty (30) Days after written notice from the CITY shall be deemed an event of default. If such failure cannot be cured within such thirty (30) day period in the exercise of all due diligence but APPLICANT fails or refuses to commence such cure within such thirty (30) day period or fails or refuses to continuously thereafter diligently prosecute such cure, except to the extent such failure is caused by any act or failure to act on the part of the CITY, such actions or omission shall be deemed events of default.
- D. **Property Taxes.** If APPLICANT allows its personal or real property taxes owed to the CITY to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes and to cure such failure or post a satisfactory bond within thirty (30) days after written notice thereof from the CITY and/or El Paso Central Appraisal District.
- E. **Other Defaults.** Failure of APPLICANT to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any related documents, or failure of APPLICANT to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement between the CITY and APPLICANT, and APPLICANT fails to cure such failure within thirty (30) days after written notice from the CITY.
- F. **Failure to Cure.** If any Event of Default by APPLICANT shall occur, and after APPLICANT fails to cure same in accordance herewith, then this Agreement is terminated and the CITY'S obligations end at that time. If a default has not been cured within the time frame stated herein, the non-defaulting party shall have all rights and remedies under the law or in equity.

SECTION 6. RECAPTURE.

Should the APPLICANT default under Section 5 of this Agreement and provided that the cure period for such default has expired, all REBATES previously provided by the CITY pursuant to this Agreement shall be recaptured and repaid by APPLICANT within sixty (60) days from the date of such termination.

SECTION 7. TERMINATION OF AGREEMENT BY CITY WITHOUT DEFAULT.

CITY may terminate this Agreement without an event of default by APPLICANT and effective immediately if any state or federal statute, regulation, case law, or other law renders this Agreement ineffectual, impractical or illegal, including case law holding that a Chapter 380 Economic Development Agreement such as this Agreement is an unconstitutional debt.

SECTION 8. MISCELLANEOUS PROVISIONS.

The following miscellaneous provisions are a part of this Agreement:

- A. **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

- B. **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in El Paso County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of El Paso County, Texas.
- C. **Applicant's Sale or Transfer of the Development.** Prior to any sale or other transfer of ownership rights in the DEVELOPMENT, APPLICANT shall notify the CITY in writing of such sale or transfer within thirty (30) business days of the effectiveness of such sale or transfer. This provision is a material term of this Agreement and the failure to notify the CITY of such sale or transfer within the applicable period shall constitute an event of default.
- D. **Assignment.** APPLICANT understands and agrees that the CITY expressly prohibits APPLICANT from selling, transferring, assigning or conveying in any way any rights to receive the REBATE proceeds or this Agreement without the CITY'S *prior written* consent. Any such attempt to sell, transfer, assign or convey without the CITY'S prior written consent is void and may result in the immediate termination of this Agreement and recapture of the taxes rebated prior to the attempted transfer..
- E. **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. CITY warrants and represents that the individual executing this Agreement on behalf of CITY has full authority to execute this Agreement and bind CITY to the same. APPLICANT warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind APPLICANT to the same.
- F. **Use of Real Property.** As consideration for the agreements of the CITY as contained herein, APPLICANT agrees that it will diligently and faithfully in a good and workmanlike manner pursue the completion of the DEVELOPMENT and that the construction of same will be in accordance with all applicable federal, state and local laws and regulations. The REAL PROPERTY shall be limited in its use to those uses consistent with the DEVELOPMENT consistent with the CITY'S development goals, which include the encouraging of development or redevelopment of the reinvestment zone.
- G. **Confidentiality Obligations.** The confidentiality of records related to the CITY'S economic development considerations and incentives provided herein will be maintained in accordance with and subject to all applicable laws, including the Public Information Act, Chapter 552, Texas Government Code. To the extent permitted by state or federal law, the CITY shall maintain the confidentiality of any proprietary information and shall not copy any such information except as necessary for dissemination to the CITY'S agents or employees and agrees that, as required by the Public Information Act, it will notify Applicant if a request relating to such proprietary information is received. APPLICANT represents that it understands that the Public Information Act excepts disclosure of trade secret and confidential commercial information and that it will need to assert the proprietary interest of APPLICANT as a basis for nondisclosure.

- H. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.
- I. **Employment of Undocumented Workers.** During the term of this Agreement, APPLICANT agrees not to knowingly employ any undocumented workers as defined in Texas Government Code Section 2264.001. If convicted of a violation under 8 U.S.C. Section 1324a(f), APPLICANT shall repay the amount of the Grant payments received by APPLICANT from the CITY as of the date of such violation not later than one hundred twenty (120) days after the date APPLICANT is notified by CITY of a violation of this section, plus interest from the date the Grant payment(s) was paid to APPLICANT, at the rate of seven percent (7%) per annum. The interest will accrue from the date the Grant payment(s) were paid to APPLICANT until the date the reimbursement payments are repaid to CITY. CITY may also recover court costs and reasonable attorney's fees incurred in an action to recover the Grant payment(s) subject to repayment under this section. APPLICANT is not liable for a violation by its subsidiary, affiliate, or franchisee, or by a person which whom APPLICANT contracts.
- J. **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, or court injunction, 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 obligation or requirement shall be extended for a period of time equal to the period such party was delayed.
- K. **Notices.** All notices required to be given under this Agreement shall be given in writing and shall be effective when actually delivered or when deposited in the United States mail, first class, postage prepaid, delivered personally, sent by a nationally recognized overnight courier, or sent by facsimile with an original sent by United States first class mail, postage prepared on the same date addressed to the party to whom the notice is to be given at the addresses shown below. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, each party agrees to keep the other informed at all times of its current address.

APPLICANT:

James L. Millender
 Property Owner
 4517 Fairbanks Drive
 El Paso, Texas 79924

CITY:

City of El Paso
 City Manager
 P.O. Box 1890
 El Paso, Texas 79950-1890

Copy To: City of El Paso
Economic Development Department Director
P.O. Box 1890
El Paso, Texas 79950-1890

- L. **Ordinance Applicability.** The signatories hereto shall be subject to all ordinances of the CITY, whether now existing or in the future arising.
- M. **Severability.** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.
- N. **Headings.** The Section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- O. **No Joint Venture.** It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create any partnership or joint venture among the parties. The CITY, its past, present and future officers, elected officials, employees and agents of the CITY, do not assume any responsibilities or liabilities to any third party in connection with the DEVELOPMENT or the design, construction, or operation of the DEVELOPMENT, or any portion thereof.

(SIGNATURES BEGIN ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have executed this Agreement on this ____ day of _____, 2015 (the "Effective Date").

CITY OF EL PASO:

Tomás González
City Manager

APPROVED AS TO FORM:

Karla M. Nieman
Karla M. Nieman
Assistant City Attorney

APPROVED AS TO CONTENT:

Cary S. Westin, Managing Director
Economic & International Development

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

This instrument was acknowledged before me on the ____ day of _____, 2015, by Tomás González as City Manager of the City of El Paso, Texas, on behalf of the City of El Paso, Texas.

Notary Public, State of Texas

My Commission Expires:

(SIGNATURES CONTINUE ON FOLLOWING PAGE)

EXHIBIT "A"

[Legal Description of the REAL PROPERTY]

SUNRISE ACRES #1 S 96.0 FT OF E 98.0 FT OF LOT 272 (9408 SQ FT)

EXHIBIT "B"

Description of Development

APPLICANT proposes to build a housing quadraplex on vacant land located at 8747 Neptune Street, El Paso, TX, 79904. The approximate square footage of the proposed development will be 4,166 sq feet. The projected total cost of the construction materials and labor for the development is Two Hundred Twenty Eight Thousand Three Hundred Fifty and 00/100 Dollars (\$228,350.00).

EXHIBIT "C"

Rebate Submittal Package Form

James L. Millender (APPLICANT) believes that he has substantially met his obligations under the Chapter 380 Agreement executed on _____ (date). Pursuant to the agreement, APPLICANT submits this Rebate Submittal Package Form in compliance with said Agreement and in anticipation of receiving the Rebate in consideration for his obligations met under the Agreement.

As required by the Agreement, the following information is submitted.

1. Copies of receipts evidencing payment by Applicant or an Applicant's behalf of at least a minimum investment amount of FIFTY THOUSAND DOLLARS AND 00/100 (\$50,000.00) and a maximum investment amount of TWO HUNDRED THOUSAND DOLLARS AND 00/100 (\$200,000.00) in Qualified Expenditures associated with the Development, as those terms are defined in the Agreement.
2. Copies of all required permits and approvals obtained by APPLICANT or on APPLICANT'S behalf for construction of improvements in the Development.
3. Property Tax Payment Receipt(s) of payment for tax year _____.

It is understood by APPLICANT that the City of El Paso has up to ninety (90) days to process this request and reserves the right to deny the Rebate claim if the APPLICANT has failed to comply with the terms of the Agreement.

By the signature of APPLICANT below, APPLICANT hereby certifies that: (1) the copies of the receipts attached to this Rebate Submittal Package Form represent Qualified Expenditures incurred in the improvements and new construction to the Development; (2) APPLICANT has paid or caused to be paid the City's local sales and use taxes associated with the Qualified Expenditures; and (3) that the copies of the receipts and copies of the permits attached herein are true and correct.

Signature: _____



Infill Development Program

Applicant: James Millender

District: 2

Project Address:

8747 Neptune Street
El Paso, TX 79904

Strategic Goal 1:

Create an Environment Conducive to
Strong, Sustainable Economic Development

1.1 – Stabilize & Expand El Paso's tax base





Infill Development Program

- \$231,850 in projected construction investment
- Total of 4,166 sq feet in development
- Current status: vacant, undeveloped land
- Applicant proposes to turn vacant lot into quadraplex housing.



Proposed Incentives

Construction Materials Rebate- Chapter 380 Agreement for a one time grant payment of the City's Portion of Sales Tax (1%) after the applicant has obtained a certificate of completion and the project is completed.

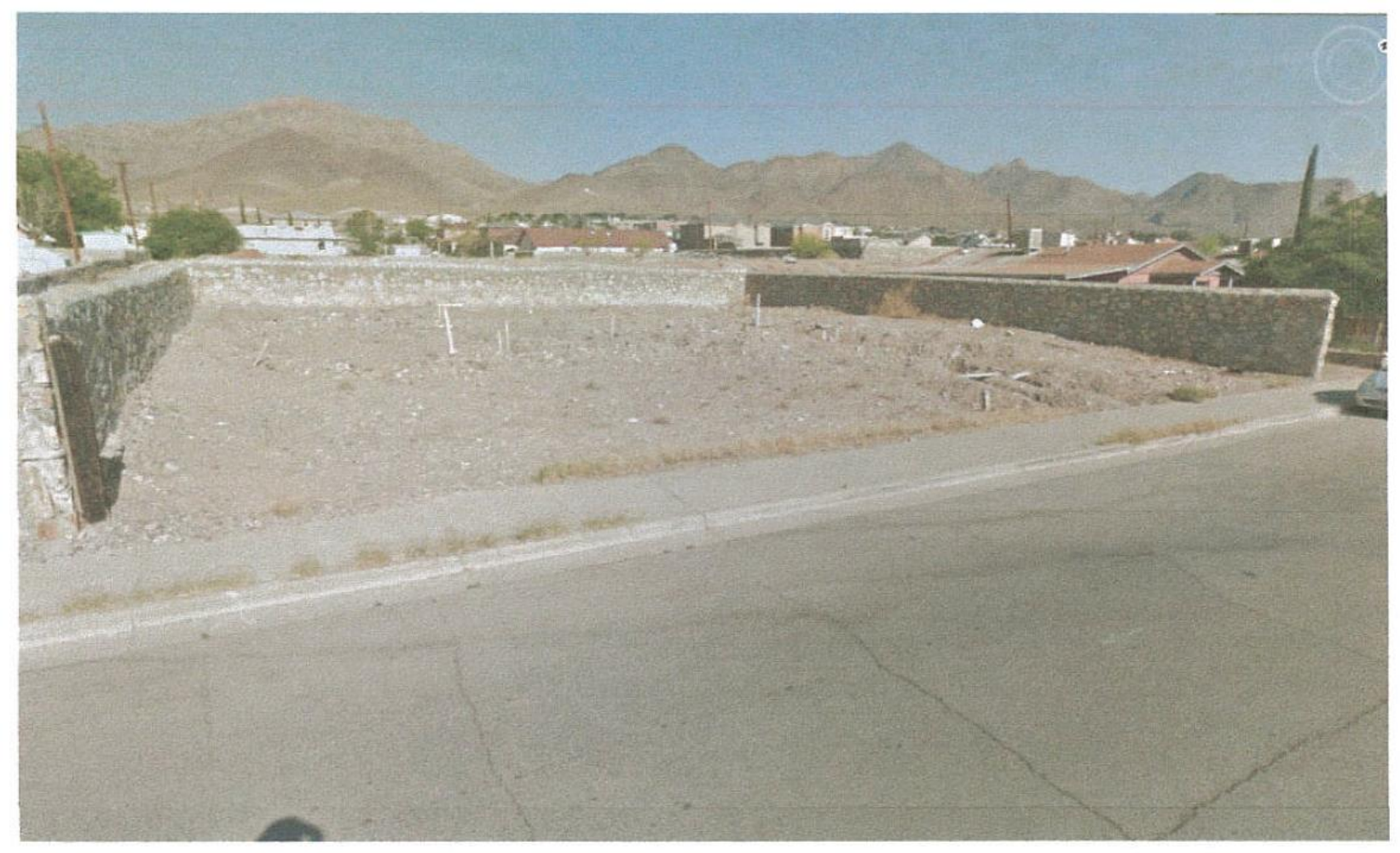
Development Fee Waivers- The City may rebate/waive up to 100% of the development fees associated with new construction or renovation of the applicant's facility up to \$10,000.

Property Tax Abatement (City's Portion): A five-year annual abatement (Incremental to the base year value) of the City's portion of ad valorem property taxes on the base year.



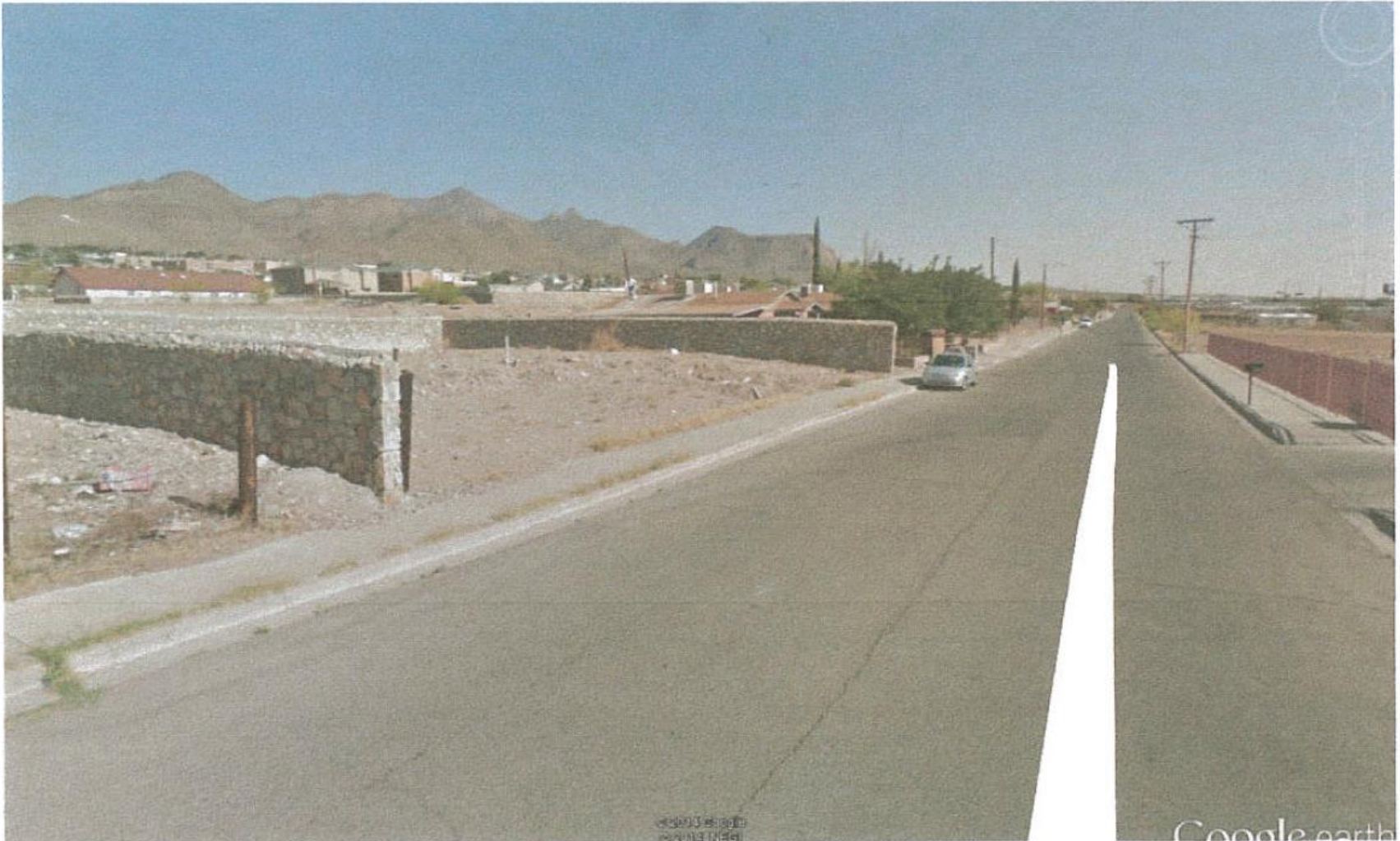


Current Conditions of the Site 8747 Neptune Street





Current Conditions of the Site 8747 Neptune Street

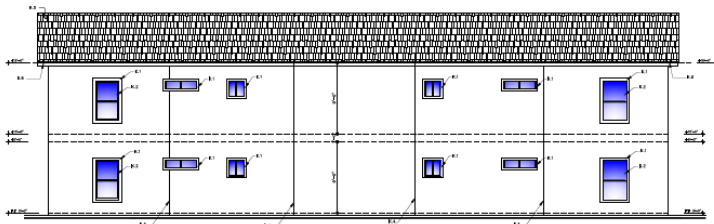




Proposed Renderings 8747 Neptune Street



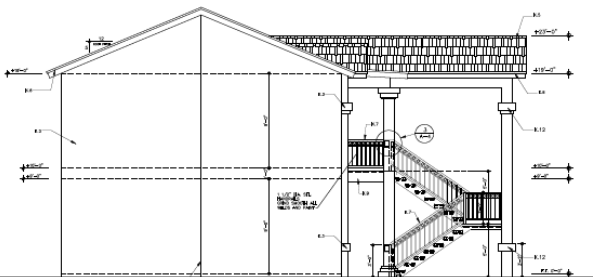
FRONT ELEVATION
SCALE 1/8" = 1'-0"



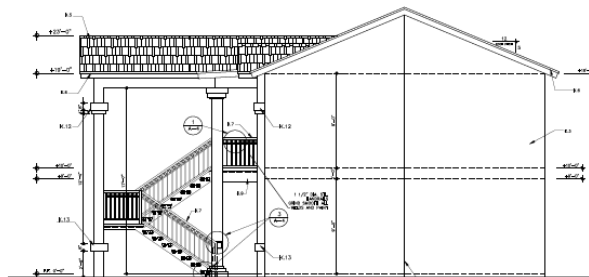
REAR ELEVATION
SCALE 1/8" = 1'-0"

KEYED NOTES

- R.1 2X6 PULLOUT
- R.2 ALUMINUM WINDOW W/ DOUBLE-PANE LOW-E GLASS WHITE INTERIOR FINISH
- R.3 4"X6" 2X6 SILL JOIST BRACKETS CONCRETE/STAINLESS STEEL
- R.4 #10 DOUBLE V GROUND ANCHOR
- R.5 SHINGLE ROOF
- R.6 CEILING LINE
- R.7 WROUGHT IRON
- R.8 EXTENSION COLUMN - SEE SCHEDULE
- R.9 LINE SUMP ANCHOR
- R.10 2X6 R. SILL W/ 2X4 WOODING FROM DESIGN
- R.11 FRAMING FOR THE STAIRS TO PROJECT FROM SETTING HEAD
- R.12 2X12 BOTTOM 2X6 TOP
- R.13 2X6 PULLOUT



RIGHT ELEVATION
SCALE 1/8" = 1'-0"



LEFT ELEVATION
SCALE 1/8" = 1'-0"

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AREA FOOTAGE

1ST FLOOR	FOR BUILDING	2,088 SF
2ND FLOOR	FOR BUILDING	2,088 SF
TOTAL		4,176 SF

AREA PAINTING	1,083 SF
DOOR FINISH	100 SF
WALL FINISH	100 SF
TOTAL	4,176 SF

TWO STORY ELEVATIONS

PROJECT TO BE BUILT BY:
EMPIRE CONSTRUCTION

APARTMENT COMPLEX



PLAN NO:
A-3
DATE: NOV. 2014





Projected Total Incentive Package 8747 Neptune

Eligible property tax abatement per policy (City's portion):

Minimum Investment	Year 1	Year 2	Year 3	Year 4	Year 5
\$200,000	100%	66%	33%	0%	0%
	\$1,731.72	\$1,142.94	\$590.31	\$0	\$0

Rebate Type	Grant Payment
5 Yr. Property Tax Abatement	\$3,464.97
Sales Tax Rebate	\$2,318.50
Development Fee Waiver	\$10,000.00
Projected Total Incentive Package	\$15,783.47





EL PASO

OPEN FOR BUSINESS

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