

RESOLUTION NO. 24-02

A RESOLUTION OF THE CITY OF THORNDALE, TEXAS, APPROVING A TAX ABATEMENT AGREEMENT BETWEEN MILAM THORNDALE PLAZA LLC AND THE CITY OF THORNDALE; AUTHORIZING THE MAYOR TO EXECUTE THE DEVELOPMENT AGREEMENT; PROVIDING PROPER NOTICE AND MEETING, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council, by Ordinance No. 2023-04, has adopted guidelines for tax abatements in the City; and

WHEREAS, by Ordinance No. 2023-13, the City has created the Tax Abatement Reinvestment Zone No. 1; and

WHEREAS, the City Council desires to enter into a development agreement (the "Agreement") between Milam Thorndale Plaza LLC and the City of Thorndale (the "City"); and

WHEREAS, the City Council finds that the terms of the Agreement, attached as Exhibit A and incorporated herein, meet the applicable guidelines and criteria adopted by the City; and

WHEREAS, the City Council desires to authorize the Mayor to execute the Agreement attached as Exhibit A.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF THORNDALE, TEXAS, THAT:

Section 1. The findings set forth in the recitals of this Resolution are hereby found to be true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

Section 2. The Thorndale City Council hereby approves and authorizes the Mayor to execute the Agreement, attached as Exhibit A, a copy of same being attached hereto and incorporated herein for all purposes.

Section 3. This resolution shall become effective and be in full force and effect from and after the date of passage and adoption by the City Council, and upon approval, thereof, as prescribed by law.


Section 4. The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

PASSED AND APPROVED this, the 14th day of February 2024, by a vote of 4 (ayes) to

_____ (nays) to _____ (abstentions) of the City Council of Thorndale, Texas.

By: 
George Galbreath Jr., Mayor

ATTEST:

By: 
Stacy Irwin, City Secretary

A handwritten signature, possibly "M.A.", is written in a stylized, cursive script.

ATTACHMENT A

STATE OF TEXAS

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§
§

Tax Abatement Agreement

COUNTY OF MILAM

This Tax Abatement Agreement (this "Agreement") is entered into by and between the City of Thorndale, a Texas general law municipality with principal administrative offices at Thorndale City Hall, 105 N. Main St., Thorndale, TX 76577, in Milam County, Texas (the "City"), and Milam Thorndale Plaza LLC ("Owner") (each a "Party" and together the "Parties"), acting by and through their respective authorized representatives.

WITNESSETH:

WHEREAS, Owner owns, and warrants to the City that it owns in fee simple title to that certain land in the corporate limits of the City as depicted in Exhibit "A" (the "Land"), and intends to construct, or cause to be constructed a multiple-use retail park on the Land, in phases, for a total of approximately 23,000 square feet of white box commercial floor space and seven food truck spaces and related improvements to be leased following construction thereof; and

WHEREAS, Owner intends to lease the Improvements to one or more tenants under leases (each, a "Tenant" and collectively, "Tenants"); and

WHEREAS, Owner and its Tenants will locate Tangible Personal Property at or near the Land; and

WHEREAS, Owner, together with its Tenants, intends to make a capital investment in the Improvements and Tangible Personal Property on the Land within ten years of the Effective Date of this Agreement; and

WHEREAS, the City has agreed to exempt from taxation eighty percent (80%) of the Taxable Value of Owner's "Improvements" (as defined below) on the Land, for a period of five (5) consecutive years, on condition that Owner makes improvements on the Land, within the time period required by this Agreement, and otherwise satisfies the terms and conditions of this Agreement; and

WHEREAS, the City Council of the City (the "City Council"), passed Ordinance No. 2023-13 (the "Ordinance") establishing Tax Abatement Reinvestment Zone No. 1 (the "Zone"), for commercial-industrial tax abatement, as authorized by the Property-Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code, as amended (the "Act"); and

WHEREAS, the Land is entirely within the Zone; and

WHEREAS, the City adopted guidelines for tax abatement on May 10, 2023, by Ordinance No.23-04, which are still in effect (the "Tax Abatement Guidelines"); and

WHEREAS, the Tax Abatement Guidelines contain appropriate guidelines and criteria governing tax abatement agreements to be entered by the City as contemplated by the Act; and

WHEREAS, in compliance with Texas Tax Code Section 312.002(a), the City has adopted Resolution No. 23-02 on May 10, 2023, stating that it elects to be eligible to participate in tax abatement, which resolution is still in effect; and

WHEREAS, to maintain and enhance the commercial and industrial economic and employment base of the City, as well as the ad valorem tax base of the City, it is in the best interests of the taxpayers for the City to enter into this Agreement in accordance with the Ordinance, the Tax Abatement Guidelines, and the Act; and

WHEREAS, the City Council finds that the contemplated use of the Land, and the contemplated Improvements are consistent with encouraging development of the Zone in accordance with the purposes for its creation and in compliance with the Tax Abatement Guidelines, the Ordinance adopted by the City, the Act, and all other applicable laws; and

WHEREAS, The City has complied with Texas Tax Code Section 312.207(d), which provides at least 30 days' public notice of the meeting on the approval of this Agreement, and the notice was given in the manner prescribed by the Open Meetings Act and the notice contained: (1) the Owner's name in this Agreement; (2) the name and location of the reinvestment zone subject to this Agreement; (3) a general description of the nature of the improvements or repairs in this Agreement ; and (4) the estimated cost of the improvements or repairs; and

WHEREAS, a public hearing was held on Wednesday, February 14, 2024, a regularly scheduled meeting, where the City Council found that this Agreement, the terms, and property meet the applicable guidelines and criteria governing tax abatement agreements and approved the Agreement by Resolution No. 24-02; and

WHEREAS, a copy of this Agreement has been furnished by the City, in the manner prescribed by Texas Tax Code Section 312.206, to the presiding officers of the governing bodies of each of the taxing units in which the Land is located; and

WHEREAS, no portion of the purchase price of the Land or of construction of any Improvements, or the purchase, installation, maintenance, or operation of any Improvements of was or will be financed by tax increment bonds;

WHEREAS, **Owner acknowledges and agrees that as a condition to receiving a tax abatement as provided for in this Agreement, Owner shall maintain an aggregate, increased minimum taxable value (whether actual or rendered; and including any equivalent method such as through the execution of a Payment in Lieu of Tax Agreement) of Two Million Seven Hundred Sixty Thousand Seven Hundred and Eighty Four Dollars (\$2,760,784) on the Improvements constructed, and comply with all representations, warranties, verifications, terms, and conditions of this Agreement during the Term of this Agreement.**

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, including the expansion of primary employment, the attraction of major investment in the Zone, which contributes to the economic development of the City and the enhancement of the tax base in the City, the Parties agree as follows:

Article I Definitions

Wherever used in this Agreement, the following terms (and other terms in this Agreement that are defined in parentheses) shall have the meanings ascribed to them.

"Appraisal District" shall mean the Milam County Appraisal District or its successor.

"Certificate of Occupancy" shall mean a temporary or final certificate of occupancy issued by the City for the occupancy of the Improvements by a Tenant or Owner.

"Commencement of Construction" shall mean that: (i) the plans have been prepared and all approvals thereof and permits with respect thereto required by applicable governmental authorities have been obtained for construction of the Improvements on the Land; (ii) all necessary permits for the construction of the Improvements on the Land pursuant to the respective plans therefore having been issued by all applicable governmental authorities; and (iii) grading of the Land or the construction of the vertical elements of the Improvements has commenced.

"Completion of Construction" shall mean: (i) substantial completion of the Improvements; and (ii) the issuance of a Certificate of Occupancy for the Improvements.

"Effective Date" shall mean the last date of execution of this Agreement.

"Expiration Date" shall mean December 31 of the calendar year following the fifth (5th) anniversary date of the completion of the Improvements. Certain terms of this Agreement shall survive the Expiration Date as provided herein.

"First Year of Abatement" for the Improvements shall mean January 1 of the calendar year immediately following the Completion of Construction.

"Force Majeure" shall mean any contingency or cause unforeseeable at the execution of this Agreement and beyond the reasonable control of a Party, that makes performance objectively impossible, including, without limitation, acts of God or the public enemy, war, riot, terrorism, insurrection, fires, explosions, floods or other inclement weather, strikes, slowdowns or work stoppages, necessary condemnation proceedings, or any other circumstances which are beyond the reasonable control of the Party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstances are similar to any of those enumerated or not. The Party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or performance shall be extended for a period of time equal to the period such Party was delayed, provided the Party whose performance is delayed provides written notice to the other Party not later than fifteen (15) business days after the last day of the month of the occurrence of the event(s) or condition(s) causing the delay or the date the Party whose performance has been delayed becomes aware or should have reasonably known of the event, describing such event(s) and/or condition(s) and the date on which such event(s) and/or condition(s) occurred. A Party is not entitled to delay based on Force Majeure if with reasonable diligence to the extent that it could have foreseen the Force Majeure event and taken commercially reasonable measures to avoid the delay.

"Improvements" shall mean the Improvements constructed on the Land after execution of this Agreement and containing 23,000 square feet of white box interior commercial space as shown on Exhibit "A". The term does not include any Tangible Personal Property.

"Land" means the real property depicted in Exhibit "A".

"Owner Affiliate" shall mean any entity that controls or is directly or indirectly controlled by, or is under common control with, Owner.

"Related Agreement" shall mean any agreement (other than this Agreement) by and between the City and the Owner or any Owner Affiliate that relates to the Land.

"Required Use" shall mean the continuous lease, use, and occupancy of the Improvements by a Tenant for retail commercial space.

"Tangible Personal Property" shall be as defined in the Texas Tax Code, but limited to furniture, fixtures and equipment owned or leased by Owner and located on the Land at or near the improvements after the execution of this Agreement. Tangible Personal Property shall not include inventory and supplies.

"Taxable Value" means the appraised value as certified by the Milam County Appraisal District (or its successor) as of January 1 of the applicable year.

Article II General Provisions

2.1 Owner is the owner of the Land which is currently located within the City's corporate limits and within the Zone, and intends to construct the Improvements and lease space within the Improvements to Tenants.

2.2 This Agreement is entered into subject to the rights of the holders of outstanding bonds of the City.

2.3 The Land is not directly owned or leased by any member of the Thorndale City Council.

2.4 As a condition precedent for Owner to be eligible for the tax abatement set forth herein, Owner shall take the following actions and/or make at least the following Improvements, as applicable: (i) commence grading and site work on the Land within six months after obtaining all required approvals from the City, (ii) Completion of Construction within eighteen (18) months after this Agreement is fully executed; (iii) the Improvements must be appraised at no less than Two Million Seven Hundred Sixty Thousand Seven Hundred and Eighty Four Dollars (\$2,760,784) by the Milam County Appraisal District; (iv) certificates of occupancy are issued by the City for Tenants of the Improvements in at least fifteen thousand nine hundred eighteen (15,918) leasable square feet no later than two (2) years after the execution of this Agreement (v) at least one restaurant has signed a lease for the property no later than two (2) years after the execution of this Agreement; (vi) Tenants shall have a cumulative total of at least thirty-one (31) full time, on-site employees employed on the second (2nd) anniversary of the date of this Agreement. In the event that Owner has met all of foregoing conditions precedent to be eligible for the tax abatement, then for Owner to continue to be eligible for the tax abatement set forth herein, then (a) the Improvements must continue to have an appraised value of no less than Two Million Seven Hundred Sixty Thousand Seven Hundred and Eighty Four Dollars (\$2,760,784) as determined by the Milam County Appraisal District for the duration of the abatement, (b) no fewer than thirty-one (31) employees shall be employed at any time during the calendar years for which a tax abatement is given under this Agreement, (c) no fewer than fifteen thousand nine hundred eighteen (15,918) leasable square feet of the Improvements shall be under lease at any point during the duration of the abatement under this Agreement. Nothing in this Agreement shall obligate Owner to construct any Improvements and Owner shall not be in breach of this Agreement if Owner fails to build any or all of the Improvements, but the foregoing are conditions precedent to Owner being eligible to request tax abatement pursuant to this Agreement.

2.5 After Completion of Construction of the Improvements on the Land, Owner shall notify the City in writing that it is electing to obtain the tax abatement set forth in Article III below.

2.6 During the term of this Agreement, Owner shall ensure that such Improvements are used in the manner (i) that is consistent with the City's ordinances, rules and regulations, approved plans and this Agreement, and (ii) that, during the period taxes are abated hereunder, is consistent with the general purposes of encouraging development or redevelopment within the Zone.

Article III Tax Abatement Authorized

3.1 This Agreement is authorized by the Act and in accordance with the City's Tax Abatement Guidelines.

3.2 Subject to the terms and conditions of this Agreement and Owner's election set forth in Section 2.5 above, City hereby grants Owner an abatement of eighty percent (80%) of the Taxable Value of the Owner's Improvements for a period of five (5) consecutive years, beginning with the First Year of Abatement. The actual percentage of Taxable Value of the Owner's Tangible Personal Property subject to abatement for each year this Agreement is in effect will apply only to the Owner's Improvements after execution of this Agreement. The minimal investment to qualify for the abatement is at least \$2,760,784 total for Improvements constructed on the Land.

3.3 Notwithstanding the tax abatement herein authorized for Improvements, Owner shall be subject to all City taxation not abated, including but not limited to, sales tax and ad valorem taxation otherwise owed to the City.

3.4 Owner shall ensure that the Improvements are not used for any purpose other than the Required Use.

3.5 The term of this Agreement shall begin on the Effective Date and shall continue until the Expiration Date, unless sooner terminated as provided herein. Notwithstanding the foregoing, the claw back provisions

Article IV Additional Provisions for Improvements

4.1 Owner intends to construct or cause to be constructed the Improvements on the Land. Nothing in this Agreement shall obligate Owner to construct the Improvements on the Land, but said actions are conditions precedent to tax abatement for the Owner pursuant to this Agreement.

4.2 Construction plans for the Improvements constructed on the Land will be filed with the City, which shall be deemed to be incorporated by reference herein and made a part hereof for all purposes.

4.3 Owner agrees to maintain or cause others to maintain the Improvements during the term of this Agreement in accordance with all applicable state and local laws, codes, and regulations, and, to the extent applicable.

4.4 The City of Thorndale and Milam County, their agents and employees or such other governmental personnel reasonably deemed necessary to ensure that Owner complies with all terms of this Agreement, and that Owner complies with all fire and other legal requirements shall have the right of access

to the Land as follows: (i) during construction of Improvements, to inspect those Improvements at reasonable times and with reasonable notice to Owner, and (ii) upon Completion of Construction of the Improvements to access the Land and the Improvements; (iii) at any time upon 24 hours prior written notice to the City; and unless a court order or judgment otherwise provides or in emergency situations, Owner's agents may accompany government personnel and make video or other records of governmental activities, but not impede their activities, Unless necessary in emergencies such as fires, or ordered by a court, government right of access will not include the right to access computer data or the interiors of servers without Owner's consent. Owner shall provide, within ten (10) days after written request from the City, executed leases and rent receipts, pay stubs or other proof of employment, and other documentation reasonably necessary to demonstrate compliance with the conditions of a tax abatement authorized under this Agreement.

Article V

Default; Recapture

5.1 Owner shall be in default of this Agreement if any of the following items occur: (i) Owner has delinquent ad valorem taxes or personal property taxes owed to the City (provided Owner retains the right to timely and properly protest such taxes as allowed under the Texas Tax Code); (ii) Owner materially breaches any of the representations, warranties, verifications, or terms and conditions of this Agreement or a Related Agreement. As liquidated damages in the event of such default, Owner shall, within thirty (30) days after receipt of written notice of demand, pay to the City the amount of the taxes which otherwise would have been paid by Owner to City without the benefit of a tax abatement for its Improvements for the tax year(s) Owner was in default of this Agreement ("Recapture Amount") with interest at the statutory rate for delinquent taxes as determined by Section 33.01 of the Tax Code, as amended, but without penalty. The Parties acknowledge that actual damages in the event of Owner's default would be speculative and difficult to determine. The Parties further agree that Recapture Amount, including interest, shall be recoverable against Owner and shall constitute a tax lien against such Improvements, and shall become due, owing, and shall be paid to the City within thirty (30) days after receipt of written notice of demand.

5.2 Upon City learning of a breach by Owner of this Agreement, the City shall notify Owner in writing, and Owner shall have thirty (30) days after receipt of the notice in which to cure any such breach. If the breach cannot reasonably be cured within such 30-day period, and Owner has diligently pursued such remedies as shall be reasonably necessary to cure such breach, then the City may extend the period in which the breach must be cured, but is not obligated to do so.

5.3 If the Owner fails to cure the default within the time provided as specified above or, as such time period may be extended, the City, at its option, shall have the right to terminate this Agreement, effective upon giving written notice to Owner.

5.4 Upon termination of this Agreement by the City for Owner's breach of this Agreement, , the Recapture Amount shall become a debt to the City as liquidated damages, and shall become due and payable not later than thirty (30) days after receipt of a demand for payment is received by Owner. The City shall have all remedies for the collection of the Recapture Amount from Owner provided generally in the Tax Code for the collection of delinquent property tax. The computation of the Recapture Amount for the purposes of this Agreement shall be based upon the full Taxable Value of the Improvements without tax abatement for the years in which the Owner was in default of this Agreement and for which tax abatement hereunder was received by Owner, as determined by the Appraisal District, multiplied by the tax rate of the years in question, as calculated by the City's Tax Assessor / Collector. The liquidated damages shall incur penalties as provided for delinquent taxes, including interest, and shall commence to accrue after expiration of the thirty (30) day payment period.

Article VI
Annual Application for Tax Exemption

It shall be the responsibility of the Owner, pursuant to the Tax Code, to file an annual exemption application form for the Owner's Improvements with the Chief Appraiser for the Appraisal District (or its successor) in which the eligible taxable property has situs. A copy of the respective exemption application shall be submitted to the City upon request.

Article VII
Annual Rendition

Intentionally omitted.

Article VIII
Miscellaneous

3.1 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received (i) three (3) days after deposit in United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below, or such other address as is designated by the applicable Party from time to time, or (ii) on the day received as reflected in the courier's delivery receipt or tracking application if sent by overnight delivery using a nationally recognized overnight courier, or if hand delivered.

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| If intended for City, to: Attn: City Administrator City of Thorndale 105 N. Main Street Thorndale, TX 76577 | with a copy to: Bojorquez Law Firm, PC 11675 Jollyville Road, Suite 300 Austin, Texas 78759 |
| If intended for Owner, to: Milam Thorndale Plaza LLC P.O. Box 226 Rockdale, TX 76567 Attn: Mehdi Arabpour Email: Arabpouremehdi@gmail.com | with a copy to: |

3.2 Authorization. This Agreement was authorized by resolution of the City Council approved by its Council meeting authorizing the Mayor to execute this Agreement on behalf of the City. This Agreement was duly authorized by Owner.

3.3 Severability. In the event any section, subsection, paragraph, sentence, phrase or word herein is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

3.4 Governing Law. This Agreement shall be governed by the laws of the State of Texas without regard to any conflict of law rules. Exclusive venue for any action under this Agreement shall be the State District Court of Milam County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

3.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

3.6 Entire Agreement. This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

3.7 Recitals. The facts, representations, and warranties recited and declared in the preamble to this Agreement are hereby incorporated herein as part of this Agreement.

3.8 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

3.9 Assignment. This Agreement shall be binding on and inure to the benefit of the Parties and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may not be assigned by the Owner without the prior written consent of the City, which consent may be withheld in the sole discretion of the City. Notwithstanding anything to the contrary herein, the Owner may partially assign this Agreement to either an Owner Affiliate or a third party, solely in connection with the transfer of a portion of the Land and related Improvements, without obtaining the City's prior written consent, provided that Owner notifies the City of such transfer, and in the event of an assignment to an Owner Affiliate or a third party, solely in connection with the transfer of a portion of the Land and related Improvements, the Owner shall be released from all obligations under this Agreement that arise from and after the date of such assignment to the extent of such assignment, but no other purported assignment releases Owner from any portion of this Agreement.

3.10 Employment of Undocumented Workers. During the term of this Agreement, the Owner agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a (f), the Owner shall repay the taxes abated herein within 120 days after the date the Owner is notified by the City in writing of such violation. Owner is not liable, and shall not be liable for repayment, for a violation of this section by a subsidiary, affiliate, or franchisee of Owner or by a person with whom such Party contracts.

3.11 Right of Offset. The City may at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to the City from the Owner, regardless of whether the amount due arises pursuant to the terms of this Agreement or a Related Agreement or otherwise and regardless of whether the debt due the City has been reduced to judgment by a court.

3.12 No Boycott Israel. Pursuant to Section 2271.002, Texas Government Code, Owner hereby certifies and verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott the State of Israel ("Israel") and, to the extent, if any, that this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. This certification and verification is made solely to comply with Section 2271.002, Texas Government Code, and is made only to the extent such section is not repealed or any Laws or Regulations that are enacted or amended to nullify or make voluntary such certification and verification, and only to the extent that said section is not held by a final judgment of a court of competent jurisdiction binding upon one or both of the Parties to be preempted or superseded by Laws or Regulations. As used in the foregoing certification and verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in the Israel or in an Israeli-controlled

territory, but does not include an action made for ordinary business purposes. Owner understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with Owner and exists to make a profit.

3.13 No Boycott Energy Companies. To the extent, if any, that this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code, (as added by Senate Bill 13, 87th Texas Legislature, Regular Session) as amended, the Owner hereby certifies and verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing certification and verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, and is made only to the extent such section is not repealed by any Laws or Regulations that are enacted or amended to nullify or make voluntary such certification and verification, and only to the extent that said section is not held by a final judgment of a court of competent jurisdiction binding upon one or both of the Parties to be preempted or superseded by Laws or Regulations. As used in the foregoing verification, “boycott energy companies” shall have the meaning assigned to the term “boycott energy company” in Section 809.001, Texas Government Code. Owner understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Owner and that exists to make a profit.

3.14 No Boycott Firearms Entities or Firearm Trade Associations. To the extent, if any, that this Agreement constitutes a contract for the purchase of goods or services for which a written verification is required under Section 2274.002, Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), as amended, Owner hereby certifies and verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

- do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and
- will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing certifications and verifications are made solely to comply with Section 2274.002, Texas Government Code, as amended, and are made only to the extent such section is not repealed or any Laws or Regulations that are enacted or amended to nullify or make voluntary any such certifications and verifications, and only to the extent that said section is not held by a final judgment of a court of competent jurisdiction binding upon one or both of the Parties to be preempted or superseded by Laws or Regulations. As used in the foregoing certifications and verifications, “discriminate against a firearm entity or firearm trade association” shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code (as added by SB 19). Owner understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the OWNER and that exists to make a profit.

3.15 Sovereign Immunity. No Party, hereto, waives any statutory or common law right to sovereign or governmental immunity by virtue of execution, hereof.

3.16 Effective Date. The Effective Date of this Agreement shall be as defined above.
[Signature page to follow]

EXECUTED in duplicate originals the 14 day of February, 2024.

City of Thorndale, TX

By: _____

George Galbreath, Mayor

Attest:

Stacy Irwin
City Secretary

Agreed as to Form:

By: _____

EXECUTED in duplicate originals the ____ day of _____, 2024.

Milam Thorndale Plaza LLC
a Delaware limited liability company

By: Mehdi Arabpour
Date: 2/22/2024
Title: owner

VERIFICATION BY OWNER

I, Mehdi Arabpour, as the authorized representative of and for the above-
(typed or printed name of Owner Rep)

named Owner, swear that the Owner's verifications in this Agreement are true.

Mehdi Arabpour
(individual's signature)

SUBSCRIBED AND SWORN TO before me this 22nd day February, 2024.

Stacy Irwin
NOTARY SIGNATURE

SEAL

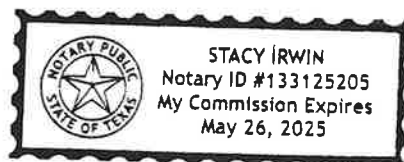


EXHIBIT "A"
LEGAL DESCRIPTION



EXHIBIT "B"

1.707 Acres of Mixed Use Commercial



THORNDALE PLAZA