

STATE OF TEXAS §

COUNTY OF TARRANT §

CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT

This Agreement is made and entered into effective the 12th day of October 2011, by and between the **CITY OF EULESS TEXAS (“City”)**, a Texas home rule municipality, with principal offices at 201 N. Ector Drive, Euless, Texas, 76039, and **Larry Smith (“Owner”)**, with regard to a building located at 1101 N. Main Street, Euless, Texas 76039, hereinafter referred to as “Building”.

WITNESETH

WHEREAS, Owner recently purchased Building, which is approximately 6,200 square feet and plans to reconstruct Building to provide approximately 3,600 square feet for occupancy by Western Dental with the remainder of the vacant space available for lease; and

WHEREAS, building construction plans are under review by City to ensure that all applicable building and fire codes have been properly applied to the renovation of Building , including a requirement that a fire sprinkler system be installed; and

WHEREAS, Owner is investing over \$250,000 for the interior and exterior renovations of Building, which was formerly a Blockbuster Video Store; and

WHEREAS, City has determined that such a project will promote new business enterprise and create new jobs within Euless for the benefit of the community as a whole; and

WHEREAS, City has determined that the renovation of Building will contribute to the further enhancement and redevelopment of the Main Street commercial corridor; and

WHEREAS, as an inducement to Owner, City has agreed to contribute certain incentive payments upon certain terms and conditions; and

WHEREAS, Chapter 380 of the Texas Local Government Code provides that Texas municipalities may create programs to promote local economic development; and

WHEREAS, City has approved a grant funding program as an incentive to encourage redevelopment projects and to further enhance the benefits of improvements to businesses and the community as a whole; and

WHEREAS, the Euless City Council hereby finds that this Agreement embodies an eligible program and clearly promotes economic development in the City of Euless, Texas and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code and the City’s economic development program, and further, is in the best interest of the City.

NOW, THEREFORE, for and in consideration of the premises above stated and hereinafter set forth, the parties agree as follows:

I

Owner, commits to make certain improvements to Building including completion of an exterior renovation of Building to include: repainting all exterior elevations; installation of new stone and stucco finishes; installation of new roof and extended parapets; installation of new turnbuckle supported canopies and awnings; and the construction of a new storefront and entrance, as represented in Exhibit A; replacement of existing landscaping with new landscaping; and the installation of a masonry dumpster enclosure in compliance with City standards. Building will also receive new electrical distribution and plumbing distribution systems as part of a complete interior remodel. All improvements to Building shall be made in compliance with applicable City building codes.

II

After completion of improvements described in Section I above and issuance of a Certificate of Occupancy, City agrees to reimburse Owner ten thousand dollars (“\$10,000”) towards the cost of exterior elevation improvements as shown on Exhibit A.

III

City agrees to remit to Owner such reimbursement payment within thirty (30) days following notification of completion and final inspection of said improvements. All projects identified in Section I shall be completed on or before February 28, 2012 in order for Owner to be entitled to reimbursement. City Manager may extend the completion date for a period not to exceed 60 days due to unforeseen circumstances beyond reasonable control of Owner.

IV

City agrees to pay Owner an additional incentive of \$5,000 if Owner secures a qualified eating establishment tenant for all or a portion of the remaining vacant space in Building of not less than 1,200 square feet with an interior finish out cost of at least \$50 per square foot on or before December 31, 2013. Owner will be paid the additional incentive within thirty (30) days of City issuing a Certificate of Occupancy to the qualified eating establishment in accordance with Section 84-22 of the City of Euless Code of Ordinances.

V

Owner further agrees that all ad valorem taxes for Building must be current and that property must be maintained in compliance with all applicable city codes. If within three (3) years of the date of this Agreement, Owner is notified of any code violations and fails to remedy such violations within 90 days of written notification, Owner agrees to reimburse City the full amount of the incentive within thirty (30) days of City making a request for reimbursement.

VI

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage prepaid and certified, with return receipt requested, by delivering the same in person to such party, or by delivering the same by confirmed facsimile during the recipient's normal business hours. Notice given in accordance herewith shall be effective upon the earlier of receipt at the address of the addressee or on the second (2nd) business day following deposit of same in the United States mail as provided for herein, regardless of whether same is actually received. For purposes of notice, the addresses of the parties and their facsimile numbers shall be as follows:

If to Eules:

**City of Eules
201 N. Ector Drive
Eules, TX 76039
Attn: Gary McKamie, City Manager
Fax No. 817/685-1416**

If to the building owner:

**Mr. Larry Smith
5636 Alpha Road
Suite 215
Dallas, TX 65240
Fax No. 817/656-4478**

Either party may change its address or facsimile number for notice by giving ten (10) days prior written notice thereof to the other party.

CITY OF EULESS

**By: _____
Gary McKamie, City Manager**

Date: _____

Owner

**By: _____
Mr. Larry Smith**

Date: _____

ACKNOWLEDGEMENTS

STATE OF TEXAS §
COUNTY OF TARRANT §

This instrument was acknowledged before me on this the _____ day of _____, 2011, by **GARY McKAMIE, CITY MANAGER OF THE CITY OF EULESS, TEXAS** as an act of said entity.

Given under my hand and seal of office this _____ day of _____, 2011.

Notary Public, State of Texas

Notary's Printed Name

My Commission Expires: _____

STATE OF TEXAS §
COUNTY OF TARRANT §

This instrument was acknowledged before me on this the _____ day of _____, 2011, by _____, **OWNER, 1101 N. Main Street, Eules Texas 76039** as an act of said entity.

Given under my hand and seal of office this _____ day of _____, 2011.

Notary Public, State of Texas

Notary's Printed Name

My Commission Expires: _____