

**CHAPTER 380**  
**ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT**

This Economic Development Incentive Agreement ("**Agreement**") is made by and among the City of Corinth, Texas, a home rule municipality (the "**City**"), the Corinth Economic Development Corporation, a Type B corporation organized under the Development Corporation Act (Chapters 501 and 505 of the Texas Local Government Code) (the "**CEDC**"), and Wolverine Interests, LLC, a Texas limited liability company, ("**Developer**"), acting by and through their respective authorized officers and representatives. The City, the CEDC, and the Developer may also be referred to collectively as the ("**Parties**"), or individually as a ("**Party**").

**Recitals:**

**WHEREAS**, the Developer intends to purchase approximately 4.692 acres of land owned by the City and CEDC and located within the corporate limits of the City of Corinth, Texas, legally described in **EXHIBIT A** and depicted in **EXHIBIT B** (the "**Property**"); and

**WHEREAS**, the Developer has informed the City and CEDC that financial incentives from the City and CEDC would cause the Developer to develop and construct on the Property a planned development consisting of a minimum of 300 multifamily residential units, 30,000 square feet of commercial space, and a 150-space parking garage, of which 75-spaces will be allocated for public use, that will benefit the City by creating 15 new full-time jobs and generating revenues for the city from sales and use taxes and from ad valorem taxes due to the increased value resulting from the improvements to the Property (the "**Project**"); and

**WHEREAS**, the Developer intends to spend a minimum of Thirty Million Dollars (\$30,000,000) for the Project, including land acquisition of the Property; and

**WHEREAS** the City is authorized by Article III, Section 52-a of the Texas Constitution and TEX. LOC. GOV'T CODE §380.001 *et seq.* to provide economic development incentives for public purposes to promote local economic development and to stimulate business and commercial activity in the City; and

**WHEREAS**, the Development Corporation Act, Title 12, Subtitle C1, Chapter 501-505 of the Texas Local Government Code authorizes the CEDC to provide funding and economic development grants for new business enterprises; and

**WHEREAS**, the City and CEDC have determined that making an economic development grant to the Developer in accordance with the terms and conditions set forth in this Agreement will further the objectives of the City, will benefit the City and its citizens, and will promote local economic development and stimulate business and commercial activity in the City.

**NOW THEREFORE**, in consideration of the foregoing and the premises, mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby covenant and agree as follows:

**Article I.**  
**Definitions**

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Affiliate” means any entity that directly or indirectly controls, is controlled by, or is under common control with, the Developer.

“Commencement of Construction” means obtaining the required permits for grading and construction and continuously working towards completion of the Project without letting the permits lapse.

“Completion of Improvements” means completing approximately 300 residential units and 30,000 square feet of new commercial space as evidenced by receiving a certificate of occupancy from the City in accordance with applicable ordinances or the Developer’s submission of all materials and information required by the City for issuance of a temporary certificate of occupancy for a completed portion of the Project, whichever occurs first.

“Direct Payment Permit” also referred to herein as a “Texas Direct Payment Permit” shall mean that permit issued by the State of Texas authorizing the Developer to self-assess and pay applicable state and local use taxes directly to the State of Texas related to selected portions of the Developer's taxable purchases. Texas Rule 3.288 of the Texas Administrative Code defines the requirements and responsibilities of Texas Direct Payment Permit holders along with any amendments, permutations, or recodifications of such Code or Rules whether renaming such permits or otherwise modifying such provisions.

“Effective Date” shall mean the last date on which all of the parties hereto have executed this Agreement.

“Improvements” shall mean the buildings and parking depicted on the concept plan in **EXHIBIT “C,”** attached hereto and made part of this Agreement for all purposes.

“Grant Payments” are the City’s payment(s) to the Developer as described within Article III of this Agreement.

“Local Firm” means any firm lawfully engaged in business and located within the city limits of the City. Any firm not meeting such criteria does not qualify as a “Local Firm” for purposes of this Agreement.

“Project” shall mean a mixed-use development with a capital investment of at least \$30,000,000 encompassing 300 multifamily units, 150-space parking garage and 30,000 square feet of commercial retail/restaurant space, in accordance with **EXHIBIT “C.”**

“Property” means the approximately 4.692 acres of real property, more or less, within the corporate limits of the City upon which this Project shall be executed, a legal description is shown in **EXHIBIT “A”** and is depicted in **EXHIBIT “B,”** attached hereto and made a part of this Agreement for all purposes.

“Sales and Use Tax Revenue” means the amount of sales and use tax revenues generated from the purchase of Taxable Items that are attributable to the construction and equipping of the Property in connection with this Project and collected by the Texas Comptroller of Public Accounts (or any similar or successor tax collection entity or agency of the State of Texas).

“Total Development Costs” means the aggregate of Hard Construction Costs and the following costs directly expended by the Developer for the Project: engineering fees; architectural and design fees; real estate commissions; costs of third-party consultants, including attorneys and environmental consultants; developer fees; zoning fees; insurance and taxes directly related to the construction of the Project; and financing costs, including capitalized interest and FF&E (Furniture, Fixtures and Equipment).

"Use Tax Certificate" shall mean a certificate or other statement in a form reasonably acceptable to the City setting forth the Company's collection of use tax imposed by and received by the City from the State of Texas, for the use of Taxable Items by Company in the City for the applicable calendar month during the Grant Period which are to be used to determine Company's eligibility for a Grant, together with such supporting documentation required herein, and as City may reasonably request.

## **Article II. Term**

The term of this Agreement (the “**Term**”) shall begin on the Effective Date and continue until December 31, 2028, unless sooner terminated as provided herein.

This Agreement may be extended for an additional period of time on terms mutually acceptable to the Parties by a written agreement executed by both parties.

## **Article III Grant Payments**

Subject to the Developer’s satisfaction of and compliance with all of the terms and conditions of this Agreement, including without limitation the requirements set forth in Article IV below the City and CEDC agree to pay the Developer Grant Payments in the maximum amount of One Million Dollars (\$1,000,000.00) to be paid as follows:

- (a) One hundred percent (100%) of the Sales and Use Tax Revenue (1.5% sales tax collection, City and CEDC) that is generated by the Developer from the addition of Improvements on the Property during the construction of the Project for a period of thirty-six (36) months from the date of the Commencement of Construction. The

- amount of payment from Sales and Use Tax Revenue shall not exceed Four Hundred Fifty Thousand Dollars (\$450,000.00); and
- (b) The reimbursement of building permit fees for the Project in an amount not to exceed Five Hundred Fifty Thousand Dollars (\$550,000.00).

**Article IV.**  
**Conditions on Grant Payments**

4.01 **City's and CEDC's Obligations.** The obligation of the City and CEDC to make the Grant Payments shall be conditioned upon the Developer's compliance with and satisfaction of all of the terms and conditions of this Agreement, including without limitation, each of the conditions set forth below:

- a. Sales and Use Tax Revenue Grant Payments. The Sales and Use Tax Grant Payments shall be paid on an annual basis (for the 36-month duration beginning of Commencement of Construction), which will be paid over a period not to exceed four (4) years as specified below:
1. Year 1: As a condition of the City and CEDC making the first Grant Payment to the Developer, the Developer must close on the purchase of the Property and receive approval of the rezoning application for the Project on the Property. After the close of each calendar year during the Term, prior to the City's and CEDC's payment of the grants earned during such calendar year, the Developer shall submit to the City and CEDC, no later than March 31, all of the following: (1) proof of payment of its tax liability relevant to the computation of a grant amount; (2) its Annual Use Tax Certificate; (3) a copy of the Texas Direct Payment Permit; (4) a letter of request for payment; and (5) any other documentation or information required by this Agreement or reasonably requested by City and CEDC. Subject to the satisfactory receipt of these items by City, the City and CEDC agree that the Grant Payment will be paid in full to the Developer within forty-five (45) days of satisfactory receipt of the above listed items.
  2. Year 2: After the close of each calendar year during the Term, prior to the City's and CEDC's payment of the grants earned during such calendar year, the Developer shall submit to the City and CEDC, no later than March 31, all of the following: (1) proof of payment of its tax liability relevant to the computation of a grant amount; (2) its Annual Use Tax Certificate; (3) a copy of the Texas Direct Payment Permit; (4) a letter of request for payment; and (5) any other documentation or information required by this Agreement or reasonably requested by City and CEDC. Subject to the satisfactory receipt of these items by City and CEDC, the City and CEDC agree that the Grant Payment will be paid in full to the Developer within forty-five (45) days of satisfactory receipt of the above listed items.
  3. Year 3: After the close of each calendar year during the Term, prior to the City's and CEDC's payment of the grants earned during such calendar year, the Developer shall submit to the City and CEDC, no later than March 31, all of the following: (1) proof of payment of its tax liability relevant to the

computation of a grant amount; (2) its Annual Use Tax Certificate; (3) a copy of the Texas Direct Payment Permit; (4) a letter of request for payment; and (5) any other documentation or information required by this Agreement or reasonably requested by City and CEDC. Subject to the satisfactory receipt of these items by City and CEDC, the City agrees that the Grant Payment will be paid in full to the Developer within forty-five (45) days of satisfactory receipt of the above listed items.

4. Year 4: After the close of each calendar year during the Term, prior to the City's and CEDC's payment of the grants earned during such calendar year, the Developer shall submit to the City and CEDC, no later than March 31, all of the following: (1) proof of payment of its tax liability relevant to the computation of a grant amount; (2) its Annual Use Tax Certificate; (3) a copy of the Texas Direct Payment Permit; (4) a letter of request for payment; and (5) any other documentation or information required by this Agreement or reasonably requested by City and CEDC. Subject to the satisfactory receipt of these items by City and CEDC, the City and CEDC agrees that the Grant Payment will be paid in full to the Developer within forty-five (45) days of satisfactory receipt of the above listed items.

b. **Building Permit Fees Grant Payment:**

1. **Payments.** Subject to the terms and conditions of this Agreement, the City agrees to provide to the Developer a Grant Payment in the form of a reimbursement of the building permit fees for the Project on the Property. The Developer acknowledges that this Agreement makes an allowance for the building permit fee Grant Payment which means the City will reimburse the Developer for the building permit fees paid for the Project at the time a certificate of occupancy is issued for a minimum of 15,000 square feet of retail space.
2. **Scheduling.** Payment shall be made by City to the Developer within thirty (30) days after a certificate of occupancy is issued for a minimum of 15,000 square feet of retail space within the Property and the payment has been received from the Developer for the building permit fees. The total amount of Grant Payment shall not exceed \$550,000. The City is not responsible for paying, waiving, or reducing any building permit fees if the total amount of building permit fees paid by the Developer for the Project exceeds \$550,000.

4.02 **Developer's Obligations.** Notwithstanding anything contained herein to the contrary or any other provision of this Agreement, the Grant Payments (and/or any portions thereof) shall not be due and payable, and this Agreement may be terminated by the City and CEDC (that is, without any opportunity for cure by the Developer), if the Developer fails to timely comply with and satisfy to the City's and CEDC's reasonable satisfaction any of the conditions to each of the Grant Payments (and/or any portions thereof) as set forth in this Article IV, above. In any year, if the Developer fails to request the Grant Payment as set forth above, the City and CEDC shall have no obligation to make such payment to the Developer and the Developer will have forever forfeited the right to receive such payment.

**ARTICLE V**  
**Developer Obligations**

5.01. **Improvements.** The Developer shall cause the construction of the Improvements to be built in substantial general conformance with **EXHIBIT "C"** and all other documents approved by the City in connection with the Project. The Commencement of Construction shall be within one hundred and eighty days (180) days after closing on the Property. The Completion of Improvements shall be within thirty-six (36) months of the Commencement of Construction on the Property, subject to any events of Force Majeure. Completion of Improvements shall be evidenced by a certificate of occupancy from the City or Developer's submission of all materials and information required by the City for issuance of a certificate of occupancy in accordance with applicable ordinances, whichever occurs first.

5.02. **Total Investment.** The Developer will invest at least Thirty Million Dollars (\$30,000,000.00) in Total Development Costs for the Project on the Property.

5.03. **The Project.** The Developer shall cause the Commencement of Construction within one-hundred and eight (180) days of acquiring the Property and the Completion of Construction within forty-eight (48) months of the Effective Date of this Agreement for the Project, which shall include a minimum requirement of:

- (a) 300 multifamily residential units;
- (b) 30,000 square feet of commercial space encompassing office, retail and/or restaurant. The Developer agrees to construct a minimum of 30,000 square feet of new commercial space, on the first floor, for lease and finish out to restaurant, retail, office, and other commercial tenants. The Developer shall complete 30,000 square feet of new commercial space upon Completion of Improvements, (within 36 months of Commencement of Construction) as defined in this Agreement; and
- (c) 150-space public parking garage, of which 75 spaces will be allocated for public use.

All portions of the Project that are intended to be occupied must secure certificates of inspection, compliance, or occupancy, as applicable, by the City or authorities having jurisdiction over the Project by the deadline in Section 5.04.

5.04. **Construction Completion.** The Developer will complete all Improvements to the Property on or before December 31, 2026.

5.05. **Leasing of Commercial Space.** (a) A minimum of 15,000 square feet of new commercial space shall be occupied upon the issuance of a certificate of occupancy on the Property. A minimum of 15,000 square feet shall be occupied by restaurant uses upon completion of the Project. Of the remaining 15,000 square feet of commercial space, the Developer must lease, occupy and have open to the public on or before December 31, 2027.

(b) If, after demonstrated, diligent efforts, the Developer is unable to lease the initial 15,000 square feet of commercial space, the ground floor of all buildings fronting Agora Way, N.

Corinth Street and Main Street may be initially and temporarily occupied for residential use for a period not to exceed 12 months. A maximum of 15,000 square feet of the ground floor space may be occupied as residential units until the economic conditions and market demand is established for commercial tenants. However, prior to the expiration of this Agreement, such space shall be exclusively occupied by restaurant and other food/retail operations unless approved by the City and CEDC with an amendment to this Agreement.

5.06. **Purchase of Taxable Items.** The Developer shall use all reasonable efforts to purchase Taxable Items in connection with this Project from a Local Firm.

5.07. **Full-Time Employees.** The Developer agrees to employ or cause to employ a minimum fifteen (15) Full-Time Employees on the Property by December 31, 2027.

5.08. **Commons at Agora.** The Developer agrees to attend meetings with City, City's consultants, and contractors (collectively "City Team") involved with the design of buildings and public spaces associated with the Project, to be responsive to requests for information from City Team and to coordinate the Developer's design and construction plans with the plans of the City Team for the Commons at Agora and public spaces associated with the Project.

5.09. **Non-Discrimination.** The Developer agrees to ensure there will be no unlawful discrimination in employment on the basis of race, creed, color, national origin, sex, or disability or violations of any other applicable anti-discrimination laws in connection with this Project.

5.10. **Compliance with Law.** In performing its obligations under this Article, the Developer shall comply with all applicable laws, regulations, and ordinance with respect to this Project and this Agreement.

5.11 **Architectural Standards.** As consideration for the Grant Payments, the Developer has consented to and requested, and the Parties agree, that the City's architectural standards contained in the zoning ordinance and in other City ordinances, all as subsequently amended, to apply to the Property, and voluntarily agrees to burden the Property with their applicability, despite Texas Government Code Chapter 3000, effective September 1, 2019, as it presently exists or may be subsequently amended. The Parties further acknowledge and agree that the terms, provisions, covenants, and agreements contained in, or referenced in, this paragraph are covenants that touch and concern the Property and that it is the intent of the Parties that such terms, provisions, covenants, and agreements shall run with the Property and shall be binding upon the Parties hereto, their successors and assigns, and all subsequent owners of the Property. Should any amendment to the building material regulations contained in the zoning ordinance and in other city ordinances be held to be invalid by a court of competent jurisdiction, the Parties agree that the building material regulations in effect on August 1, 2019 shall then touch and concern the Property and be binding upon the Property.

## **Article VI. Retention and Accessibility of Records**

6.01 **Records Retention.** The Developer shall maintain the fiscal records and

supporting documentation for expenditures of funds associated with this Agreement. Developer shall retain such records, and any supporting documentation for the greater of: (a) Five (5) years from the end of the Term; or (b) the period required by other applicable laws and regulations.

6.02 **Accessibility to Records.** The Developer gives City or CEDC, its designee, or any of their duly authorized representatives, access to and the right to examine relevant books, accounts, records, audit reports, reports, files, documents, written or photographic material, videotape and other papers, things, or personal and real property belonging to or in use by the Developer pertaining to the Grant (the "Records") upon receipt of ten (10) business days written notice from the City or CEDC. Access to the Developer's books and records will be limited to information needed to verify that the Developer is and has been complying with the terms of this Agreement. Any information that is not required by law to be made public shall be kept confidential by City or CEDC. In no event shall access to the Developer's Records include any access to any personal and/or medical data of any employees of the Developer. The Developer shall not be required to disclose to the City or CEDC any information that by law the Developer is required to keep confidential. Should any good faith dispute or question arise as to the validity of the data provided, the City or CEDC reserves the right to require the Developer to obtain an independent firm to verify the information. This certified statement by an independent firm shall be provided at the sole cost of the Developer. The rights to access the Records shall terminate five (5) years after the termination or expiration of this Agreement. Failure to provide reasonable access to the Records to authorized City or CEDC representatives shall give the City or CEDC the right to suspend or terminate this Agreement as provided for in Section 5 above, or any portion thereof, for reason of default. All Records shall be retained by the Developer for a period of five (5) years after all performance requirements are achieved for audit purposes until such audits or other administrative, civil, or criminal matters including, but not limited to, investigations, lawsuits, administrative inquiries, and open record requests are completed. The Developer agrees to maintain the Records in an accessible location.

## **Article VII. Assignment**

7.01 **No Assignment Without Consent.** This Agreement may not be assigned without the express written consent of the non- assigning Party, except that the Developer may assign this Agreement without obtaining the consent of the City and CEDC (a) to one of its wholly owned affiliates, or (b) to any person or entity that directly or indirectly acquires, through merger, sale of stock, purchase or otherwise, all or more than ninety (90) percent of the assets of the Developer as long as the Developer gives sixty (60) days prior written notice to the City and CEDC and the assignee executes an agreement with the City and CEDC to be bound to all the terms and conditions of this Agreement and be responsible for any default(s) that occurred prior to or after the assignment.

7.02 **City Consent.** For any assignment not covered by (a) or (b) in the preceding paragraph, the Developer must obtain the prior approval of the City through its City Manager and CEDC through its President and the assignee must agree to be bound to all the terms and conditions of this Agreement and to accept all liability for any default that occurred prior to and/or after the assignment.



7.03 **Agreement Form.** Any assignment agreement must be furnished in a form acceptable to the City and CEDC and be provided at least thirty (30) days prior to the effective assignment date. City and CEDC agrees to notify the potential assignee of any known default, but such notification shall not excuse defaults that are not yet known to the City and CEDC.

### **Article VIII. Representations and Warranties of the Developer**

As of the Effective Date, the Developer represents and warrants to the City and CEDC as follows:

8.01. **Organization.** The Developer is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Texas and authorized to conduct business in the State of Texas.

8.02. **Authority.** The execution, delivery, and performance by the Developer of this Agreement are within the Developer's legal authority and have been duly authorized for the Developer.

8.03. **Valid and Binding Obligation.** This Agreement is the legal, valid, and binding obligation of the Developer, and it is enforceable against the Developer in accordance with its terms except as limited by applicable relief, liquidation, conservatorship, bankruptcy, moratorium, rearrangement, insolvency, reorganization, or similar laws affecting the rights or remedies of creditors generally, as in effect from time to time.

8.04. **No Defaults.** To the actual knowledge of the individual signing this Agreement, to the individuals authorizing this Agreement, and the Developer's representatives that negotiated this Agreement, the Developer is not in default in the performance, observance, or fulfillment of any of the obligations, covenants, or conditions contained in any other agreement or instrument to which the Developer is a party or by which the Developer or any of its property is bound that would have any material adverse effect on the Developer's ability to perform under this Agreement.

8.05. **Full Disclosure.** Neither this Agreement, nor any schedule or Exhibit attached hereto in connection with the negotiation of this Agreement contains any untrue statement of a material fact or omits to state any material fact necessary to keep the statements contained herein or therein, in the light of the circumstances in which they were made, from being misleading.

### **Article IX. Information**

9.01. **Information.** Subject to this Article IX, the Developer shall, at such times and in such form as the City or CEDC may reasonably request from the Developer, provide all information concerning the performance of the Developer's obligations under this Agreement.

9.02. **Annual Certification Related to Compliance.** Upon completion of the Project, and continuing each year thereafter during the Term, the Developer shall submit to the city manager for the City and CEDC a duly executed and completed Compliance Certificate attached hereto as **EXHIBIT "D"** on or before the 31<sup>ST</sup> day of MARCH or such other later date agreed that may be to by the city manager and signed by an authorized officer or employee of the Developer, together with all supporting documentation necessary to verify the Developer's compliance with this Agreement. The Developer's satisfaction of the Minimum Capital Investment Requirement is due on the 1<sup>ST</sup> day of DECEMBER the year following the completion of the Project and each year thereafter during the Term of this Agreement for any new Capital Investment made by the Developer. After receiving the Compliance Certificate from the Developer, the City and CEDC shall have 30 days to notify the Developer in writing of any questions related to the Compliance Certificate and this Project that the City and CEDC may have concerned any of the information provided by the Developer, and the Developer shall diligently work in good faith to respond to such questions to the City's and CEDC's reasonable satisfaction.

9.03. **Review of the Developer's Records.** The Developer agrees that the City and CEDC shall have the right to review the business records of the Developer that relate to this Project and this Agreement in order to determine the Developer's compliance with the terms of this Agreement. Such review shall occur at any reasonable time during regular daytime business hours and upon at least seven (7) days' prior written notice to the Developer. Information, documents, and materials that (i) do not constitute public information under the Public Information Act or that (ii) are exempt from disclosure under the Public Information Act in connection with such review, shall be treated as confidential information of the Developer, and the City and CEDC agrees, to the extent reasonably possible, to maintain the confidentiality of all such information to the maximum extent permitted by applicable law. To the extent reasonably possible, the Developer shall make all such records available in electronic form or otherwise available to be accessed through the internet.

**Article X.**  
**Personal Liability of Public Officials and Limitations**  
**on Obligations of the City**

10.01. **Personal Liability of Public Officials.** No elected official or employee of the City or CEDC shall be personally responsible for any liability arising under or growing out of this Agreement.

10.02. **Limitations on Obligations of the City.** The Grant Payments made, and any other financial obligation of the City and CEDC hereunder shall be paid solely from lawfully available funds that are generated from the construction of the Project and that have been budgeted and appropriated each fiscal year (October 1 — September 30) of the City and CEDC during the Term of this Agreement. Under no circumstances shall the City's and CEDC's obligations hereunder be deemed to create any debt within the meaning of any constitutional or other statutory provision. Consequently, notwithstanding any other provision of this Agreement, the City and CEDC shall have no obligation or liability to pay any Grant Payment(s) unless the City and CEDC have received the funds, budgets and appropriates funds to make such payment during the fiscal year of the City and CEDC in which such payment is due.

**ARTICLE XI.**  
**Default, Termination, and Remedies**

11.01. **Default.** Non-compliance with any term of this Agreement shall be deemed to be a default. At any time during the Term of this Agreement that the Developer is not in compliance with its obligations under this Agreement, the City or CEDC may send the Developer written notice of such non-compliance, identifying the non-compliance and specifying the deadline for the Developer to cure such default (the "Notice") and the deadline for the Developer to cure such default shall not be less than thirty (30) days from the date of the City's or CEDC's written notice of non-compliance and may be extended for an additional thirty (30) days upon request by the Developer and written approval by the City or CEDC consenting to the requested extension (the "Cure Period"). If the Developer fails to cure such non-compliance within the Cure Period, then the City or CEDC may, at its sole discretion and option, terminate this Agreement in full at the end of such Cure Period and then the City or CEDC may, at its sole option, seek reimbursement of any and all of the Grant Payments paid to the Developer. EXCEPT AS TO CIRCUMSTANCES ARISING FROM A FORCE MAJEURE EVENT (AS DEFINED BELOW), THE TERM OF THIS AGREEMENT SHALL NOT BE EXTENDED AS A RESULT OF ANY CURE PERIOD AGREED TO BY THE CITY UNDER THIS PARAGRAPH.

11.02. **Termination for Misrepresentation of Facts and Information.** Notwithstanding any provision for notice of default and any opportunity to Cure, the City or CEDC may terminate this Agreement immediately by providing written notice to the Developer if the Developer, its officers or signatories to this Agreement, intentionally misrepresent or misrepresented any material fact or information: (i) upon which the City or CEDC relied in entering into this Agreement; (ii) upon which the City or CEDC relies in making any Grant Payment to the Developer; or (iii) as an inducement for the City or CEDC to make any Grant Payment to the Developer.

11.03. **Effect of Event Force Majeure.** A Party will not be deemed to be in breach of this Agreement to the extent such Party's action, inaction, or omission is the result of an event of Force Majeure. The Parties agree to use commercially reasonable efforts to promptly resolve any event of Force Majeure that adversely and materially impacts their performance under this Agreement. An event of Force Majeure only pauses a Party's performance obligation for the duration of the event but does not excuse it. An event of "Force Majeure" means any event or occurrence that is not within the control of a Party and prevents the Party from performing its obligations under this Agreement, including without limitation, any act of God; act of a public enemy; war; riot; sabotage; blockage; embargo; failure or inability to secure materials, supplies, or labor through ordinary sources by reason of shortages or priority; labor strike, lockout, or other labor or industrial disturbance; civil disturbance; terrorist act; power outage; fire, flood, windstorm, hurricane, earthquake, or other casualty; epidemic; any law, order, regulation, or other action of any governing authority; and any action, inaction, order, ruling moratorium, regulation, statute, condition, or other decision of any governmental agency having jurisdiction over a Party, over this Project, or over a Party's operations.

11.04 **City's or CEDC's Remedies.** Upon breach of any obligation under this Agreement, in addition to any other remedies expressly set forth in this Agreement with respect to

such breach, the City or CEDC may pursue such remedies as are available at law or in equity for breach of contract. Similarly, with regard to violations of any applicable ordinances of the City, the City may seek such relief as is available for violation of such ordinances, including fines and injunctive relief.

11.05. **Indemnification.** THE PAYMENT OF ALL INDEBTEDNESS AND OBLIGATIONS INCURRED BY THE DEVELOPER WITH RESPECT TO THE EXECUTION OF THE PROJECT AND ITS OBLIGATIONS UNDER THIS AGREEMENT SHALL BE SOLELY THE OBLIGATION OF THE DEVELOPER. THE CITY OR CEDC SHALL NOT BE OBLIGATED TO PAY ANY INDEBTEDNESS OR OBLIGATIONS OF THE DEVELOPER. THE DEVELOPER HEREBY AGREES TO RELEASE, DEFEND, INDEMNIFY, AND HOLD THE CITY, AND THE CITY'S ELECTED OFFICIALS AND EMPLOYEES, AND THE CEDC, ITS OFFICIALS AND EMPLOYEES, HARMLESS FROM AND AGAINST (I) ANY INDEBTEDNESS OR OBLIGATIONS OF THE DEVELOPER WITH RESPECT TO THE EXECUTION OF THE PROJECT, OR ANY OTHER OBLIGATION OF THE DEVELOPER UNDER THIS AGREEMENT OTHER THAN THE GRANT PAYMENTS TO THE DEVELOPER AS EXPRESSLY PROVIDED HEREIN; OR (II) ANY OTHER LOSS, CLAIM, DEMAND, LAWSUIT, LIABILITY, OR DAMAGES ARISING FROM THE NEGLIGENCE OR INTENTIONAL MISCONDUCT OF THE DEVELOPER IN THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, OR (III) BREACH OF ANY REPRESENTATION, WARRANTY, COVENANT, OR AGREEMENT OF THE DEVELOPER CONTAINED IN THIS AGREEMENT, WITHOUT REGARD TO ANY NOTICE OR CURE PROVISIONS. THE DEVELOPER'S INDEMNIFICATION OBLIGATION HEREUNDER SHALL INCLUDE PAYMENT OF THE CITY'S OR CEDC'S REASONABLE ATTORNEYS' FEES, COSTS AND EXPENSES WITH RESPECT THERETO.

11.06 **Developer's Rights.** The Developer has the right to terminate this Agreement for any reason by delivering written notice to the City and CEDC at least seven (7) days prior to the desired termination date, provided, however, that if the Developer has received any of the Grant Payments from the City and CEDC at the time of such termination by the Developer, upon the effective date of such notice of termination, the Developer shall remit to the City and CEDC the full amount of the Grant Payments.

11.07 **Effect of Termination/Survival of Obligations.** The rights, responsibilities, and liabilities of the Parties under this Agreement shall be extinguished upon the applicable effective date of termination of this Agreement, except for any obligations or default(s) that existed prior to such termination or as otherwise provided herein and those liabilities and obligations shall survive the termination of this Agreement, including the refund provision, maintenance of records, and access thereto.

## **Article XII. Miscellaneous**

12.01. **Entire Agreement.** This Agreement, including the Recitals and any exhibits attached hereto, contains the entire agreement between the Parties with respect to the transactions contemplated herein and supersedes all prior negotiations, representations, and/or agreements,

either written or oral.

12.02. **Further Actions.** The City, CEDC, and the Developer agree to do all things reasonably necessary or appropriate to carry out the objectives, terms, and provisions of this Agreement, and to aid and assist each other in carrying out such objectives, terms, and provisions, provided that the City and/or CEDC shall not be required to spend any money or to have further obligations other than to reimburse the Developer pursuant to the terms of this Agreement.

12.03. **Amendments.** This Agreement may only be amended, altered, or terminated by written instrument signed by all the Parties.

12.04. **Waiver.** No term or condition of this Agreement shall be deemed to have been waived, nor shall there be any estoppel to enforce any provision of this Agreement, except by written instrument of the Party charged with such waiver or estoppel.

12.05 **Notice of Bankruptcy.** In the event the Developer files for bankruptcy, whether involuntarily or voluntary, the Developer shall provide written notice to the City and CEDC within three (3) business days of such event.

12.06 **Authorization.** Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

12.07. **Notices.** Notices under this Agreement are sufficient if given by nationally recognized overnight courier service; certified mail (return receipt requested); facsimile with electronic confirmation; or personal delivery to the other Party at the address furnished below. Notice is effective: (i) when delivered personally; (ii) three (3) business days after sending by certified mail; (iii) on the business day following the date such notice is sent by nationally recognized courier service; or (iv) on the business day following the date such notice is sent by facsimile with electronic confirmation to the sender. It is understood and agreed that routine business and technical correspondence may be furnished in electronic form. The contact information for each Party is as follows:

THE CITY AND CEDC:

City of Corinth  
3300 Corinth Parkway  
Corinth, Texas 76208  
Attention: City Manager  
Telephone: (940) 498 – 3200  
E-mail: bob.hart@cityofcorinth.com

WITH A COPY TO:

City of Corinth  
3300 Corinth Parkway  
Corinth, Texas 76208  
Attention: Director of Economic Development  
Telephone: (940) 498 – 3295  
E-mail: [elise.back@cityofcorinth.com](mailto:elise.back@cityofcorinth.com)

AND

Patricia Adams  
Messer, Fort & McDonald, PLLC  
6371 Preston Road, Suite 200  
Frisco, Texas 75034  
Phone: (972) 688-6400  
Email: [Patricia@txmunicipallaw.com](mailto:Patricia@txmunicipallaw.com)

THE DEVELOPER:

Wolverine Interests, LLC  
16250 Knoll Trail Drive, Suite 210  
Dallas, Texas 75248  
Attn: Nadia Christian  
Telephone: (972) 250 – 0903  
E-mail: [nchristian@wolverineinterests.com](mailto:nchristian@wolverineinterests.com)

WITH A COPY TO:

Paul A. Mohtares  
6301 Gaston Ave., Suite 536  
Dallas, Texas 75214  
Telephone: 972.773.9464  
Email: [paul@paulmlaw.com](mailto:paul@paulmlaw.com)

Each Party may update their contact information by delivering written notice to the other Party within thirty (30) days of change to contact information.

12.08. **Applicable Law and Venue.** This Agreement is subject to the provisions of the City Charter and ordinances of the City, as amended or modified. This Agreement is made, and it shall be construed and interpreted under the laws of the State of Texas, without regard to choice of law rules. The mandatory venue for any legal proceedings shall lie in State court of competent jurisdiction located in Denton County, Texas.

12.09. **Severability.** In the event any provision of this Agreement is illegal, invalid, or unenforceable under the applicable present or future laws, then, and in that event, it is the intention of the Parties that the remainder of this Agreement shall not be affected thereby, and it is also the

intention of the Parties to this Agreement that in lieu of each clause or provision found to be illegal, invalid, or unenforceable, that a clause or provision be added to this Agreement which is legal, valid, and enforceable, and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

12.10. **Third Parties.** The Parties intend that this Agreement shall not benefit or create any right or cause of action in or on behalf of any third-party beneficiary, nor any individual or entity other than the City, CEDC, and the Developer or permitted assignees or successors of the City, CEDC, and the Developer, except that the indemnification and hold harmless obligations by the Developer provided for in this Agreement shall also inure to the benefit of the indemnitees named therein.

12.11. **No Partnership or Joint Venture.** Nothing contained in this Agreement is intended by the Parties to create any partnership or joint venture between the Parties, and any such implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint either Party as an agent or representative of the other for any purpose whatsoever. Except as otherwise specifically provided herein, neither Party shall in any way assume any of the liability of the other for acts of the other or obligations of the other.

12.12. **Immunity.** The City or CEDC, in entering this Agreement, does not waive its governmental immunity from suit or any other limitations on its liability, contractual or otherwise, as granted by the Texas Constitution or applicable laws of the State of Texas.

12.13. **Employment of Undocumented Workers.** During the term of this Agreement, and in accordance with Chapter 2264 of the Texas Government Code, the Developer agrees not to knowingly employ any "UNDOCUMENTED WORKERS" (as such term is defined in Section 2264.001) in connection with this Project, and, if convicted of a violation under 8 U.S.C. Section 1324a(f), the Developer shall be deemed to be in default of this Agreement and repay the total amount of the Grant Payments and any other funds received by the Developer from the City as of the date of such violation within 120 days from the date that the Developer is notified by the City of such violation, plus interest at the rate of five (5) percent compounded annually from the date of the violation until paid in full. However, the Developer is not liable for an unknown violation of this Paragraph by a subsidiary, affiliate, or franchisee of the Developer or by a person with whom the Developer contracts.

12.14. **Community Involvement.** Although not an event of default or condition of any advance hereunder, the Developer agrees to endeavor to actively particulate in community and charitable organizations and/or activities, the purpose of which are to improve the quality of life in the City of Corinth, Texas, and to actively encourage its employees to be involved in such organizations and/or activities.

12.15. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which constitute one and the same instrument.

12.16 **Report Agreement to Comptroller's Office.** The City covenants and agrees to report this Agreement to the State Comptroller's office within fourteen (14) days of the Effective Date of this Agreement, in accordance with Section 380.004 of the Texas Government Code, as added by Texas House Bill 2404, 87<sup>th</sup> Tex. Reg. Session (2021) (effective September 1, 2021).

(signatures on the following pages)

EXECUTED in duplicate originals to be effective as of the Effective Date.

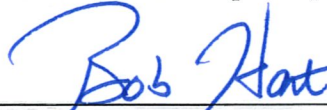
This Agreement shall be effective upon the last date on which all parties have executed this Agreement.

ATTEST:

**CITY OF CORINTH, TEXAS,**  
a home-rule municipal corporation

  
\_\_\_\_\_  
Lana Wylie, City Secretary



  
\_\_\_\_\_  
Bob Hart, City Manager  
Date: JAN. 5, 2022

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Patricia Adams, City Attorney



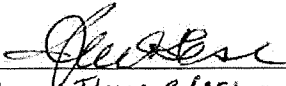
**CORINTH ECONOMIC  
DEVELOPMENT CORPORATION, a**  
Type B corporation



Adam Guck, President

Date: 2/7/22

**WOLVERINE INTERESTS, LLC,**  
a Texas limited liability company

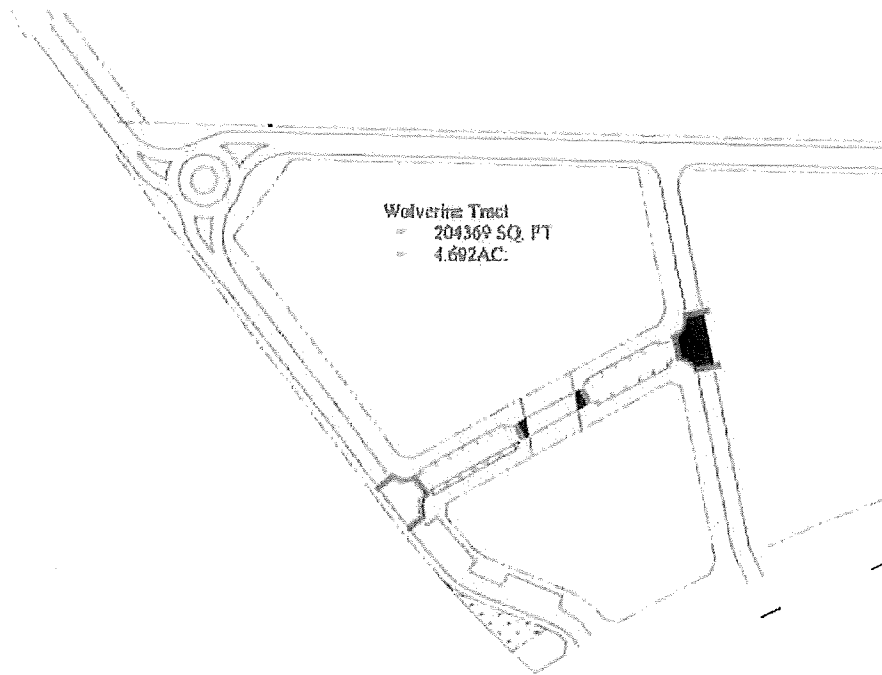
  
By: James C. Leslie  
Its: President  
Date: 1/5/22

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

**Approximately 4.692 acres in the J. Walton Survey, Abstract No. 1389, City of Corinth,  
Denton County, Texas**

**EXHIBIT "B"**

**PROJECT SITE**



Layout  
06-18-2021

**EXHIBIT "C"**

**CONCEPT PLAN**

**[PRELIMINARY DRAFT]**



AREA	QUALIFIED SQ.	UNQUALIFIED SQ.
OFF	6,400 SF	4,100 SF
RETAIL	6,400 SF	25,000 SF
APARTMENT	84,400 SF	29,000 SF
TOTAL	97,200 SF	38,100 SF
TOTAL	135,300 SF	71,200 SF

AREA	QUALIFIED SQ.	UNQUALIFIED SQ.
OFF	6,400	4,100
RETAIL	6,400	25,000
APARTMENT	84,400	29,000
TOTAL	97,200	38,100

TOTAL SITE AREA: 137,200 SQ FT ± 55 AC  
 PARKING: 100 SPACES  
 TOTAL: 137,200 SF ± 55 AC ± 100 SPACES

**FIRST FLOOR PLAN**

**EXHIBIT "D"**

**ANNUAL CERTIFICATE OF COMPLIANCE**

**Please select one of the options below before signing and returning the certification:**

- \_\_\_\_\_ a. I hereby certify that Wolverine Interests, LLC. is in compliance with each applicable term as set forth in the Economic Development Incentive Agreement (the "Agreement") and has continued to have leased 300 multifamily units, 15,000 of commercial, retail/restaurant space and a 150-space parking garage of which 75 spaces have been allocated for public use on the Property since December 31, 2024.
- \_\_\_\_\_ b. I hereby certify that Wolverine Interests, LLC. is in compliance with each applicable term as set forth in the Agreement and has continued to have leased 300 multifamily units, 15,000 of commercial, retail/restaurant space and a 150-space parking garage of which 75 spaces have been allocated for public use on the Property since December 31, 2024.
- \_\_\_\_\_ c. **(FOR USE IN JANUARY 2025, 2026, 2027 and 2028 ONLY IF APPLICABLE)** I hereby certify that Wolverine Interests, LLC. is entitled to receive an additional Grant Payment for building permit fees for the year 20\_\_.
- \_\_\_\_\_ d. I hereby certify that Wolverine Interests, LLC. is not entitled to receive payment in accordance with Section 4.02 (b)-(c) of that Agreement at this time.

ATTEST:

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

WOLVERINE INTERESTS, LLC,  
a Texas limited partnership  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Date

**NOTE: This form is due by January 31 of each year beginning on January 31, 2025, and as long as this Agreement is in effect.**

This Certificate of Compliance should be mailed to:      City of Corinth  
Economic Development Department  
3300 Corinth Parkway  
Corinth, Texas 76208