

## NOTICE OF TAX ABATEMENT CONSIDERATION

### MOORE COUNTY HOSPITAL DISTRICT

**DATE:** November 20, 2024

**TIME:** 1:00 P.M.

**PLACE:** Hospital Boardroom, 224 East 2<sup>nd</sup> Street, Dumas, Texas

**PURPOSE:** The Moore County Hospital District Board of Directors will discuss and take possible action regarding a tax abatement agreement with Somerton Plaza Partners, LLC, pursuant to Chapter 312 of the Texas Tax Code.

**Property Owner and Applicant (“Applicant”) for Tax Abatement:** Somerton Plaza Partners, LLC

**Proposed Reinvestment Zone:** Somerton Plaza Reinvestment Zone

**Property in Proposed Reinvestment Zone:** See attached map and legal description provided in Exhibit “A” attached hereto and incorporated herein for all purposes.

**Anticipated Improvements:** The general description of the nature of the improvements included in the agreement is as follows:

Applicant anticipates remodeling the existing building for restaurant/retail establishments. Improvements may include (but are not limited to) additional/upgraded sewer, gas, and water lines; façade remodel; parking lot repairs and new lighting; asbestos removal; new roof; interior improvements/build out, and new pylon signage.

**Estimated Cost of the Improvements:** The estimated cost of the improvements being contemplated by Applicant is at least \$750,000.00

**FOR DETAILED INFORMATION OR QUESTIONS CALL JEFF TURNER AT  
(806) 935-7171.**

### CERTIFICATION

I certify that the above Notice of Tax Abatement Consideration was posted on the bulletin board at the Moore County Hospital, Dumas, Texas, at a place readily accessible to the general public at all times on the \_\_\_\_ day of October, 2024, and pursuant to Texas Tax Code 312.207 and Chapter 551, Texas Government Code, said Notice remained so posted continuously for at least 30 days preceding the scheduled time of said Meeting.

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Jeff Turner, CEO  
Moore County Hospital District

# **EXHIBIT A**

## **LEGAL DESCRIPTION AND MAP OF SOMERTON PLAZA REINVESTMENT ZONE**

The proposed Somerton Plaza Reinvestment Zone is comprised of the following described real property located in the City of Dumas, Texas. In the event of discrepancy between this Exhibit "A" and the attached map, this legal description shall control.

### TRACT 1

A 0.92 acre tract of land being that same 0.92 acre tract of land described as Tract 1 in that certain Warranty Deed recorded in Volume 560, Page 255 of the Official Public Records of Moore County, Texas, situated in Section 268, Block 44, H.&T.C. Ry. Co. Survey, Moore County, Texas, said 0.92 acre tract of land having been surveyed on the ground by Geospatial Data, Inc. on July 24 & 26, 2024, and being further described by metes and bounds as follows:

Commencing at the intersection of the west right-of-way line of U.S. Highway No. 287 as described in that certain instrument recorded in Volume 49, Page 455 of Deed Records of Moore County, Texas, and the north right-of-way line of U.S. Highway No. 87 as described in that certain instrument recorded in Volume 56, Page 81 of the Deed Records of Moore County, Texas, and being the southeast corner of J.M. Crabb 10.00 acre tract;

Thence N. 00° 14' 50" E., 199.76 feet, along the west right-of-way line of said U.S. Highway No. 287 to a drill hole in a concrete curb, found at the southeast and BEGINNING CORNER of this tract of land and the northeast corner of a 30,000 square foot tract of land described as Tract 6 in that certain Warranty Deed recorded in Volume 672, Page 480 of the Official Public Records of Moore County, Texas;

Thence N. 89° 33' 06" W., (Directional Control WGS84), 149.77 feet along the north line of said 30,000 square foot tract of land to a railroad spike, found at the southwest corner of this tract of land;

Thence N. 00° 25' 25" E., 267.68 to a ½ inch iron rod with aluminum cap stamped "FURMAN PLS 1959-RPLS 5374-RPLS 5759", found at the northwest corner of this tract of land and the southwest corner of Lot 1, Block 5 of Blaylock Addition Unit No. 2 an addition to the City of Dumas according to the recorded map or plat thereof, of record in Plat Cabinet 1 Sleeve A113 of the Plat Records of Moore County, Texas;

Thence S. 89° 37' 27" E., 150.00 feet to ½ inch iron rod, found at the northeast corner of this tract of land and the southeast corner of said Lot 1;

Thence S. 00° 28' 22" W., 267.87 feet along the west right-of-way line of said U.S. Highway No. 287 to the POINT OF BEGINNING.

### TRACT 2

A 4.97 acre tract of land being a portion of a 4.999 acre tract of land described as tract 2 in that certain Warranty Deed recorded in Volume 560, Page 255 of the Official Public Records of Moore County, Texas, situated in Section 268, Block 44, H.&T.C. Ry. Co. Survey, Moore County, Texas, said 4.97 acre tract of land having been surveyed on the

ground by Geospatial Data, Inc. on July 24 & 26, 2024, and being further described by metes and bounds as follows:

Commencing at the intersection of the west right-of-way line of U.S. Highway No. 287 as described in that certain instrument recorded in Volume 49, Page 455 of Deed Records of Moore County, Texas, and the north right-of-way line of U.S. Highway No. 87 as described in that certain instrument recorded in Volume 56, Page 81 of the Deed Records of Moore County, Texas, and being the southeast corner of J.M. Crabb 10.00 acre tract;

Thence N. 89° 38' 33" W., (Directional Control WGS84), 169.93 feet along the north right-of-way line of said U.S. Highway No. 87 to an "V" cut in concrete, set at the southeast and BEGINNING CORNER of this tract of land and the southeast corner of said 4.999 acre tract of land;

Thence N. 89° 38' 33" W., 198.05 feet along the north right-of-way line of said U.S. Highway No. 87 to an "X" cut in concrete, found at the most easterly corner of a 0.029 acre tract of land described in that certain instrument recorded in Volume 670, Page 391 of the Official Public Records of Moore County, Texas;

Thence N. 85° 09' 28" W., 182.37 feet along the north line of said 0.029 acre tract of land to a 3-1/4 inch aluminum cap, found at the southwest corner of this tract of land and the northwest corner of said 0.029 acre tract of land;

Thence N. 00° 23' 15" E., at 135.43 feet pass a 1/2 inch iron rod, found at the most southeast corner of a 1.027 acre tract of land described as Tract 1 that certain Warranty Deed recorded in Volume 573, Page 919 of the Official Public Records of Moore County, Texas at 398.95 feet pass a 1/2 inch iron rod, found at the northeast corner of said 1.027 acre tract of land a total distance of 559.11 feet along the east line of a 0.1951 acre tract of land described in that certain Warranty Deed recorded in Volume 660, Page 241 and the east line of another 0.1951 acre tract of land described in that certain Warranty Deed recorded in Volume 872, Page 407 and the east line of a 10,200 square foot tract of land described in that certain Warranty Deed recorded in Volume 852, Page 121 all of the Official Public Records of Moore County, Texas, to a 1/2 inch iron rod with a cap stamped "GDI-AMARILLO", set at the northwest corner of this tract of land and the northeast corner of said 10,200 square foot tract of land, from whence a 3/8 inch iron rod, found in reference bears N. 89° 38' 51" E., 20.00 feet;

Thence S. 89° 39' 51" E., 380.10 feet along the north line of said 4.999 acre tract of land to 1/2 inch iron rod, found at the northeast corner of this tract of land;

Thence S. 00° 24' 39" W., 573.51 feet along the east line of said 4.999 acre tract of land to the POINT OF BEGINNING.

[illegible]

BRYAN J. GUYMON  
Phone: 806.669.6851  
Fax Number: 806.669.0440  
www.uwlaw.com  
Bryan.Guymon@uwlaw.com

## UNDERWOOD

PHYSICAL ADDRESS:  
120 W. Kingsmill Ave., Suite 505  
Pampa, Texas 79065  
MAILING ADDRESS:  
P.O. Box 662  
Pampa, Texas 79066-0662

November 7, 2024

Moore County  
Attn: Judge Rowdy Rhoades  
715 S. Dumas Avenue, Room 202  
Dumas, Texas 79029

### NOTICE OF THE INTENTION OF THE MOORE COUNTY HOSPITAL DISTRICT TO ENTER INTO TAX ABATEMENT AGREEMENT WITH SOMERTON PLAZA PARTNERS, LLC

Dear Judge Rhoades:

On behalf of the Moore County Hospital District (the "District"), I am providing you with this notice as part of the process for the District to consider entering into Tax Abatement Agreement with Somerton Plaza Partners, LLC. Pursuant to Chapter 312 of the Texas Tax Code, I am sending this notice to the presiding officer of each other taxing entity in which the property to be subject to the Agreements is located.

Enclosed for your information is a current draft of the Tax Abatement Agreement with Somerton Plaza Partners, LLC. The District's meeting to consider approving such Agreement is scheduled for Wednesday, November 20, 2024, at 1:00 p.m. at the Hospital Boardroom, 224 East 2nd Street, Dumas, Texas 79029.

Please let me know if need any additional information. If you have any questions or concerns, please feel free to contact Jeff Turner at (806) 935-7171 in advance of the meeting.

Sincerely,



Bryan J. Guymon

BJG/lrd  
Enclosure



BRYAN J. GUYMON  
Phone: 806.669.6851  
Fax Number: 806.669.0440  
www.uwlaw.com  
Bryan.Guymon@uwlaw.com

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P.O. Box 662  
Pampa, Texas 79066-0662

November 7, 2024

City of Dumas  
Attn: City Manager  
P.O. Box 438  
Dumas, Texas 79029

## NOTICE OF THE INTENTION OF THE MOORE COUNTY HOSPITAL DISTRICT TO ENTER INTO TAX ABATEMENT AGREEMENT WITH SOMERTON PLAZA PARTNERS, LLC

Dear Mr. Maples:

On behalf of the Moore County Hospital District (the "District"), I am providing you with this notice as part of the process for the District to consider entering into Tax Abatement Agreement with Somerton Plaza Partners, LLC. Pursuant to Chapter 312 of the Texas Tax Code, I am sending this notice to the presiding officer of each other taxing entity in which the property to be subject to the Agreements is located.

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Sincerely,



Bryan J. Guymon

BJG/lzd  
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MAILING ADDRESS:  
P.O. Box 662  
Pampa, Texas 79066-0662

November 7, 2024

Moore County Appraisal District  
Attn: Samantha Venegas, Chief Appraiser  
P.O. Box 717  
Dumas, Texas 79029

### NOTICE OF THE INTENTION OF THE MOORE COUNTY HOSPITAL DISTRICT TO ENTER INTO TAX ABATEMENT AGREEMENT WITH SOMERTON PLAZA PARTNERS, LLC

Dear Ms. Venegas:

On behalf of the Moore County Hospital District (the "District"), I am providing you with this notice as part of the process for the District to consider entering into Tax Abatement Agreement with Somerton Plaza Partners, LLC. Pursuant to Chapter 312 of the Texas Tax Code, I am sending this notice to the presiding officer of each other taxing entity in which the property to be subject to the Agreements is located.

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Bryan J. Guymon

BJG/lsd  
Enclosure

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MAILING ADDRESS:  
P.O. Box 662  
Pampa, Texas 79066-0662

November 7, 2024

Dumas Independent School District  
Attn: Monty Hysinger, Superintendent  
421 W. 4th St  
Dumas, TX 79029

### NOTICE OF THE INTENTION OF THE MOORE COUNTY HOSPITAL DISTRICT TO ENTER INTO TAX ABATEMENT AGREEMENT WITH SOMERTON PLAZA PARTNERS, LLC

Dear Mr. Hysinger:

On behalf of the Moore County Hospital District (the "District"), I am providing you with this notice as part of the process for the District to consider entering into Tax Abatement Agreement with Somerton Plaza Partners, LLC. Pursuant to Chapter 312 of the Texas Tax Code, I am sending this notice to the presiding officer of each other taxing entity in which the property to be subject to the Agreements is located.

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Please let me know if need any additional information. If you have any questions or concerns, please feel free to contact Jeff Turner at (806) 935-7171 in advance of the meeting.

Sincerely,



Bryan J. Guymon

BJG/lzd  
Enclosure



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P.O. Box 662  
Pampa, Texas 79066-0662

November 7, 2024

Moore County Soil & Water Conservation District  
Attn: Anita Purswell, Chairman  
801 S Bliss Ave, Rm 104  
Dumas, TX 79029-4451

### NOTICE OF THE INTENTION OF THE MOORE COUNTY HOSPITAL DISTRICT TO ENTER INTO TAX ABATEMENT AGREEMENT WITH SOMERTON PLAZA PARTNERS, LLC

Dear Ms. Purswell:

On behalf of the Moore County Hospital District (the "District"), I am providing you with this notice as part of the process for the District to consider entering into Tax Abatement Agreement with Somerton Plaza Partners, LLC. Pursuant to Chapter 312 of the Texas Tax Code, I am sending this notice to the presiding officer of each other taxing entity in which the property to be subject to the Agreements is located.

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Please let me know if need any additional information. If you have any questions or concerns, please feel free to contact Jeff Turner at (806) 935-7171 in advance of the meeting.

Sincerely,



Bryan J. Guymon

BJG/lzd  
Enclosure

**STATE OF TEXAS  
MOORE COUNTY HOSPITAL DISTRICT  
TAX ABATEMENT GUIDELINES AND CRITERIA**

Moore County Hospital District (the “District”) is committed to the promotion of quality development in all parts of Moore County and to improving the quality of life for its citizens. In order to help meet these goals, the District will consider providing Tax Abatements (as defined below) to stimulate economic development. It is the policy of the District that such an incentive will be provided in accord with the guidelines and criteria outlined in this document. All applicants for Tax Abatements shall be considered on an individual basis.

In addition to the criteria set forth herein, the District reserves the right to negotiate a Tax Abatement Agreement in order to compete favorably with other hospital districts.

Only that increase in the fair market value of the property that is a direct result of the development, redevelopment, and improvement specified in the Agreement will be eligible for Abatement and then only to the extent that such increase exceeds any reduction in the fair market value of the other property of the applicant located in the reinvestment zone.

All Tax Abatement Agreements will be no longer than allowed by law.

It is the goal of the District to grant Tax Abatements on similar terms and conditions as the other taxing units having jurisdiction of the property. However, nothing herein shall limit the discretion of the District to consider, adopt, modify, or decline any tax abatement request.

This policy is effective as of the 20<sup>th</sup> day of November, 2024, and shall at all times be kept current with regard to the needs of the District and reflective of the official views of the District, and shall be reviewed every two (2) years.

The adoption of these guidelines and criteria by the Board of Directors of the Moore County Hospital District (the "Board") does not:

1. limit the discretion of the governing body to decide whether to enter into a specific Tax Abatement Agreement;
2. limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for tax abatement; or
3. create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application or request for tax abatement.

## SECTION I. DEFINITIONS

A. **"Abatement" or "tax abatement"** means the full or partial exemption from ad valorem taxes of certain property in a reinvestment zone designated for economic development purposes.

B. **"Agreement" or "Tax Abatement Agreement"** means a contractual agreement between an applicant as a property owner and/or lessee and the District.

C. **"Base Year Value"** means the assessed value on the eligible property as of January 1 preceding the execution of the Agreement.

D. **"Deferred Maintenance"** means improvements necessary for continued operation which do not improve productivity or alter the process technology.

E. **"Eligible Facilities"** means new, expanded, or modernized buildings and structures, including fixed machinery and equipment, which is reasonably likely as a result of granting the Abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment zone that would be a benefit to the property and that would contribute to the economic development of Moore County and/or the District, but does not include facilities which are intended to be primarily to provide goods or services to residents for existing businesses located in Moore County and/or the District such as, but not limited to, restaurants and retail sales establishments. Eligible facilities may include, but shall not be limited to a(n):

aquaculture/agriculture facilities	regional entertainment/tourism facilities
distribution center facilities	research service facilities
manufacturing facilities	regional service facilities
office buildings	historic buildings in a designated area
other basic industrial facilities	computer/data center
wind, solar, or other renewable energy facilities	
restaurant/retail sales establishments	

F. **"Expansion"** means the addition of building structures, machinery, equipment, or payroll for purposes of increasing production capacity.

G. **"Facility"** means property improvement(s) completed or in the process of construction, which together comprise an integral whole.

H. **"Modernization"** means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, or equipment.

I. **"New Facility"** means a property previously undeveloped which is placed into service by means other than or in conjunction with Expansion or Modernization.

J. **"Productive Life"** means the number of years property improvement(s) is/are expected to be in service in a facility.

## SECTION II. ABATEMENT AUTHORIZED

A. **Eligible Facilities.** Upon application, Eligible Facilities shall be considered for Tax Abatement as hereinafter provided.

B. **Creation of New Values.** Abatement may only be granted for the additional value of eligible property improvement(s) made subsequent to and specified in a Tax Abatement Agreement between the District and the applicant as the property owner or lessee, subject to such limitations as the District may require.

C. **New and Existing Facilities.** Abatement may be granted for the additional value of eligible property improvement(s) made subsequent to and specified in a Tax Abatement Agreement between the District and the applicant as the property owner or lessee, subject to such limitations as the District may require.

D. **Eligible Property.** Abatement may be extended to the value of new, expanded, or modernized buildings, structures, fixed machinery and equipment, site improvements, and related fixed improvements necessary to the operation and administration of the facility, and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code.

E. **Ineligible Property.** The following types of property shall be fully taxable and ineligible for Tax Abatement: land; animals; inventories, supplies; tools; furnishings; vehicles; vessels; aircraft; deferred maintenance investments; housing and property to be rented or leased, except as provided in Section II(F); property owned or used by the State of Texas.

F. **Owned/Leased Facilities.** If a leased facility is granted Abatement, the Agreement shall be executed with the lessor and the lessee. If the land is leased, but the facility constructed or installed thereon is owned by the lessee, the lessee shall execute the Agreement.

G. **Economic Qualifications.** In order to be eligible for designation as a reinvestment zone and/or receive Tax Abatement, the planned improvement:

- (1) must be an Eligible Facility;
- (2) must add at least Five Hundred Thousand Dollars (\$500,000.00) to the tax roll of eligible property in the District;
- (3) must be reasonably expected to have an increase in positive net economic benefit to the District of at least One Million Dollars (\$1,000,000.00) over the life of the Abatement, computed to include (but not be limited to) new sustaining payroll and/or capital improvement. The creation of (number and type) of new jobs will also factor into the decision to grant an Abatement; and



- (4) must not be expected to solely or primarily have the effect of transferring employment from one part of the District to another.

H. **Standards for Tax Abatement.** The following factors, among others, will be considered in determining whether to grant Tax Abatement:

- (1) value of existing improvements, if any;
- (2) type and value of proposed improvements;
- (3) productive life of proposed improvements;
- (4) number of existing jobs to be retained by proposed improvements;
- (5) number and type of new jobs to be created by proposed improvements;
- (6) amount of local payroll to be created;
- (7) whether the new jobs to be created will be filled by persons residing or projected to reside within the affected taxing jurisdiction;
- (8) amount by which property tax base valuation will be increased during the term of Abatement and after Abatement, which shall include a definitive commitment that such valuation shall not, in any case, be less than Five Hundred Thousand Dollars (\$500,000.00);
- (9) expenses to be incurred in providing facilities directly resulting from the new improvements;
- (10) the amount of ad valorem taxes to be paid to the District during the Abatement period considering (a) the existing values, (b) the percentage of new value abated, (c) the Abatement period, and (d) the value after expiration of the Abatement period;
- (11) the population growth of the District that occurs directly as a result of new improvements;
- (12) the types and values of public improvements, if any, to be made by applicant seeking Abatement;
- (13) whether the proposed improvements compete with existing businesses to the detriment of the local economy;
- (14) the impact on the business opportunities of existing business;
- (15) the attraction of other new businesses to the area;

(16) the overall compatibility with the zoning ordinances and comprehensive plan for the area; and

(17) whether the project obtains all necessary permits from the applicable environmental agencies.

Each Eligible Facility shall be reviewed on its merits utilizing the factors provided above. After such review, Abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

I. **Denial of Abatement.** A Tax Abatement Agreement shall not be authorized if it is determined that:

(1) there would be substantial adverse effect on the provision of District services or the District's tax base;

(2) the applicant has insufficient financial capacity;

(3) violation of other codes or laws; or

(4) any other reason deemed appropriate by the District.

J. **Taxability.** From the execution of the Agreement to the end of the Abatement period, taxes shall be payable as follows:

(1) the value of ineligible property as provided in Section II(E) shall be fully taxable;

(2) the base year value of existing property (as determined each year) shall be fully taxable; and

(3) the additional value of new Eligible Property shall be fully taxable prior to and at the end of the Abatement period.

### **SECTION III. APPLICATION**

A. Any present or potential owner of taxable property in the District boundaries may be an applicant and request Tax Abatement by filing a written application with the Board.

B. The application shall consist of a general description of the new improvements to be undertaken; a descriptive list of the improvements for which Abatement is requested; a list of the kind, number and location of all proposed improvements on the property; a map and property description; and a time schedule for undertaking and completing the proposed improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The Board may require such financial and other information as deemed appropriate for

evaluating the financial capacity and other factors pertaining to the applicant, to be attached to the application. The completed application must be accompanied by the payment of a nonrefundable application fee for administrative costs associated with the processing of the Tax Abatement request. All checks in payment of the administrative fee shall be made payable to the District. The fee for Abatement requests shall be One Thousand and No/100 Dollars (\$1,000.00) and the applicant shall reimburse the District for its reasonable legal fees incurred relating to consideration of and any action relating to the application and/or Abatement.

C. The District shall give notice as provided by the Property Tax Code, including written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to the Agreement is located, not later than seven (7) days before acting upon the application.

D. The application process described herein shall be followed regardless of whether a particular reinvestment zone is created by a taxing entity within Moore County. No other notice or hearing shall be required except compliance with the open meetings act, unless the Board deems them necessary in a particular case.

#### **SECTION IV. AGREEMENT**

A. After approval, the Board shall formally execute an Agreement with the applicant, which shall:

- (1) include a list of the kind, number and location of all proposed improvements to the property;
- (2) provide access to and authorize inspection of the property by the taxing unit to insure compliance with the Agreement;
- (3) limit the use of the property consistent with the District's development goals;
- (4) provide for recapturing property tax revenues that are lost if the applicant/owner fails to make improvements as provided by the Agreement;
- (5) include each term that was agreed upon with the property owner/applicant and require the applicant to annually certify compliance with the terms of the Agreement to the District; and
- (6) allow the District unit to cancel or modify the Agreement at any time if the property owner/applicant fails to comply with the terms of the Agreement.

## **SECTION V. RECAPTURE**

A. Should the District determine that the applicant or its assignee is in breach of the Agreement, the District shall notify the applicant of such breach in writing at the address provided in the agreement. If the breach is not cured within thirty (30) days of such notice (the "Cure Period"), then the agreement may be terminated.

B. Upon termination of the agreement, all taxes previously abated by virtue of the Agreement shall be due and payable by the applicant to the District within thirty (30) days of such termination.

## **SECTION VI. ADMINISTRATION**

A. The Chief Appraiser of the Moore County Appraisal District will annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving Abatement shall furnish the appraiser with such information as may be necessary for the Abatement. Once value has been established, the Chief Appraiser will notify the Board of the amount of the assessment.

B. The District may execute a contract with any other jurisdiction(s) to inspect the facility to determine if the terms and conditions of the Agreement are being met. The Agreement shall stipulate that employees and/or designated representatives of the District will have access to the reinvestment zone during the term of the Abatement to inspect the facility to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after the giving of at least twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

C. Upon completion of construction, a designated representative of the District shall annually evaluate each facility receiving Abatement to insure compliance with the Agreement and shall formally report such evaluations to the Board.

## **SECTION VII. ASSIGNMENT**

The Agreement may be transferred and assigned by the holder to a new owner or lessee of the same facility either upon the approval by resolution of the Board or in accordance with the terms of the Agreement. No assignment or transfer shall be approved if the parties to the existing Agreement, the new owner, or new lessee are liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably delayed or withheld. Notice shall be given to the Board at least twenty (20) days in advance of any transfer or assignment.

## **SECTION VIII. SUNSET PROVISION**

These Guidelines and Criteria are effective upon the date of their adoption and shall supersede and replace any and all prior guidelines and criteria for Tax Abatement in the District. These Guidelines and Criteria shall remain in force for two (2) years, unless amended by three-quarters



vote of the Board, at which time all reinvestment zones and Tax Abatement Agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on such review, the Guidelines and Criteria will be modified, renewed or eliminated; provided, however, no modification or elimination of the Guidelines and Criteria shall affect Tax Abatement Agreements that have been previously approved until the parties thereto shall agree to amend such Agreements.

PASSED, APPROVED, AND ADOPTED on this the 20<sup>th</sup> day of November, 2024.

**MOORE COUNTY HOSPITAL DISTRICT**

\_\_\_\_\_  
Mr. John Frantz, Chairman

\_\_\_\_\_  
Dr. Carmen Purl, Member

\_\_\_\_\_  
Ms. Stacey Grall, Vice Chairman

\_\_\_\_\_  
Mr. Shannon Gillespie, Member

\_\_\_\_\_  
Mr. Russell Fangman, Secretary

\_\_\_\_\_  
Mr. Ben Maples, Member

\_\_\_\_\_  
Mr. Tom Moore, Member

Attest:

\_\_\_\_\_

## **RESOLUTION**

### **PROVIDING THAT MOORE COUNTY HOSPITAL DISTRICT (the "District") ELECTS TO PARTICIPATE IN TAX ABATEMENTS AND ESTABLISHES TAX ABATEMENT GUIDELINES AND CRITERIA FOR TAX ABATEMENT AGREEMENTS AS AUTHORIZED BY CHAPTER 312 OF THE TEXAS TAX CODE**

**WHEREAS**, a Texas taxing unit may enter into tax abatement agreements authorized by Chapter 312 of the Texas Tax Code (the "Code") only if the governing body of such taxing unit has previously adopted a resolution stating that the taxing unit elects to be eligible to participate in tax abatement and establishes guidelines and criteria;

**WHEREAS**, the District desires to participate in tax abatements; and

**WHEREAS**, Chapter 312 of the Texas Tax Code requires that the District elects to participate in tax abatements and establish guidelines and criteria governing tax abatement agreements every two (2) years for the designation of reinvestment zones and entering into Tax Abatement agreements;

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MOORE COUNTY HOSPITAL DISTRICT THAT:**

1. The District hereby elects to participate in tax abatements in accordance with Chapter 312 of the Code; and
2. The District hereby elects to adopt Tax Abatement Guidelines and Criteria dated on or about November 20, 2024, for participating in tax abatements.

*(signatures on following page)*

PASSED, APPROVED AND ADOPTED on this the 20<sup>th</sup> day of November, 2024.

**MOORE COUNTY HOSPITAL District**

\_\_\_\_\_  
Mr. John Frantz, Chairman

\_\_\_\_\_  
Dr. Carmen Purl, Member

\_\_\_\_\_  
Ms. Stacey Grall, Vice Chairman

\_\_\_\_\_  
Mr. Shannon Gillespie, Member

\_\_\_\_\_  
Mr. Russell Fangman, Secretary

\_\_\_\_\_  
Mr. Ben Maples, Member

\_\_\_\_\_  
Mr. Tom Moore, Member

Attest:

\_\_\_\_\_

# **Tax Abatement Agreement between Moore County Hospital District and Somerton Plaza Partners, LLC**

*State of Texas*

*County of Moore*

This Tax Abatement Agreement (this “**Agreement**”) is made and entered into by and between Moore County Hospital District (the “**District**”), acting through its duly appointed officers, and Somerton Plaza Partners, LLC, a Texas limited liability company, owner of Eligible Property (as defined below) to be located on a portion of the tract of land within the Somerton Plaza Reinvestment Zone, more specifically described in Attachment A to this Agreement. This Agreement becomes effective upon final signature by both parties (the “**Effective Date**”) and remains in effect until fulfillment of the obligations described in Section IV herein, unless terminated earlier as provided herein.

## **Recitals**

WHEREAS, the District has indicated its election to be eligible to participate in tax abatements by resolution;

WHEREAS, the District adopted Tax Abatement Guidelines and Criteria (the “**Guidelines**”) by resolution dated November 20, 2024;

WHEREAS, the Board of Directors of Moore County Hospital District (the “**District**”) desires to promote economic development within its jurisdiction as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Tax Code § 312.001, *et seq.*), and the Guidelines;

WHEREAS, the City Commission of City of Dumas, Texas (the “**City**”) created the Somerton Plaza Reinvestment Zone by Ordinance passed on second reading on November 19, 2024;

WHEREAS, entering into this Agreement will serve the best interests of the District and its citizens and comply with the Guidelines by:

- A. enhancing and diversifying the economic and industrial bases of the District;
- B. contributing to the retention and expansion of primary employment; and
- C. attracting major investment that will be of benefit to and contribute to the economic development of the District;

WHEREAS, the contemplated use of the Site (as defined below) and the contemplated Improvements (as defined below) as set forth in this Agreement, and the other terms of this Agreement will encourage development of the Reinvestment Zone, are in accordance with the purposes for its creation, and are in compliance with the Guidelines and all applicable laws;



WHEREAS, Owner's (as defined below) use of the Site is expected to favorably influence the economic and employment base of the District;

WHEREAS, the District finds that the Improvements sought are feasible and practical and will be of benefit to the real property located in the Reinvestment Zone, to the Site, and to the District after expiration of this Agreement;

WHEREAS, the District finds that the terms of this Agreement and the proposed Improvements and Eligible Property subject to this Agreement meet the Guidelines;

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

WHEREAS, this Agreement was approved at a regularly scheduled meeting of the District in accordance with the Open Meetings Act, as amended, preceded by at least thirty (30) days by publication of notice of such public hearing in compliance with Section 312.207 of the Texas Tax Code; and

NOW, THEREFORE, in consideration of these Recitals, premises, the promises, mutual covenants, and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the District and Owner agree as follows:

## **I. Authorization**

This Agreement is authorized and governed by Chapter 312 of the Texas Tax Code, as amended, and by the Guidelines.

## **II. Definitions**

As used in this Agreement, the following terms shall have the meaning set forth below:

- A. **"Abatement"** means the full or partial exemption from ad valorem taxes on property in a Reinvestment Zone as provided herein and in no event can the duration of the Abatement period exceed three (3) years.
- B. **"Base Year"** means the Calendar Year in which the Effective Date occurs.
- C. **"Calendar Year"** means each year beginning on January 1 and ending on December 31.
- D. **"Certificate"** means a letter, provided by Owner to the District, certifying that the Project has achieved Commercial Operations and outlining the Improvements of the Project. Upon receipt of the Certificate, the District may inspect the property in accordance with this Agreement to determine that the Improvements are in place as certified. If the Certificate indicates that certain ancillary facilities not required for Commercial Operations are still under construction on the date that the Certificate is

delivered, Owner will deliver an amended Certificate to the District within thirty (30) days after all Project construction is complete.

- E. **“Certified Appraised Value”** means the appraised value, for property tax purposes, of the property within the Reinvestment Zone as certified by the Moore County Appraisal District (the **“Appraisal District”**) for each taxable year after a final determination of any valuation protest or appeal by Owner pursuant to applicable law.
- F. **“COD”** means the date that the Project commences Commercial Operations.
- G. **“Commercial Operations”** means that the Improvements have been constructed and a certificate of occupancy has been issued by the City.
- H. **“Default”** means a breach by Owner of any material term or condition of this Agreement.
- I. **“Eligible Property”** means property eligible for Abatement under the Guidelines, including new, expanded or modernized buildings and structures; fixed machinery and equipment; Site improvements; related fixed improvements; other tangible items necessary to the operation and administration of the Project or facility; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code and the Guidelines. Taxes on Real Property may be abated only to the extent the property’s value for a given year exceeds its value for the Base Year. Tangible personal property located on the Real Property at any time before the period covered by this Agreement is not eligible for Abatement. Tangible personal property eligible for Abatement shall not include inventory held for resale or noncapitalized supplies.
- J. **“Force Majeure”** includes events not reasonably within the control of the party whose performance is sought to be excused thereby, including the following causes and events (to the extent such causes and events are not reasonably within the control of the party claiming suspension): acts of God and the public enemy; strikes; lockouts or other industrial disturbances; inability to obtain material or equipment or labor due to an event that meets the definition of Force Majeure; wars; blockades; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; storms; floods; high water washouts; inclement weather; arrests and restraint of rulers and people; interruptions by government or court orders; present or future orders of any regulatory body; civil disturbances; explosions; or any other event that is beyond the reasonable control of the party claiming Force Majeure.
- K. **“Improvements”** means Eligible Property meeting the definition for improvements or personal property provided by Chapter 1 of the Texas Tax Code and includes, without limitation, any building, structure, or fixture erected on or affixed to the land. Improvements specifically include modifying and upgrading sewer, gas, and water lines, façade remodel, parking lot repairs and new lighting, asbestos removal, 30,000 square feet of new roof, interior improvements and buildout, new pylon signage, and other demolition work and improvements on the Property by or for Owner and located in the District.

- L. **“Maximum Benefit Amount”** means the total not to exceed amount of ad valorem property taxes abated under this Agreement and any Related Agreement. The Maximum Benefit Amount shall not exceed Two Hundred Thousand Dollars (\$200,000.00).
- M. **“Owner”** means Somerton Plaza Partners, LLC, the entity that owns or leases the Site land and that owns the property for which Abatement is being granted, and any permitted assignee or successor in interest of Somerton Plaza Partners, LLC. An **“Affiliate”** of an Owner means any entity that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with such Owner. For purposes of this definition, **“control”** of an entity means (i) the ownership, directly or indirectly, of fifty percent (50%) or more of the voting rights in a company or other legal entity or (ii) the right to direct the management or operation of such entity whether by ownership (directly or indirectly) of securities, by contract or otherwise.
- N. **“Project”** means the construction and operation of the Improvements on the Site as set forth in this Agreement.
- O. **“Prime Rate”** means interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest periodically announced by Citibank, N.A. (or by any other New York money center bank selected by the District) as its prime or base commercial lending rate.
- P. **“Real Property”** means Eligible Property meeting the description for real property provided by Chapter 1 of the Texas Tax Code.
- Q. **“Reinvestment Zone”** means the reinvestment zone, as that term is defined in Chapter 312 of the Texas Tax Code, created by the City by the resolution described in the Recitals, which was duly passed by the City, and referred to as the Somerton Plaza Reinvestment Zone, more specifically described in Attachment A to this Agreement. The fact that the designation of the Reinvestment Zone may expire before this Agreement shall not affect the terms and condition of this Agreement.
- R. **“Related Agreement”** shall mean any tax abatement agreement between Owner and the other local taxing entities including, but not limited to, (1) the Tax Abatement Agreement between Owner and the City of Dumas, Texas and (2) the Tax Abatement Agreement between Owner and Moore County, Texas, but only so long as such other agreements remains in full force and effect and have not expired or been terminated (other than a termination due to a default by Owner).
- S. **“Site”** means the portion of the Reinvestment Zone on which Owner makes the Improvements for which the Abatement is granted hereunder.
- T. **“Lender”** means any entity or person providing, directly or indirectly, including an assignee of an initial Lender, with respect to the Improvements or Project any of (a) senior or subordinated construction, interim or long-term debt financing or refinancing,

whether that financing or refinancing takes the form of private debt, public debt, or any other form of debt (including debt financing or refinancing), (b) a leasing transaction, including a sale leaseback, inverted lease, or leveraged leasing structure, (c) tax equity financing, (d) any interest rate protection agreements to hedge any of the foregoing obligations, and/or (e) any energy hedge provider. There may be more than one Lender. Owner, at its election, may send written notice to the District with the name and notice information for any Lender.

### **III. Improvements in Reinvestment Zone**

Owner agrees that as a condition to receiving the Abatement set forth in Section IV of this Agreement it must make the following Improvements:

- A. Owner is proposing to remodel and improve the existing buildings for restaurant/retail establishments. To complete the Project will require a capital investment by Owner of approximately seven hundred fifty thousand and no/100 (\$750,000.00). The Certified Appraised Value will depend upon annual appraisals by the Appraisal District and may be more than or less than the amount stated herein.
- B. Improvements also shall include any other property on the Site meeting the definition of “Eligible Property.” The District agrees, without limitation, that the buildings for restaurant/retail establishments and related improvements to be built, installed, added, or located on the Site and used for the Project will constitute Improvements under this Agreement.
- C. Owner agrees that the Project shall achieve Commercial Operations on or before December 31, 2025.

### **IV. Term and Portion of Tax Abatement; Taxability of Property**

- A. The District and Owner specifically agree and acknowledge that the Owner’s property on the Site within the Reinvestment Zone shall be taxable in the following ways before and during the Term of this Agreement:
  - 1. Property not eligible for Abatement, if any, shall be fully taxable at all times;
  - 2. The Certified Appraised Value of property existing on the Site prior to execution of this Agreement shall not be subject to this Agreement and shall be fully taxable at all times;
  - 3. Prior to commencement of the Abatement period designated in Section IV(B), 100% of property taxes levied on the Certified Appraised Value of real and personal property of Owner located on the Site will be owed and payable by Owner;
  - 4. All District property taxes on the Certified Appraised Value of Eligible Property shall be abated for the periods and in the amounts as provided for by Section IV(B) below; and

5. 100% of the Certified Appraised Value of Eligible Property existing on the Site shall be fully taxable after expiration of the Abatement period designated in Section IV(B), including the remainder of the Term.
- B. The District and Owner specifically agree and acknowledge that this Agreement shall provide for tax Abatement, under the conditions set forth herein, of all District property taxes as follows:
1. Beginning with the Calendar Year after the Calendar Year in which the COD occurs and ending upon the conclusion of three (3) full Calendar Years thereafter, the Abatement percentage of value of Eligible Property to be abated each year, up to the Maximum Benefit Amount, is 100%. Once the Maximum Amount has been reached, the Abatement will end.
  2. The percentage of District property taxes set forth in Section IV(B)(1) above on the Certified Appraised Value of all Improvements described specifically or generally in the Certificate (and actually in place on the Site) is abated in the respective period designated in Section IV(B)(1) above.
  3. The percentage of District property taxes set forth in Section IV(B)(1) above on the Certified Appraised Value of any and all otherwise taxable real and personal property owned by Owner and located on the Site is abated in the respective period designated in Section IV(B)(1) above.
  4. As of January 1 of the Base Year, the value for the proposed Improvements is zero.
  5. The Abatement granted under this Agreement shall commence upon January 1 of the Calendar Year after the Calendar Year in which the COD occurs and shall expire at the end of the third (3rd) Calendar Year thereafter. Owner shall provide the Certificate in writing both to the District and to the Appraisal District within sixty (60) days of the COD. The Certificate shall describe any ancillary facilities not required for Commercial Operations that are still under construction on the date that the Certificate is delivered, and if the Certificate indicates any such facilities exist, Owner will deliver an amended Certificate to the District and to the Appraisal District within thirty (30) days after the construction of all Improvements is complete. Such ancillary facilities, once completed and if eligible, shall become part of the Improvements eligible for the Abatement under this Agreement.
  6. Owner's failure to issue a Certificate timely or Owner's omission of any required data from a Certificate shall not disallow any otherwise applicable Abatement so long as Owner within thirty (30) days after Notice by District issues a required Certificate or a corrected Certificate.
  7. If Owner, at its sole election, desires that the ten-year Abatement period commence prior to January 1 of the of the Calendar Year after the Calendar

Year in which the COD occurs, then Owner at any time prior to January 1 of the first year of such three-year period may deliver a notice to the District and District Appraisal District stating such desire (such notice being referred to herein as a "Notice of Abatement Commencement"). If delivered by Owner, the Notice of Abatement Commencement shall contain the following statement: "Owner elects for the three-year Abatement period to begin on January 1, \_\_\_\_"; the year stated in the Notice of Abatement Commencement shall be the first year of the Abatement period, and the Abatement period shall extend for 2 Calendar Years thereafter. Owner shall only be permitted to deliver a Notice of Abatement Commencement if it anticipates achieving COD during the next Calendar Year. Owner shall still be required to deliver the Certificate on or before the date required in the preceding paragraph.

8. Notwithstanding any statement or implication in this Agreement to the contrary, the parties agree that the Abatement granted hereby shall terminate upon Owner receiving the Maximum Benefit Amount and that the Abatement granted hereby shall in no event extend beyond three (3) Calendar Years.
- C. A portion or all of the Improvements may be eligible for complete or partial exemption from ad valorem taxes as a result of existing law or future legislation. This Agreement is not to be construed as evidence that no such exemptions shall apply to the Improvements.
- D. Owner agrees that the Improvements described in Section III, once constructed, will remain in place until at least thirty (30) Calendar Years after COD (the "**Term**"); provided that nothing herein prevents Owner from replacing equipment or fixtures comprising the Improvements prior to that date, as long as such replacement does not result in a reduction of the Certified Appraised Value of the Improvements for the tax year during which they are replaced. In the event that Owner permanently removes rather than replaces Improvements (comprising in the aggregate not more than 10% of the Certified Appraised Value of all Improvements for the tax year in which removed), Owner's removal shall not be deemed a Default under this Agreement if Owner pays to the District as liquidated damages for such removal from the Abatement in this Agreement, within thirty (30) days after demand, all taxes for such removed Improvements (which otherwise would have been paid to the District without benefit of a tax Abatement) with interest at the statutory rate under the Texas Tax Code, as amended, but without penalty. Notwithstanding any of the foregoing, the following shall not be deemed to be a Default under this Section IV(D): (a) the failure of any Improvements to remain in place during the Term due to any casualty to the Improvements, provided that such Improvements shall be replaced within 365 days following receipt of casualty insurance proceeds and all permits required for the restoration of such Improvements; (b) the failure of Owner to restore any Improvements following a casualty in the event that Owner is prohibited from restoring such Improvements by any applicable law (including, without limitation, zoning ordinances); or (c) the failure of any Improvements to remain in place or Owner to restore any such Improvements during the Term due to any condemnation (including, without limitation, any deed in lieu of condemnation). IN THE EVENT OF A BREACH OF THIS SECTION IV(E), THE SOLE REMEDY OF THE DISTRICT,



AND OWNER'S SOLE LIABILITY, WILL BE FOR OWNER TO PAY TO THE DISTRICT THE FULL AMOUNT OF ACTUAL TAXES ABATED AT ANY TIME UNDER THIS AGREEMENT ON THE REMOVED IMPROVEMENTS WITH INTEREST, BUT LESS ANY TAX PAYMENTS REMITTED TO THE DISTRICT WITH RESPECT TO THE REMOVED IMPROVEMENTS. IN THE EVENT OF A BREACH OF THIS SECTION IV(E), ANY TAXES DUE BY OWNER SHALL BE SUBJECT TO ANY AND ALL STATUTORY RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE.

## **V. Representations**

The District and Owner make the following respective representations:

- A. Owner represents and agrees that (i) Owner and its successors and/or assigns will have a taxable interest with respect to Improvements to be placed on the Site; (ii) construction of the proposed Improvements described in Section III will be performed by Owner, its successors and/or assigns and/or their contractors or subcontractors; (iii) Owner's and its successors' and assigns' use of the property in the Reinvestment Zone will be limited to the use described in this Agreement during the Term; (iv) all representations made in this Agreement and in the Application for Abatement, if any, are true and correct in all material respects to the best of Owner's knowledge; (v) Owner will make required filings, if any, by Owner with the Office of the Comptroller of Public Accounts and other governmental entities concerning this Agreement that may be required in the future; (vi) the Project will not be constructed without first obtaining all necessary local, state and federal environmental and construction permits, and Owner will abide by all conditions of the permits and all laws, ordinances, rules and regulations governing the construction and operation of the Project throughout its economic life; and (vii) the planned use of the property within the Project will not constitute a hazard to public health or safety throughout the economic life of the Project, except that uses that are customary and industry standard for a utility-scale wind energy project using wind turbines shall in no event be deemed to constitute such a hazard.
- B. The District represents that (i) the District has formally elected to be eligible to grant property tax abatements under Chapter 312 of the Tax Code; (ii) the Reinvestment Zone and this Agreement have been created in accordance with Chapter 312 of the Texas Tax Code and the Guidelines as both exist on the Effective Date of this Agreement; (iii) as applicable, (a) no interest in the Improvements or the land on which they are located is held or subleased by a member of the District, or (b) any member of the District that has a potential economic or financial interest in the Improvements or the land on which the Improvements are located has abstained from any vote or decision regarding this Agreement; (iv) the property within the Reinvestment Zone is located within the legal boundaries of the District and outside the boundaries of all municipalities located in the District; and (v) the District has made and will continue to make all required filings with the Office of the Comptroller of Public Accounts and other governmental entities concerning the Reinvestment Zone and this Agreement.

- C. Owner represents and agrees that if it builds the Improvements and if the COD occurs, the Project will (i) add at least Five Hundred Thousand Dollars (\$500,000.00) to the tax roll of Eligible Property, (ii) create one (1) new, permanent, full-time job, consisting of full-time employees of Owner, its contractors or their respective Affiliates who perform duties primarily related to the operation of the Project in the District, and without regard to whether such employees are newly hired or are existing employees who have been transferred from other duties to operate the Project, (iii) make a commercially reasonable effort to ensure the Project leads to a positive net economic benefit to the District of at least One Million Dollars (\$1,000,000.00) over the life of this Agreement, computed to include (but not limited to) new sustaining payroll and/or capital improvement, and (iv) not solely or primarily have the effect of transferring employment from one part of the District to another.

#### **VI. Access to and Inspection of Property by District Employees**

- A. Owner shall allow the District's employees access to the Improvements for the purpose of inspecting any Improvements erected to ensure that the same are conforming to the minimum specifications of this Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving Owner forty-eight (48) hours' notice and shall be conducted in such a manner as to avoid any unreasonable interference with the construction and/or operation of the Improvements. All such inspections shall be made with one (1) or more representatives of Owner in accordance with all applicable safety standards.
- B. Owner shall, on or before March 31 of each Calendar Year starting with the first Calendar Year beginning after Owner delivers the Certificate, certify annually to the District its compliance with this Agreement by providing written testament to the same to the District Judge using the form attached hereto as Attachment C.

#### **VII. Default, Remedies and Limitation of Liability**

- A. The District may declare a default if Owner breaches any material term or condition of this Agreement or any Related Agreement. If the District declares a default of this Agreement or any Related Agreement, this Agreement shall terminate, after notice and opportunity to cure as provided for below, or the District may modify this Agreement upon mutual agreement with Owner. If Owner believes that such termination was improper, Owner may file suit in the proper court challenging such termination. In the event of default, the District may pursue the remedies provided for in Section VII(C) below or the preceding Section IV(E), as applicable. The District shall not declare a default, and no default will be deemed to have occurred, when the circumstances giving rise to such declaration are the result of Force Majeure. Notwithstanding any other provision of this Agreement to the contrary, in the event a party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Agreement (other than any obligation to make payment of any amount when due and payable hereunder), the obligation of such party, so far as it is affected by such Force Majeure, shall be suspended during the continuance of any condition or event of Force Majeure, but for no longer period, and such condition or event shall so far as possible be remedied with all reasonable dispatch. The party prevented or hindered from performing shall give

- prompt (but in no event later than twenty (20) business days after it becomes aware of the occurrence of such event) notice and reasonably full particulars of such event to the other party and shall take all reasonable actions within its power to remove the basis for nonperformance (including securing alternative supply sources that in the exercise of reasonable discretion are suitable replacements in quality and price) and after doing so shall resume performance as soon as reasonably possible. The settlement of strikes or lockouts or resolution of differences with workers shall be entirely within the discretion of the affected party, and the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes, lockouts or differences by acceding to the demands of the opposing party in such strike, lockout or difference when such course is inadvisable in the reasonably exercised discretion of the affected party.
- B. The District shall notify Owner and any Lender for which Owner has provided contact information to the District of any default in writing in the manner prescribed herein. All contact information for purposes of a notice of default shall be provided to the District Judge. The notice shall specify the basis for the declaration of default, and Owner shall have sixty (60) days from the date of such notice to cure any default, except that where the default is incapable of being cured within sixty (60) days using reasonable business efforts, Owner shall commence performance of the cure within thirty (30) days after receipt of notice and diligently pursue those efforts until the default is cured. Any Lender of which the District has notice shall maintain the right to cure any default, including any default caused by an assignee or contractor of Owner during the same cure period identified in the foregoing sentence.
- C. As required by section 312.205 of the Texas Tax Code, if Owner fails to make the Improvements as provided for by this Agreement, subject to the above provisions regarding notice and right to cure, the District shall be entitled to cancel this Agreement and recapture property tax revenue lost as a result of this Agreement, with interest accrued at the Prime Rate as of January 1 of each year and no penalty. In the event of any other Default by Owner, subject to the above provisions regarding notice and right to cure, the District shall be entitled to cancel this Agreement and recapture property tax revenue lost as a result of this Agreement, with interest accrued at the Prime Rate as of January 1 of each year and no penalty.
- D. LIMITATION OF LIABILITY: CANCELLATION OF THIS AGREEMENT (RESULTING IN A FORFEITURE OF ANY RIGHT TO ABATEMENT HEREUNDER BEYOND THE CANCELLATION DATE), RECAPTURE OF PROPERTY TAXES ABATED (BUT LESS ALL PAYMENTS IN LIEU OF TAXES PAID BY OWNER) ONLY AS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED IN SECTION VII(C) OF THIS AGREEMENT, AND/OR RECOVERY OF THE AMOUNTS PROVIDED FOR IN SECTION IV(E) ONLY AS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED IN SECTION IV(E), ALONG WITH ANY REASONABLY INCURRED COSTS AND FEES, SHALL BE THE DISTRICT'S SOLE REMEDY, AND OWNER'S SOLE LIABILITY, IN THE EVENT OWNER FAILS TO MAKE THE SPECIFIED IMPROVEMENTS OR TAKE OTHER ACTION REQUIRED BY THIS AGREEMENT, INCLUDING ANY FAILURE TO PAY AMOUNTS OWED

UNDER THIS AGREEMENT. OWNER AND THE DISTRICT AGREE THAT THE LIMITATIONS CONTAINED IN THIS PARAGRAPH ARE REASONABLE AND REFLECT THE BARGAINED FOR RISK ALLOCATION AGREED TO BY THE PARTIES. IN THE EVENT OF A BREACH OF THIS AGREEMENT, ANY AMOUNTS DUE FROM OWNER SHALL BE SUBJECT TO ANY AND ALL STATUTORY RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE.

- E. Any notice of default under this Agreement shall prominently state the following at the top of the notice:

#### NOTICE OF DEFAULT UNDER TAX ABATEMENT AGREEMENT

YOU ARE HEREBY NOTIFIED OF THE FOLLOWING DEFAULT UNDER YOUR TAX ABATEMENT AGREEMENT WITH THE DISTRICT. FAILURE TO CURE THIS DEFAULT WITHIN SIXTY (60) DAYS OF NOTICE OR OTHERWISE CURE THE DEFAULT AS PROVIDED BY THIS AGREEMENT SHALL RESULT IN TERMINATION OF THE TAX ABATEMENT AGREEMENT AND MAY INCLUDE RECAPTURE OF TAXES ABATED PURSUANT TO THAT AGREEMENT.

### **VIII. Compliance with State and Local Regulations**

Nothing in this Agreement shall be construed to alter or affect the obligations of Owner to comply with any order, rule, statute or regulation of the District or the State of Texas.

### **IX. Assignment of Agreement**

- A. The rights and responsibilities of Owner hereunder may be assigned in their entirety to an Affiliate without District's prior consent. Owner shall provide notice to the District of any assignment to an Affiliate. Owner's assignment of the Agreement to an Affiliate shall be final only after the execution of a formal assignment document between Owner and the assignee and the delivery of notice of the execution of such assignment agreement to the District.
- B. The rights and responsibilities of Owner hereunder may be assigned in part to an Affiliate without District's prior consent provided that the Affiliate is added as a party to this Agreement and the Owner and Affiliate are jointly and severally liable hereunder. Owner shall provide notice to the District of any partial assignment to an Affiliate. Owner's partial assignment of the Agreement to an Affiliate shall be final only after the execution of a formal assignment document between Owner and the assignee and the delivery of notice of the execution of such assignment agreement to the District.
- C. The rights and responsibilities of Owner hereunder may be assigned in their entirety to a party other than an Affiliate, but only after obtaining the District's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Any assignment by Owner to a party other than an Affiliate without first obtaining the

written consent of the District shall be a default under this Agreement subject to the notice provisions, cure provisions, remedies, and other terms and conditions of Article VII above. Owner shall give the District no less than forty-five (45) days' written notice of any intended assignment to a party other than an Affiliate, and the District shall respond with its consent or refusal within thirty-five (35) days after receipt of Owner's notice of assignment. If the District responds to Owner's notice of assignment with a refusal, the parties agree to work together expeditiously and in good faith to resolve the District's objections to the assignment. Owner's assignment of the Agreement shall be final only after the execution of a formal assignment document between Owner and the assignee and the delivery of notice of the execution of such assignment agreement to the District. Neither Owner's notice of an intended assignment nor the District's formal consent to an intended assignment shall constitute an assignment of the Agreement, and Owner's request for a consent to assignment shall not obligate Owner to assign the Agreement. Owner's assignment of the Agreement to a party other than an Affiliate shall be final only after the execution of a formal assignment document between Owner and the assignee and the delivery of notice of the execution of such assignment agreement to the District.

- D. No assignment under Paragraph IX(A), IX(B), or IX(C) shall be allowed if (a) the District has declared a default hereunder that has not been cured within all applicable notice and cure periods, or (b) the assignee is delinquent in the payment of ad valorem taxes owed to the District or any other taxing jurisdiction in the District. Consent to a transfer or assignment requested under Paragraph IX(C) will be subject to the District approving the financial capacity of the transferee/assignee and subject to all conditions and obligations in this Agreement being assumed and guaranteed by the transferee/assignee. The District shall not unreasonably withhold consent to a transfer or an assignment under Paragraph IX(C). The transfer or assignment shall be presumed to be reasonable where the proposed transferee/assignee demonstrates to the District its financial capacity to meet the terms of this Agreement, agrees to be bound by all conditions and obligations stated herein, and is not in default under any other agreement with the District.
- E. The parties agree that a transfer of all or a portion of the ownership interests in Owner to an Affiliate or third party shall not be considered an assignment under the terms of this Agreement and shall not require any consent of the District.
- F. Upon any assignment and assumption under Paragraph IX(A) or IX(C) of Owner's entire interest in the Agreement, Owner shall have no further rights, duties or obligations under the Agreement. No partial assignments except as provided for in Paragraph IX(B) are permitted by Owner.
- G. In addition to its rights under Paragraph IX(A), IX(B), and IX(C), Owner may, without obtaining the District's consent, mortgage, pledge, or otherwise encumber its interest in this Agreement or the Project to a Lender for the purpose of financing the operations of the Project, constructing the Project or acquiring additional equipment following any initial phase of construction, or for other business purposes. Owner's encumbering its interest in this Agreement may include an assignment of Owner's rights and obligations under this Agreement for purposes of granting a security interest in this Agreement. In

the event Owner takes any of the actions permitted by this subparagraph, it may provide written notice of such action to the District with such notice to include the name and notice information of the Lender. If Owner provides the name and contact information of a Lender to the District, then the District shall be required to provide a copy to such Lender of all Notices delivered to Owner, or of specified types of Notices as designated by Owner, at the same time that the Notice is delivered to Owner. If Owner does not provide the name and contact information of a Lender to the District in writing, then such Lender shall not have the notice rights or other rights of a Lender under this Agreement.

## **X. Notice**

All notices, demands, or other communications of any type (collectively, “**Notices**” and each individually, a “**Notice**”) given shall be given in accordance with this Section. All Notices shall be in writing and delivered, by commercial delivery service to the office of the person to whom the Notice is directed (provided that that delivery is confirmed by the courier delivery service); by United States Postal Service (USPS), postage prepaid, as a registered or certified item, return receipt requested in a proper wrapper and with proper postage; by recognized overnight delivery service as evidenced by a bill of lading, or by facsimile transmission. Notices delivered by commercial delivery service shall be deemed delivered on receipt or refusal; Notices delivered by USPS shall be deemed to have been given upon deposit with the same; facsimile Notice shall be effective upon receipt by the sender of an electronic confirmation. Regardless of the method of delivery, in no case shall Notice be deemed delivered later than actual receipt. In the event of a notice of default given pursuant to Article VII, such Notice shall be given by at least two (2) methods of delivery and consistent with Section VII(E). All Notices shall be mailed or delivered to the following addresses:

To Owner:

Somerton Plaza Partners, LLC  
3859 Van Ness Ln  
Suite 101  
Dallas, Texas 75220

To the District:

Moore County Hospital District  
Attn: CEO  
224 E. 2<sup>nd</sup> St.  
Dumas, Texas 79029

Any party may designate a different address by giving the other party at least ten (10) days written notice in the manner prescribed above.

## **XI. Severability**

In the event any section or other part of this Agreement is held invalid, illegal, factually insufficient, unconstitutional or otherwise unenforceable, 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, illegal, factually insufficient, unconstitutional or otherwise unenforceable section(s) or

other part(s). In the event that (i) the term of the Abatement with respect to any property is longer than allowed by law or (ii) the Abatement applies to a broader classification of property than is allowed by law, then the Abatement shall be valid with respect to the classification of property not deemed overly broad, and for the portion of the term of the Abatement not deemed excessive. Any provision required by the Tax Code to be contained herein that does not appear herein is incorporated herein by reference.

## **XII. Applicable Law and Venue**

This Agreement shall be construed under and governed by the laws of the State of Texas. This Agreement, in its entirety, shall be performable in Moore County, Texas. As part of the consideration for entering into this Agreement, both the District and Owner agree that any litigation to construe or enforce the terms or conditions of this Agreement shall be brought solely in the state or federal district courts having jurisdiction in Moore County, Texas.

## **XIII. Amendment**

Except as otherwise provided, this Agreement may be modified by the parties hereto upon mutual written consent to include other provisions which could have originally been included in this Agreement or to delete provisions that were not originally necessary to this Agreement pursuant to the procedures set forth in Chapter 312 of the Texas Tax Code.

## **XIV. Guidelines and Criteria**

This Agreement is entered into by the parties consistent with the Guidelines. To the extent this Agreement modifies any requirement or procedure set forth in the Guidelines, the Guidelines are deemed amended for purposes of this Agreement only, and in the event of any conflict between this Agreement and the Guidelines the terms of this Agreement shall control.

## **XV. Entire Agreement**

This Agreement contains the entire and integrated Tax Abatement Agreement between the District and Owner, and supersedes any and all other negotiations and agreements, whether written or oral, between the parties. This Agreement has not been executed in reliance upon any representation or promise except those contained herein.

## **XVI. Coordination of Local Hiring and Services**

- A. Owner shall use reasonable commercial efforts to maximize its use of County labor and services and supplies purchased from County businesses in the course of performing under this Agreement, as is further described in the Local Spending and Support Plan attached to this Agreement as Attachment B.
- B. For every year during the Term after the COD, Owner, its contractors, and their respective affiliates, or tenants of Owner will collectively employ at least five (5) full-time Project employees at the Site:



- C. Upon request by Owner, District shall provide a written statement certifying that Owner is then in compliance (or has fully complied) with the Local Spending and Support Plan; if District cannot make such statement, District will provide an explanation to Owner of its determination.

## **XVII. Indemnity**

Owner agrees to indemnify, defend, and hold the District, each of its elected officials, all of its servants, agents, and employees, any person or legal entity designated by the District to perform any function required under the Guidelines, under the tax abatement application, or by the terms of this Agreement, and the Appraisal District, its officers, directors, servants, agents and employees (collectively, the “**Indemnitees**”) harmless from any and all claims, demands, liabilities, losses, costs, actions, causes of action, and attorneys’ fees incurred by or alleged against the Indemnitees arising from or in any way relating to the tax abatement application, the terms, covenants, and conditions contained in this Agreement, and the actions contemplated by this Agreement.

## **XVIII. Estoppel Certificates.**

Each party on written request from the other party shall provide an estoppel certificate that shall certify, as of the date of the certificate: (i) that this Agreement is in full force and effect without default if such is the case, (ii) the remaining term of this Agreement, and (iii) such other matters as may be agreed upon by the parties, a party’s consent to inclusion of other matters not to be unreasonably withheld. A party shall provide the estoppel certificate or an explanation of why the party is not willing to provide the certificate within thirty (30) days of receiving a request.

## **XIX. Employment of Undocumented Workers.**

During the term of this Agreement, Owner agrees not to knowingly employ any undocumented workers as defined in Section 2264.001 of the Texas Government Code. If Owner is convicted after exhaustion of all rights of appeal of a violation under 8 U.S.C. §1324a(f), Owner shall repay the amount of the abatements and any other funds actually then received by Owner from the City as of the date of such violation, not later than one hundred and twenty (120) days after the date Owner is notified by the City of a violation of this section, plus interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the City) as its prime or base commercial lending rate. The payment of interest shall be as if it had been accruing from the dates the abatements were granted to Owner until the date the amount due is repaid to the City.

## **XX. Reimbursement of Expenses**

Within thirty (30) days of the date of receipt of an invoice, Owner agrees to reimburse the County for or pay directly to the District’s attorneys, as applicable, the reasonable and necessary attorney’s fees and expenses incurred, directly or indirectly, by the District in

connection with the negotiation and formalization of the Abatement and this Agreement in an amount not to exceed Five Thousand Dollars (\$5,000.00).

**XXI. No Boycott.**

In accordance with Section 2270.002 of the Texas Government Code (as added by Tex. H.B. 89, 85th Leg., R.S. (2017)), Owner verifies that it does not boycott Israel and will not boycott Israel during the term of this Agreement.

**XXII. Not a Listed Company.**

In accordance with Section 2252.152 of the Texas Government Code (as added by Tex. S. B. 252, 85th Leg., R.S. (2017)), the Parties covenant and agree that Owner is not on a list maintained by the State Comptroller's office prepared and maintained pursuant to Section 806.051, 807.051, or 2252.153 of the Texas Government Code.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the District as authorized by the District and executed by Owner on the respective dates shown below and is effective on the Effective Date.

*(remainder of page intentionally left blank)*

ATTEST/SEAL:

**MOORE COUNTY HOSPITAL DISTRICT**

Date: November 20, 2024

\_\_\_\_\_  
Mr. John Frantz, Chairman

\_\_\_\_\_  
Dr. Carmen Purl, Member

\_\_\_\_\_  
Ms. Stacey Grall, Vice Chairman

\_\_\_\_\_  
Mr. Shannon Gillespie, Member

\_\_\_\_\_  
Mr. Russell Fangman, Secretary

\_\_\_\_\_  
Mr. Ben Maples, Member

\_\_\_\_\_  
Mr. Tom Moore, Member

Attest:

\_\_\_\_\_

SOMERTON PLAZA PARTNERS, LLC

Date: \_\_\_\_\_

a Texas limited liability company

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

## **Attachment A**

Attached is a copy of the Ordinance establishing the Reinvestment Zone, passed on second reading on November 19, 2024, by the City Commission and referred to as the Somerton Plaza Reinvestment Zone.

*[insert Ordinance]*

# **EXHIBIT A**

## **LEGAL DESCRIPTION AND MAP OF SOMERTON PLAZA REINVESTMENT ZONE**

The proposed Somerton Plaza Reinvestment Zone is comprised of the following described real property located in the City of Dumas, Texas. In the event of discrepancy between this Exhibit "A" and the attached map, this legal description shall control.

### TRACT 1

A 0.92 acre tract of land being that same 0.92 acre tract of land described as Tract 1 in that certain Warranty Deed recorded in Volume 560, Page 255 of the Official Public Records of Moore County, Texas, situated in Section 268, Block 44, H.&T.C. Ry. Co. Survey, Moore County, Texas, said 0.92 acre tract of land having been surveyed on the ground by Geospatial Data, Inc. on July 24 & 26, 2024, and being further described by metes and bounds as follows:

Commencing at the intersection of the west right-of-way line of U.S. Highway No. 287 as described in that certain instrument recorded in Volume 49, Page 455 of Deed Records of Moore County, Texas, and the north right-of-way line of U.S. Highway No. 87 as described in that certain instrument recorded in Volume 56, Page 81 of the Deed Records of Moore County, Texas, and being the southeast corner of J.M. Crabb 10.00 acre tract;

Thence N. 00° 14' 50" E., 199.76 feet, along the west right-of-way line of said U.S. Highway No. 287 to a drill hole in a concrete curb, found at the southeast and BEGINNING CORNER of this tract of land and the northeast corner of a 30,000 square foot tract of land described as Tract 6 in that certain Warranty Deed recorded in Volume 672, Page 480 of the Official Public Records of Moore County, Texas;

Thence N. 89° 33' 06" W., (Directional Control WGS84), 149.77 feet along the north line of said 30,000 square foot tract of land to a railroad spike, found at the southwest corner of this tract of land;

Thence N. 00° 25' 25" E., 267.68 to a ½ inch iron rod with aluminum cap stamped "FURMAN PLS 1959-RPLS 5374-RPLS 5759", found at the northwest corner of this tract of land and the southwest corner of Lot 1, Block 5 of Blaylock Addition Unit No. 2 an addition to the City of Dumas according to the recorded map or plat thereof, of record in Plat Cabinet 1 Sleeve A113 of the Plat Records of Moore County, Texas;

Thence S. 89° 37' 27" E., 150.00 feet to ½ inch iron rod, found at the northeast corner of this tract of land and the southeast corner of said Lot 1;

Thence S. 00° 28' 22" W., 267.87 feet along the west right-of-way line of said U.S. Highway No. 287 to the POINT OF BEGINNING.

### TRACT 2

A 4.97 acre tract of land being a portion of a 4.999 acre tract of land described as tract 2 in that certain Warranty Deed recorded in Volume 560, Page 255 of the Official Public

Records of Moore County, Texas, situated in Section 268, Block 44, H.&T.C. Ry. Co. Survey, Moore County, Texas, said 4.97 acre tract of land having been surveyed on the ground by Geospatial Data, Inc. on July 24 & 26, 2024, and being further described by metes and bounds as follows:

Commencing at the intersection of the west right-of-way line of U.S. Highway No. 287 as described in that certain instrument recorded in Volume 49, Page 455 of Deed Records of Moore County, Texas, and the north right-of-way line of U.S. Highway No. 87 as described in that certain instrument recorded in Volume 56, Page 81 of the Deed Records of Moore County, Texas, and being the southeast corner of J.M. Crabb 10.00 acre tract;

Thence N. 89° 38' 33" W., (Directional Control WGS84), 169.93 feet along the north right-of-way line of said U.S. Highway No. 87 to an "V" cut in concrete, set at the southeast and BEGINNING CORNER of this tract of land and the southeast corner of said 4.999 acre tract of land;

Thence N. 89° 38' 33" W., 198.05 feet along the north right-of-way line of said U.S. Highway No. 87 to an "X" cut in concrete, found at the most easterly corner of a 0.029 acre tract of land described in that certain instrument recorded in Volume 670, Page 391 of the Official Public Records of Moore County, Texas;

Thence N. 85° 09' 28" W., 182.37 feet along the north line of said 0.029 acre tract of land to a 3-1/4 inch aluminum cap, found at the southwest corner of this tract of land and the northwest corner of said 0.029 acre tract of land;

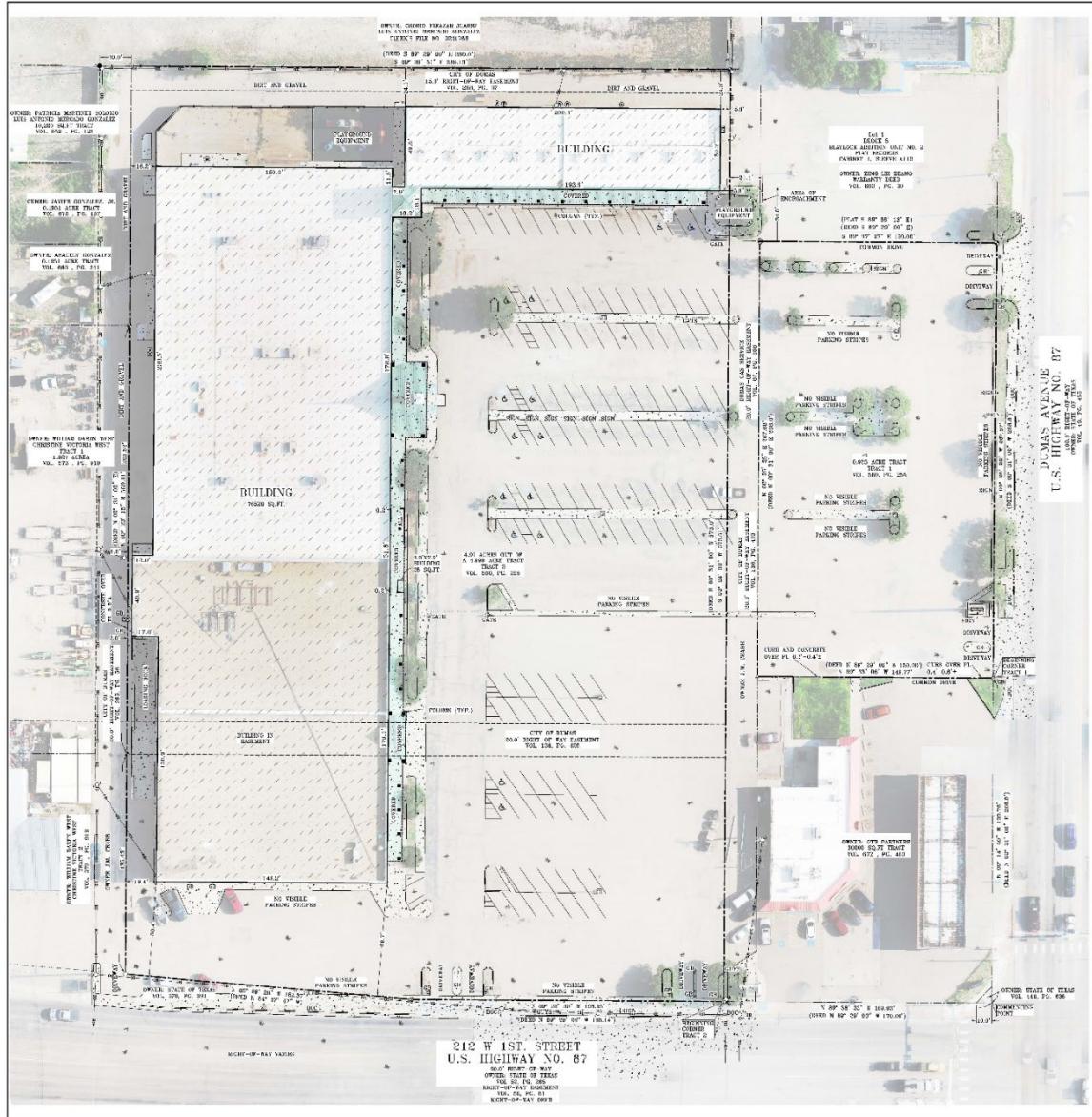
Thence N. 00° 23' 15" E., at 135.43 feet pass a 1/2 inch iron rod, found at the most southeast corner of a 1.027 acre tract of land described as Tract 1 that certain Warranty Deed recorded in Volume 573, Page 919 of the Official Public Records of Moore County, Texas at 398.95 feet pass a 1/2 inch iron rod, found at the northeast corner of said 1.027 acre tract of land a total distance of 559.11 feet along the east line of a 0.1951 acre tract of land described in that certain Warranty Deed recorded in Volume 660, Page 241 and the east line of another 0.1951 acre tract of land described in that certain Warranty Deed recorded in Volume 872, Page 407 and the east line of a 10,200 square foot tract of land described in that certain Warranty Deed recorded in Volume 852, Page 121 all of the Official Public Records of Moore County, Texas, to a 1/2 inch iron rod with a cap stamped "GDI-AMARILLO", set at the northwest corner of this tract of land and the northeast corner of said 10,200 square foot tract of land, from whence a 3/8 inch iron rod, found in reference bears N. 89° 38' 51" E., 20.00 feet;

Thence S. 89° 39' 51" E., 380.10 feet along the north line of said 4.999 acre tract of land to 1/2 inch iron rod, found at the northeast corner of this tract of land;

Thence S. 00° 24' 39" W., 573.51 feet along the east line of said 4.999 acre tract of land to the POINT OF BEGINNING.



**EXHIBIT A (CONTINUED)**  
**MAP OF**  
**SOMERTON PLAZA REINVESTMENT ZONE**



## Attachment B

### LOCAL SPENDING AND SUPPORT PLAN

- A. Owner will use commercially reasonable efforts to cause its prime contractor(s) and subcontractors where the value of the subcontract exceeds \$10,000 (a “**qualifying subcontract**”) to comply with the provisions below. Except where otherwise provided, the term “Owner” as used in this Attachment B shall include Owner, its prime contractor(s), and qualifying subcontractor(s).
- B. Owner shall make commercially reasonable efforts to purchase services, materials, and supplies from District resident individuals and businesses that maintain an office or operations in the District during the construction, operation, and maintenance of the Project, provided those services, materials, and supplies reasonably meet Owner’s needs and schedule. This provision shall not apply to services, materials, and supplies unique to the production, transmission, storage, and distribution of wind power, such as wind turbines, towers, and other related equipment, or the installation and maintenance thereof (collectively, “Specialized Items”).
- C. Owner shall make commercially reasonable efforts to employ qualified residents of the District to fill employment vacancies.
- D. For every year during the Term after the construction of the Improvements has been completed, Owner, its contractors and their respective Affiliates will collectively employ at least one (1) full time employee.
- E. Owner agrees that during the construction of the Project it shall submit reports to the District on a quarterly basis certifying its compliance with the requirements set forth in this Attachment B. Owner agrees that after completion of construction, during the Term of this Agreement, it shall submit reports to the District on an annual basis certifying its compliance with the requirements set forth in this Attachment B. Such reports must contain a description of the number of persons hired for full-time permanent positions and the efforts undertaken by Owner to recruit District residents. Similarly, the report should contain a description of contracts entered by Owner for the purchase of services, materials, and supplies for the Project other than Specialized Items and a description of the efforts undertaken by Owner to maximize use of services, materials, and supplies provided by District residents and businesses.
- F. Owner or its prime contractor(s) shall designate and identify to the District a Coordinator of Local Hiring and Services who shall act as a liaison between Owner and any individual or business residing in the District who is interested in obtaining information about: (1) employment on the Project, or (2) any commercial services, materials, supplies, or other items other than Specialized Items expected to be purchased by Owner over the course of the Project. The Coordinator of Local Hiring and Services will make reasonable efforts to respond to all inquiries in a meaningful and timely fashion. The Coordinator of Local Hiring and Services is not required to be located in the District.

## Attachment C

<b>Owner's Annual Reporting and Compliance Form</b>		
Pursuant to Section VI, B of the Agreement, this form shall be submitted by Owner to the District Judge on or before March 31 of each Calendar Year beginning with the first Calendar Year after Owner delivers the Certificate. To the extent that any of the provisions herein conflict with the provisions in the Agreement, the provisions of the Agreement shall control.		
<b>Provision and Description</b>	<b>Compliance Guidelines</b>	<b>Provision Complied With?</b>
		Yes (date complied with)/No/In Process (include explanation)
<u>Improvements and Reinvestment Zone</u> – Section III, A	Owner constructed the Improvements on the Site as set forth in Section III, A.	
<u>Improvements and Reinvestment Zone</u> - Section III, C	Owner commenced construction of the Improvements and completed construction as required by the timelines.	
<u>Representations</u> - Section V	<p>Owner has made all required filings with the Office of the Comptroller of Public Accountants and other governmental entities concerning the Agreement.</p> <p>Note: Any filings made during the course of the prior year by Owner which pertain to the Agreement should be listed here.</p>	
<u>Assignment</u> - Section IX	Describe any instances in which the Agreement was duly assigned or transferred in accordance with Section IX of the Agreement.	
<u>Local Spending Plan</u> – Attachment B, Section E	Throughout the Term of the Agreement, Owner exercised commercially reasonable efforts to maximize local hiring and purchasing as set forth in Attachment B to the Agreement.	
<u>Local Spending Plan</u> – Attachment B, Section F	For every year during the Term after the construction of the Improvements has been completed, Owner or its contractors or their respective affiliates have collectively employed at least the requisite number of full-time employees.	

<u>Local Spending Plan</u> – Attachment B, Section G	During construction of the Project, Owner provided to the District on a quarterly basis a written summary of its good faith and commercially reasonable efforts to comply with the requirements set forth in the Local Spending and Support Plan in the form required by Attachment B to the Agreement. After completion of construction of the Project, during the Term of the Agreement, Owner provided to the District on an annual basis a written summary of its good faith and commercially reasonable efforts to comply with the requirements set forth in the Local Spending and Support Plan in the form required by Attachment B to the Agreement.	
<u>Local Spending Plan</u> – Attachment B, Section H	Owner or its prime contractor(s) designated a Coordinator of Local Hiring Services who acted as a liaison to residents of the District.	

STATEMENT REGARDING EMPLOYMENT/BUSINESS RELATIONSHIP WITH  
OR SUBSTANTIAL INTEREST IN A BUSINESS ENTITY OR REAL PROPERTY

STATE OF TEXAS

COUNTY OF MOORE

I, Ben Maples, as a local public official of Moore County Hospital District ("District"), make the following statement regarding Somerton Plaza Partners, LLC, a Texas limited liability company, which has applied for or is subject to a Chapter 312 Tax Abatement Agreement with the County.

I hereby affirm that (*select one*):

- ☐ neither I nor any person(s) related to me in the first degree, has an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property.

or

- ☐ \_\_\_\_\_ (*"I" or name of relative and relationship*) (have/has) an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property, and I will file, or have filed, the appropriate disclosure forms, as applicable and as required by Texas Local Government Code, Chapters 171 and/or 176.

Dated: \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

STATEMENT REGARDING EMPLOYMENT/BUSINESS RELATIONSHIP WITH  
OR SUBSTANTIAL INTEREST IN A BUSINESS ENTITY OR REAL PROPERTY

STATE OF TEXAS

COUNTY OF MOORE

I, Carmen Purl, M.D., as a local public official of Moore County Hospital District ("District"), make the following statement regarding Somerton Plaza Partners, LLC, a Texas limited liability company, which has applied for or is subject to a Chapter 312 Tax Abatement Agreement with the County.

I hereby affirm that (*select one*):

- ☐ neither I nor any person(s) related to me in the first degree, has an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property.

or

- ☐ \_\_\_\_\_ (*"I" or name of relative and relationship*) (have/has) an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property, and I will file, or have filed, the appropriate disclosure forms, as applicable and as required by Texas Local Government Code, Chapters 171 and/or 176.

Dated: \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

STATEMENT REGARDING EMPLOYMENT/BUSINESS RELATIONSHIP WITH  
OR SUBSTANTIAL INTEREST IN A BUSINESS ENTITY OR REAL PROPERTY

STATE OF TEXAS

COUNTY OF MOORE

I, John Frantz, as a local public official of Moore County Hospital District ("District"), make the following statement regarding Somerton Plaza Partners, LLC, a Texas limited liability company, which has applied for or is subject to a Chapter 312 Tax Abatement Agreement with the County.

I hereby affirm that (*select one*):

- ☐ neither I nor any person(s) related to me in the first degree, has an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property.

or

- ☐ \_\_\_\_\_ (*"I" or name of relative and relationship*) (have/has) an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property, and I will file, or have filed, the appropriate disclosure forms, as applicable and as required by Texas Local Government Code, Chapters 171 and/or 176.

Dated: \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_



STATEMENT REGARDING EMPLOYMENT/BUSINESS RELATIONSHIP WITH  
OR SUBSTANTIAL INTEREST IN A BUSINESS ENTITY OR REAL PROPERTY

STATE OF TEXAS

COUNTY OF MOORE

I, Russell Fangman, as a local public official of Moore County Hospital District ("District"), make the following statement regarding Somerton Plaza Partners, LLC, a Texas limited liability company, which has applied for or is subject to a Chapter 312 Tax Abatement Agreement with the County.

I hereby affirm that (*select one*):

- ☐ neither I nor any person(s) related to me in the first degree, has an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property.

or

- ☐ \_\_\_\_\_ (*"I" or name of relative and relationship*) (have/has) an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property, and I will file, or have filed, the appropriate disclosure forms, as applicable and as required by Texas Local Government Code, Chapters 171 and/or 176.

Dated: \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

STATEMENT REGARDING EMPLOYMENT/BUSINESS RELATIONSHIP WITH  
OR SUBSTANTIAL INTEREST IN A BUSINESS ENTITY OR REAL PROPERTY

STATE OF TEXAS

COUNTY OF MOORE

I, Shannon Gillespie, as a local public official of Moore County Hospital District ("District"), make the following statement regarding Somerton Plaza Partners, LLC, a Texas limited liability company, which has applied for or is subject to a Chapter 312 Tax Abatement Agreement with the County.

I hereby affirm that (*select one*):

- ☐ neither I nor any person(s) related to me in the first degree, has an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property.

or

- ☐ \_\_\_\_\_ (*"I" or name of relative and relationship*) (have/has) an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property, and I will file, or have filed, the appropriate disclosure forms, as applicable and as required by Texas Local Government Code, Chapters 171 and/or 176.

Dated: \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

STATEMENT REGARDING EMPLOYMENT/BUSINESS RELATIONSHIP WITH  
OR SUBSTANTIAL INTEREST IN A BUSINESS ENTITY OR REAL PROPERTY

STATE OF TEXAS

COUNTY OF MOORE

I, Stacey Grall, as a local public official of Moore County Hospital District ("District"), make the following statement regarding Somerton Plaza Partners, LLC, a Texas limited liability company, which has applied for or is subject to a Chapter 312 Tax Abatement Agreement with the County.

I hereby affirm that (*select one*):

- ☐ neither I nor any person(s) related to me in the first degree, has an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property.

or

- ☐ \_\_\_\_\_ (*"I" or name of relative and relationship*) (have/has) an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property, and I will file, or have filed, the appropriate disclosure forms, as applicable and as required by Texas Local Government Code, Chapters 171 and/or 176.

Dated: \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

STATEMENT REGARDING EMPLOYMENT/BUSINESS RELATIONSHIP WITH  
OR SUBSTANTIAL INTEREST IN A BUSINESS ENTITY OR REAL PROPERTY

STATE OF TEXAS

COUNTY OF MOORE

I, Tom Moore, as a local public official of Moore County Hospital District ("District"), make the following statement regarding Somerton Plaza Partners, LLC, a Texas limited liability company, which has applied for or is subject to a Chapter 312 Tax Abatement Agreement with the County.

I hereby affirm that (*select one*):

- ☐ neither I nor any person(s) related to me in the first degree, has an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property.

or

- ☐ \_\_\_\_\_ (*"I" or name of relative and relationship*) (have/has) an employment/business relationship with or a substantial interest in the above-noted business entity, or a known affiliate thereof, or real property, and I will file, or have filed, the appropriate disclosure forms, as applicable and as required by Texas Local Government Code, Chapters 171 and/or 176.

Dated: \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_