

Summit Racing (Business Personal Property)

Location: 2200 E IH 20

Property Owner: Autosales, Inc (dba Summit Racing)

1200 Southeast Ave

Tallmadge, OH

About the Project

Big Zilla Development of Texas, LLC. constructed a 700,000 square foot facility to house distribution and warehouse space and a customer support center along with a retail component. Autosales, Incorporated (d/b/a Summit Racing), an affiliate of Big Zilla Development of Texas, will operate the facility and hire the employees. Total capital investment in real property and business personal property improvements is estimated to be \$82 million

Goals of the Project

Recruited business activity, job creation, property tax base enhancement

Current Status

This agreement is performing according to standards, and rebates are processed on an annual basis. Autosales qualified for and received hiring grants in FY18 and FY19 totaling \$100,000, the maximum allowed per the agreement.

Benefit to City

250+ jobs created; development of 700,000 square feet of distribution, retail and call center space to serve all of Texas and southwestern United States; sales tax generation from retail component; approximate 7-year benefit of \$284,672 in additional business personal property tax revenue;

Year Approved by Council	2016
Base Year	2016
Beginning Year	2018 (FY19)
Ending Year	2024 (FY25)
Duration	7 years
Base Year Value	\$ - BPP
Property Tax Account Number(s)	BPP accounts: 1441069, 14512292
Total Rebate Allowed	65%
Jobs Grant Duration	FY18-FY20
Total Estimated Investment by Company	\$ 82,000,000 (Summit Racing)

Criteria Evaluated	Owner must achieve Added Taxable Value detailed in the schedule below:	
	Tax Year 2019	\$ 18,655,000
	Tax Year 2020	\$ 18,937,000
	Tax Year 2021	\$ 18,344,000
	Tax Year 2022	\$ 17,943,000
	Tax Year 2023	\$ 17,513,000
	Tax Year 2024	\$ 17,146,000
	Tax Year 2025	\$ 16,979,000
	Do not fail to render any property for taxation	
	Always pay ad valorem tax levy on/before the due date each year	
Jobs Component	Do not knowingly employ undocumented workers	
	Employ at least 200 full time employees by 1/1/2018	
	Employ at least 50 additional full time employees by 1/1/2019 for a total of 250 and maintain for duration of agreement	
Incentives Allowed	Property Tax Component	Equivalent of 65% of BPP taxes collected by the City in the previous year on the Added Taxable Value of the Owner's furniture, fixtures, equipment, and inventory located on the Premises
	A grant shall be paid each year, beginning in 2018 and ending in 2020, based on the following:	
	\$1,000 for every Arlington resident hired and retained during the previous coverage period.	
	Jobs Component	Coverage Period 1: 10/1/2016-5/31/2018; Period 2: 6/1/2018-5/31/2019; Period 3: 6/1/2019-5/31/2020
	Not to exceed \$100,000	

Year	Appraised Value	Percentage of Total Value Rebated	Eligible Value	Rebated Levy	Total Jobs Reported	Average Salary	Rebate as % of Total Tax Liability	Total Paid to Owner	
2018 (FY19)	69,916,483	60%	42,206,993	174,154	269	\$ 32,677	16%	FY18 (Hiring grant only)	95,000
2019 (FY20)	80,467,414	53%	43,038,841	174,566	271	\$ 32,737	16%	FY19	179,154
2020 (FY21)	74,918,325	52%	39,230,727	158,737	295	\$ 33,758	16%	FY20	174,566
2021 (FY22)	73,252,105	51%	37,183,690	149,802	363	\$ 44,997	16%	FY21	158,737
2022 (FY23)	93,391,783	44%	41,221,571	160,711	341	\$ 46,632	16%	FY22	149,802
2023 (FY24)								FY23	160,711
2024 (FY25)								FY24	
								FY25	
TOTAL				\$ 657,259				757,259	

Levy Paid by Taxing Entity

Year	City of Arlington (024)	Tarrant County (220)	Tarrant County Hospital District (224)	Tarrant County College District (225)	Arlington ISD (901)	Total Annual Tax Bill
2018 (FY19)	267,930	98,764	94,725	57,431	577,674	1,096,525
2019 (FY20)	268,562	100,711	96,592	56,024	558,933	1,080,821
2020 (FY21)	244,211	91,800	88,045	51,067	544,169	1,019,292
2021 (FY22)	230,465	85,151	83,451	48,402	505,996	953,464
2022 (FY23)	247,247	92,336	92,513	53,658	539,467	1,025,221
2023 (FY24)						
2024 (FY25)						
	\$ 1,258,415	\$ 468,762	\$ 455,326	\$ 266,581	\$ 2,726,239	\$ 5,175,323

Arlington Residents hiring grant

	# Arlington Resident New Hires	# Eligible for Grant	Rebate for Jobs
FY18	95	95	95,000
FY19	22	5*	5,000
FY20	n/a	n/a	-
Total (Max is \$100,000):			\$ 100,000

Resolution No. 16-184

A resolution authorizing the execution of a Chapter 380 Program Agreement for Economic Development Incentives by and between Autosales, Incorporated d/b/a Summit Racing and the City of Arlington, Texas relative to the location of an auto-parts distribution and retail sales center at the real property located at 2200 East Interstate Highway 20, formerly 2300, 2310, 2320, and 2330 East Interstate Highway 20, Arlington, Texas

- WHEREAS, CITY has found that providing a program consisting of a grant of funds to Autosales, Incorporated d/b/a Summit Racing (hereinafter referred to as "OWNER") in exchange for OWNER'S completion of the project proposed by OWNER will promote local economic development and stimulate business and commercial activity and create jobs within the City of Arlington (hereafter referred to as "PROGRAM"); and
- WHEREAS, CITY has determined that the PROGRAM will directly establish a public purpose and that all transactions involving the use of public funds and resources in the establishment and administration of the PROGRAM contain controls likely to ensure that the public purpose is accomplished; and
- WHEREAS, Chapter 380 of the Local Government Code provides statutory authority for establishing and administering the PROGRAM provided herein; and,
- WHEREAS, the Arlington City Council has elected to participate in economic development incentives in accordance with V.T.C.A. Local Government Code, Chapter 380, and has adopted policy statements, guidelines, criteria and procedures for evaluating and considering applications and agreements for such incentives; NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

II.

That the City Manager or his designee is authorized to execute a Chapter 380 Program Agreement for Economic Development Incentives with OWNER to provide certain economic incentives associated with the location of an auto-parts distribution and retail sales center at the real property located at 2200 East Interstate Highway 20, formerly 2300, 2310, 2320, and 2330 East Interstate Highway 20, Arlington, Texas.

III.

In authorizing the execution of and in executing the referenced agreement, the City of Arlington, Texas, through its City Council and City officials, hereby exercises a governmental function in accordance with but not limited to Section 101.0215 of the Texas Civil Practices and Remedies Code.

IV.

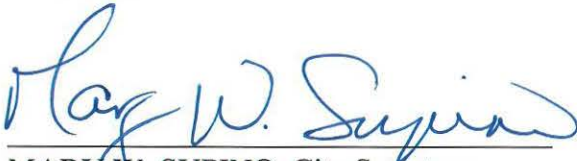
A substantial copy of the Chapter 380 Program Agreement for Economic Development Incentives is attached hereto as Exhibit "A" and incorporated herein for all intents and purposes.

PRESENTED AND PASSED on this the 23rd day of August, 2016, by a vote of 9 ayes and 0 nays at a regular meeting of the City Council of the City of Arlington, Texas.



W. JEFF WILLIAMS, Mayor

ATTEST:



MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:
TERIS SOLIS, City Attorney

BY

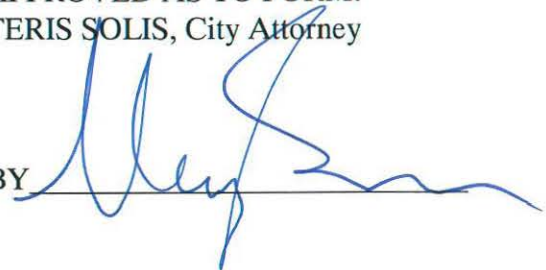


Exhibit “A”

Exhibit "A"

PREMISES DESCRIPTION

BEING FOUR TRACTS OF LAND LOCATED IN THE JOSIAH O'DANIEL SURVEY, ABSTRACT NO. 1186, TARRANT COUNTY, TEXAS, BEING ALL OF A TRACT OF LAND DESCRIBED IN A DEED TO ARLINGTON INDEPENDENT SCHOOL DISTRICT RECORDED IN VOLUME 12516, PAGE 2286, DEED RECORDS, TARRANT COUNTY, TEXAS (D.R.T.C.T.), A PORTION OF A TRACT OF LAND DESCRIBED IN A DEED TO I-20, A JOINT VENTURE, VOLUME 5074, PAGE 470, D.R.T.C.T., A PORTION OF A TRACT OF LAND DESCRIBED IN A DEED TO I-20, A JOINT VENTURE RECORDED IN VOLUME 5073, PAGE, 400, D.R.T.C.T., AND A PORTION OF A TRACT OF LAND DESCRIBED IN A DEED TO PEYCO FAMILY, LTD., RECORDED IN VOLUME 10897, PAGE 2138, D.R.T.C.T., AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1" IRON ROD FOUND (BENT) AT THE INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 20 (A VARIABLE WIDTH RIGHT-OF-WAY), WITH THE EAST RIGHT-OF-WAY LINE OF SHERRY STREET (A VARIABLE WIDTH RIGHT-OF-WAY), BEING THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO I-20, A JOINT VENTURE, RECORDED IN VOLUME 5073, PAGE 400, (D.R.T.C.T.);

THENCE ALONG THE SOUTH RIGHT-OF-WAY LINE OF SAID INTERSTATE 20 AS FOLLOWS:

(1) SOUTH 89°53'51" EAST, ALONG THE NORTH LINE OF SAID I-20 TRACT, A DISTANCE OF 559.09 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "COOMBS PLS 5294", SAID IRON ROD BEING THE NORTHEAST CORNER OF SAID I-20 TRACT, AND THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO PEYCO FAMILY, LTD., RECORDED IN VOLUME 10897, PAGE 2138, D.R.T.C.T., FROM WHICH A 5/8" IRON ROD FOUND BEARS SOUTH 00°28' EAST, 1.0 FEET;

(2) SOUTH 89°53'51" EAST, ALONG THE NORTH LINE OF SAID PEYCO FAMILY TRACT, A DISTANCE OF 32.14 FEET (CALLED 34.94 FEET), TO A TxDOT MONUMENT WITH ALUMINUM CAP FOUND, FROM WHICH A 5/8" IRON ROD FOUND BEARS SOUTH 24°30' EAST, 1.1 FEET, SAID TxDOT MONUMENT BEING THE BEGINNING OF A CURVE TO THE RIGHT;

(3) SOUTH 87°37'01" EAST, ALONG THE NORTH LINE OF SAID PEYCO FAMILY TRACT, A DISTANCE OF 105.64 FEET (CALLED 105.84 FEET) TO A 1/2" IRON ROD IN CONCRETE FOUND;

(4) SOUTHEASTERLY, AT AN ARC LENGTH OF 327.75 FEET (CALLED 327.30 FEET), PASSING A 1/2" IRON ROD FOUND WITH A CAP STAMPED "COOMBS PLS 5294", SAID IRON ROD BEING THE NORTHEAST CORNER OF SAID PEYCO FAMILY TRACT, AND THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO ARLINGTON INDEPENDENT SCHOOL DISTRICT RECORDED IN VOLUME 12516, PAGE 2286, D.R.T.C.T., FROM WHICH A 1" IRON ROD FOUND BEARS SOUTH 26°37' EAST, 0.6' FEET, AND CONTINUING ALONG THE NORTH LINE OF SAID ARLINGTON INDEPENDENT SCHOOL DISTRICT TRACT IN ALL A TOTAL DISTANCE OF 429.37 FEET, ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 2844.79 FEET, A DELTA ANGLE OF 08°38'52", AND A CHORD BEARING OF SOUTH 83°30'14" EAST, 428.96 FEET, TO A TxDOT MONUMENT WITH ALUMINUM CAP FOUND, BEING THE NORTHEAST CORNER OF SAID ARLINGTON INDEPENDENT SCHOOL DISTRICT TRACT AND BEING THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO I-20, A JOINT VENTURE RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T.;

(5) SOUTH 77°59'19" EAST, ALONG THE NORTH LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., A DISTANCE OF 149.65 FEET (CALLED 149.35 FEET), TO A TxDOT MONUMENT WITH ALUMINUM CAP FOUND;

(6) SOUTH 74°35'11" EAST, ALONG THE NORTH LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., A DISTANCE OF 103.43 FEET (CALLED 103.70 FEET), TO A 5/8" IRON ROD FOUND;

(7) SOUTH 73°25'17" EAST, ALONG THE NORTH LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., A DISTANCE OF 52.52 FEET (CALLED 52.40 FEET), TO A 1/2" IRON ROD FOUND;

(8) SOUTH 72°53'31" EAST, ALONG THE NORTH LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., A DISTANCE OF 86.68 FEET (CALLED 86.80 FEET), TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "COOMBS PLS 5294", SAID IRON ROD BEING THE MOST NORTHERLY NORTHEAST CORNER OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., AND THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO DOMONICO SEMINARA RECORDED IN VOLUME 17325, PAGE 251, D.R.D.C.T., FROM WHICH A 5/8" IRON ROD FOUND BEARS SOUTH 09°05' WEST, 0.7 FEET;

THENCE SOUTH 00°10'34" EAST, DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID INTERSTATE 20, AND ALONG THE EAST LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., AND THE WEST LINE OF SAID DOMONICO SEMINARA TRACT, A DISTANCE OF 663.66 FEET (CALLED 664.32 FEET), TO A 1/2" IRON PIPE FOUND, BEING THE SOUTHWEST CORNER OF SAID DOMONICO SEMINARA TRACT AND AN ELL CORNER OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T.;

THENCE NORTH 89°52'12" EAST, ALONG THE SOUTH LINE OF SAID DOMONICO SEMINARA TRACT, AND THE MOST EASTERLY NORTH LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T, A DISTANCE OF 156.52 (CALLED 156.00 FEET) TO 5/8" IRON ROD FOUND, BEING THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED TO SPECIALTY RESTAURANT EQUIPMENT CORPORATION RECORDED IN VOLUME 14036, PAGE 518, D.R.T.C.T., THE SOUTHEAST CORNER OF SAID DOMONICO SEMINARA TRACT, THE NORTHWEST CORNER OF LOT 1, J. O'DANIEL ADDITION, AN ADDITION TO THE CITY OF ARLINGTON, TARRANT COUNTY, TEXAS ACCORDING TO THE PLAT RECORDED IN CABINET A, SLIDE 5247, PLAT RECORDS, TARRANT COUNTY, TEXAS (P.R.T.C.T.) AND THE MOST EASTERLY NORTHEAST CORNER OF OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T;

THENCE SOUTH 00°25'16" EAST, ALONG THE WEST LINE OF SAID LOT 1, AND THE MOST SOUTHERLY EAST LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T A DISTANCE OF 471.72 FEET TO A 5/8" IRON ROD FOUND IN THE NORTH RIGHT-OF-WAY LINE OF BARDIN ROAD (A 120' WIDE RIGHT-OF-WAY), SAID IRON ROD BEING THE SOUTHWEST CORNER OF SAID LOT 1;

THENCE ALONG THE NORTH RIGHT-OF-WAY LINE OF BARDIN ROAD AS FOLLOWS:

(1) SOUTH 67°19'21" WEST, A DISTANCE OF 91.45 FEET TO A POINT, BEING THE BEGINNING OF A CURVE TO THE RIGHT, FROM WHICH A 5/8" IRON ROD FOUND BEARS SOUTH 38°03' EAST, 0.3 FEET;

(2) SOUTHWESTERLY, AN ARC DISTANCE OF 372.69, ALONG SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 940.00 FEET, A DELTA ANGLE 22°43'00", AND A CHORD OF BEARING SOUTH 78°40'50" WEST, 370.26 FEET, TO A 5/8" IRON ROD FOUND;

(3) NORTH 89°57'40" WEST, A DISTANCE OF 83.52 FEET (83.62 FEET) TO A 5/8" IRON ROD FOUND, BEING IN THE WEST LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., AND IN THE EAST LINE OF SAID PEYCO FAMILY TRACT;

(4) NORTH 89°57'40" WEST, A DISTANCE OF 562.94 FEET (CALLED 562.84 FEET), TO A 5/8" IRON ROD FOUND IN THE WEST LINE OF SAID PEYCO FAMILY TRACT AND THE EAST LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5073, PAGE 400, D.R.T.C.T.;

(5) NORTH 89°57'40" WEST, A DISTANCE OF 560.14 FEET (CALLED 558.98 FEET), TO A POINT AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF SAID BARDIN ROAD WITH THE EAST RIGHT-OF-WAY LINE OF SAID SHERRY STREET, FROM WHICH A 1/2" IRON ROD FOUND WITH A CAP STAMPED "PLS 4838" BEARS NORTH 80°13' EAST, A DISTANCE OF 1.4 FEET;

THENCE NORTH 00°25'18" WEST, ALONG THE EAST RIGHT-OF-WAY LINE OF SAID SHERRY STREET AND THE WEST LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5073, PAGE 400, D.R.T.C.T., A DISTANCE OF 1395.27 FEET TO THE PLACE OF BEGINNING AND CONTAINING 48.629 ACRES (2,118,270 SQUARE FEET) OF LAND, MORE OR LESS.

THE STATE OF TEXAS § **CHAPTER 380 PROGRAM AGREEMENT**
 § **FOR ECONOMIC DEVELOPMENT**
COUNTY OF TARRANT § **INCENTIVES**

THIS **CHAPTER 380 PROGRAM AGREEMENT FOR ECONOMIC DEVELOPMENT INCENTIVES** ("Agreement") is executed by and between **AUTOSALES, INCORPORATED d/b/a Summit Racing**, an entity authorized to do business in Texas, (hereafter referred to collectively as "OWNER"), and the **CITY OF ARLINGTON, TEXAS**, a home-rule city and municipal corporation of Tarrant County, Texas, acting by and through its City Manager or his designee, (hereafter referred to as "CITY").

WITNESSETH:

WHEREAS, CITY has found that providing a program consisting of a grant of funds to OWNER in exchange for OWNER's completion of the project proposed by OWNER will promote local economic development and stimulate business and commercial activity and create jobs within the City of Arlington (hereafter referred to as "PROGRAM"); and

WHEREAS, CITY has determined that the PROGRAM will directly establish a public purpose and that all transactions involving the use of public funds and resources in the establishment and administration of the PROGRAM contain controls likely to ensure that the public purpose is accomplished; and

WHEREAS, Chapter 380 of the Texas Local Government Code provides statutory authority for establishing and administering the program provided herein;
NOW THEREFORE,

The CITY and OWNER, for and in consideration of the mutual covenants and promises contained herein, do hereby agree, covenant and contract as set forth below:

I.
Definitions

- A. "Added Value" is defined as the taxable value of the Eligible Property located on the Premises above the Base Year Value, as determined by the Tarrant Appraisal District, on January 1 of the applicable tax year.
- B. "Base Year Value" is defined as the taxable value of the Eligible Property located on the Premises as of January 1, 2016, as determined by the Tarrant Appraisal District, which shall be \$0.00 for purposes of this Agreement.

- C. "Eligible Property" is defined as the taxable Business Personal Property Improvements delivered to, installed or located on the Premises, including: furniture, fixtures, equipment and inventory.
- D. "Full Time Employee" is defined as a permanent, full-time employment position that results in actual paid employment on the Premises of at least one thousand, eight hundred and twenty (1,820) hours per position in a year. Employment positions shall include OWNER's direct employees and related contractors or consultants, so long as the contractor or consultant's place of work is on the Premises as a result of the Project. It shall not include part-time employment.
- E. "Premises" are defined as the real property located at 2200 East Interstate Highway 20, formerly 2300, 2310, 2320, and 2330 East Interstate Highway 20, Arlington, Texas as described in **Exhibit "A."**

II.

Term

This Agreement shall be effective as of the date of execution by all parties. This Agreement will terminate on the date CITY makes to OWNER the seventh annual grant payment as detailed in Subsection V.A. below, unless sooner terminated in accordance with this Agreement.

III.

General Provisions

- A. The Premises are not in an improvement project financed by tax increment bonds.
- B. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of CITY.
- C. OWNER agrees to be bound, jointly and severally, to the CITY for the performance of any and all obligations under this Agreement

IV.

Improvement Conditions and Requirements

The payment of the incentives described in Section V below is subject to the following conditions:

- A. OWNER's location of an auto-parts distribution and retail sales center on the Premises must result in Added Value as detailed in the schedule below:

Measurement Date	Taxable Value
January 1, 2018	\$18,655,000
January 1, 2019	\$18,937,000
January 1, 2020	\$18,344,000
January 1, 2021	\$17,943,000
January 1, 2022	\$17,513,000
January 1, 2023	\$17,146,000
January 1, 2024	\$16,979,000

- B. OWNER shall employ a minimum of two hundred (200) Full Time Employees at the Premises by no later than January 1, 2018. OWNER shall employ a minimum of fifty (50) additional Full Time Employees at the Premises by no later than January 1, 2019, for a total of two hundred and fifty (250) Full Time Employees. OWNER shall maintain a minimum of two hundred and fifty (250) Full Time Employees at the Premises for the remaining term of this Agreement.
- C. OWNER shall not fail to render for taxation any property located within the City of Arlington.
- D. OWNER shall not allow the ad valorem taxes owed to CITY on any property owned by OWNER and located within the City of Arlington to become delinquent beyond the last day they can be paid without assessment of penalty, as such date is generally extended to allow for any appeal.
- E. OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker as that term is defined by section 2264.01(4) of the Texas Government Code. In accordance with section 2265.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. section 1324a(f), OWNER shall repay to the CITY the full amount of the grant payment(s) made under Section V of this Agreement, plus 10% per annum from the date the grant payment(s) was made. Repayment shall be paid within one hundred and twenty (120) days after the date OWNER receives notice of violation from the CITY.

V. Incentives

In exchange for OWNER's completion and compliance with the Conditions and Requirements set forth in Section IV above, CITY shall do the following:

- A. **Annual Grant.** For a period of seven (7) years, beginning in 2018 and ending in 2024, CITY agrees to pay to OWNER an annual grant payment calculated as follows:
 - 1. Each grant payment shall be determined annually based upon the following:

- a. An amount equal to 65% of the ad valorem taxes collected by CITY in the previous tax year for the Added Value of the OWNER's Eligible Property located on the Premises.
2. Each year OWNER must certify compliance by April 15 of payment in full of all ad valorem taxes due for the Eligible Property located at the Premises, subject to the right of protest. OWNER must also certify the number of Full Time Employees employed at the Premises for the preceding year.
3. Such grant payments will be paid by CITY to OWNER on or before June 1 of each year, beginning in June 2018 and ending in June 2024, provided the Conditions and Requirements contained in Section IV herein have been met.

B. **Arlington Hire Grant.** On an annual basis, beginning in 2018 and ending in 2020, CITY agrees to pay OWNER a grant payment calculated as provided below in Subsection V.B.1.

Agreement Year	Coverage Period	Certification Due	Payment No Later Than	CITY Fiscal Year
1	October 1, 2016 to May 31, 2018	July 1, 2018	September 1, 2018	FY18
2	June 1, 2018 to May 31, 2019	July 1, 2019	September 1, 2019	FY19
3	June 1, 2019 to May 31, 2020	July 1, 2020	September 1, 2020	FY20

1. Each grant payment shall be determined annually for each grant year and based upon the following:
 - a. \$1000 for every Arlington resident hired and retained as a Full Time Employee during the previous Agreement Year, as defined in the table above.
2. Certification for positions hired shall be prepared by OWNER by July 1 of each year. Certification shall be accompanied by an employment report generated by OWNER that documents the number of new hires for the previous agreement year and their residential address.
3. Such grant payments will be paid by CITY to OWNER on or before September 1 of each year, beginning in September 2018 and ending in September 2020, provided the Conditions and Requirements contained in Section IV herein have been met.

4. The total amount of the grant(s) provided under this Subsection V.B., shall not exceed \$100,000. Once the CITY has paid to the OWNER grant(s) totaling \$100,000 the OWNER shall no longer be eligible to receive grant payments under this Subsection V.B.

VI.

Protests

This agreement shall not be construed to prohibit OWNER's protest or contest of any or all appraisals or assessments of any property on the Premises. The amount of the grants provided in Subsection V.A. above shall be based upon the taxes as finally determined by the Tarrant Appraisal District to be due after such protests or contests are finally determined.

VII.

Default and Recapture

- A. Default - A default by OWNER of this Agreement may result in termination or modification of this Agreement and recapture by CITY of grant payments. The following conditions shall constitute a default by OWNER of this Agreement:
 1. OWNER terminates use of the Premises any time during the duration of the Agreement; or
 2. OWNER fails to meet the Conditions and Requirements as specified in Subsections IV. A., B., C., D., and E. above.
 3. OWNER fails to provide the certifications required under Subsections V.A.2. or V.B.2.
 4. Cross-Defaults: Any event that constitutes a default by the owner under the Tax Abatement and Chapter 380 Fee Waiver Agreement between the CITY and Big Zilla Development of Texas, LLC shall constitute an event of default of OWNER under this Agreement.
- B. Notice of Default - In the event that CITY makes a reasonable determination that OWNER has defaulted under this Agreement, then CITY shall give OWNER written notice of such. OWNER has sixty (60) days following receipt of said written notice to reasonably cure such default or this Agreement may be terminated by CITY and recapture of abated taxes may occur. Notice of default shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in Section IX of this Agreement.
- C. Recapture - During the first three (3) years of the grants provided for in Subsection V.A., should OWNER fail to cure a default of this Agreement during

the cure period provided for in Subsection VII.B., CITY may terminate this Agreement and recapture all grants payments made under this Agreement up to the time of default. During year four (4) should OWNER fail to cure a default of this Agreement during the cure period provided for in Subsection VII.B., CITY may terminate this Agreement and recapture 80% of all grants payments made under this Agreement up to the time of default. During year five (5) should OWNER fail to cure a default of this Agreement during the cure period provided for in Subsection VII.B., CITY may terminate this Agreement and recapture 70% of all grants payments made under this Agreement up to the time of default. During year six (6) should OWNER fail to cure a default of this Agreement during the cure period provided for in Subsection VII.B., CITY may terminate this Agreement and recapture 60% of all grants payments made under this Agreement up to the time of default. During year seven (7) should OWNER fail to cure a default of this Agreement during the cure period provided for in Subsection VII.B., CITY may terminate this Agreement and recapture 50% of all grant payments made under this Agreement up to the time of default. It shall be the duty of CITY to determine whether to require recapture and payment of abated taxes and/or waived fees and to demand payment of such. Payment of all recaptured grants shall become due sixty (60) days following receipt of such demand. The right of CITY to require recapture and demand payment of grant payments made and the obligation of OWNER to repay such shall survive termination of this agreement. The City Attorney has the authority, on behalf of the City, to initiate any litigation necessary to pursue payment of recaptured grant payments.

VIII.

Effect of Sale or Lease of Property

The grants authorized by this Agreement shall not be assignable to any new owner or lessee of all or a portion of the Premises, unless such assignment is approved in writing by CITY; provided that such approval shall not be unreasonably withheld, conditioned or delayed.

IX.

Notice

All notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail postage prepaid or by hand delivery:

OWNER: Autosales, Incorporated d/b/a Summit Racing
Attn: Mike Turner
1200 Southeast Avenue
Tallmadge, Ohio 44278

CITY: City of Arlington
City Manager's Office
Attn: Economic Development Manager
P.O. Box 90231
Arlington, Texas 76004-3231

X.

City Council Authorization

This Agreement was authorized by resolution of the City Council authorizing the City Manager or his designee to execute this Chapter 380 Program Agreement for Economic Development Incentives on behalf of the CITY.

XII.

Severability

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

XIII.

Estoppel Certificate

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to statements that this Agreement is in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the abatement in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

XIV.

OWNER's Standing

OWNER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions or City Council actions authorizing same, and OWNER shall be entitled to intervene in said litigation.

XV.
Applicable Law

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

XVI.
Indemnification

It is understood and agreed between the parties that the OWNER, in performing its obligations hereunder, is acting independently, and CITY assumes no responsibility or liability to third parties in connection therewith, and OWNER agrees to indemnify and hold harmless CITY from any such responsibility or liability. It is further understood and agreed among the parties that CITY, in performing its obligations hereunder, is acting independently, and the OWNER assumes no responsibility or liability to third parties in connection therewith, and CITY agrees to the extent allowed by law to indemnify and hold harmless OWNER from any such responsibility or liability.

XVII.
Force Majeure

It is expressly understood and agreed by the parties to this Agreement that the parties shall not be found in default of this Agreement if any party's failure to meet the requirements of this Agreement is delayed by reason of war, Act of God, fire, or other casualty of a similar nature.

XVIII.
No Other Agreement

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified or supplemented only by an instrument or instruments in writing executed by the parties.

XIX.
**Procurement of Goods and Services from Arlington Businesses and/or
Historically Underutilized Businesses**

In performing this Agreement, OWNER agrees to use diligent efforts to purchase all goods and services from Arlington or Tarrant County businesses whenever such goods and services are comparable in availability, quality and price.

As a matter of policy with respect to CITY projects and procurements, CITY also encourages the use, if applicable, of qualified contractors, subcontractors and suppliers

where at least fifty-one percent (51%) of the ownership of such contractor, subcontractor or supplier is vested in racial or ethnic minorities or women. In the selection of subcontractors, suppliers or other persons or organizations proposed for work on this Agreement, the OWNER agrees to consider this policy and to use their reasonable and best efforts to select and employ such companies and persons for work on this Agreement.

XX.
Headings

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

XXII.
Successors and Assigns

The parties to this Agreement each bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of such other party in respect to all covenants of this Agreement.

No successor, executor, administrator or assign is valid in the place of the parties to this Agreement without the written consent of CITY and such consent shall not be unreasonably withheld.

XXIII.
Counterparts

This Agreement may be executed in any number of counterparts, each of which may be executed by anyone or more of the parties hereto, but all of which shall constitute one instrument, and shall be binding and effective when all of the parties hereto have executed at least one counterpart.

XXIV.
No Third-Party Beneficiaries

For purposes of this Agreement, including its intended operation and effect, the parties specifically agree that: (1) this Agreement only affects matters/disputes between the parties to this Agreement, and is in no way intended by the parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with CITY or OWNER or both; and (2) the terms of this agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either CITY or OWNER.

XXV.
Remedies

No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this agreement may be waived without consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this agreement.

XXVI.
Survival of Obligations

All obligations under this Agreement shall survive the expiration or termination of this Agreement to the extent required for their full observance and performance.

XXVII.
Termination

This Agreement shall terminate in accordance with the terms of this Agreement unless extended by written agreement of the parties or a written instrument signed by all parties evidencing a delay by force majeure.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

AUTOSALES, INCORPORATED
d/b/a Summit Racing

BY
Signature


CEO

Typed or Printed Title

Date 8/26/10


WITNESS:



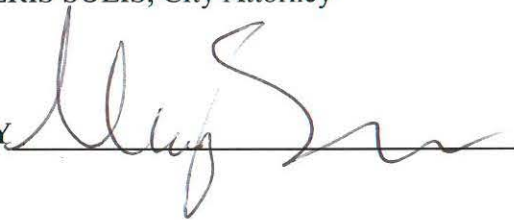
CITY OF ARLINGTON, TEXAS

BY 
JIM PARATON
Deputy City Manager
Date 8.30.16

ATTEST:


MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:
TERIS SOLIS, City Attorney

BY 

THE STATE OF Ohio §
COUNTY OF Summit §

AUTOSALES, INCORPORATED
d/b/a Summit Racing
Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Ohio, on this day personally appeared Michael Turner, known to me or proved to me on the oath of _____ or through Drivers License (description of identity card or other document) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of **AUTOSALES, INCORPORATED d/b/a Summit Racing**, and as the CDO thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 26th day of August, 2016.



KATHRYN JOHNSON
Notary Public
In and for the State of Ohio
My Commission Expires
August 07, 2021

My Commission Expires

Kathryn Johnson
Notary Public in and for
The State of Ohio
Kathryn Johnson
Notary's Printed Name

THE STATE OF TEXAS §
COUNTY OF TARRANT §

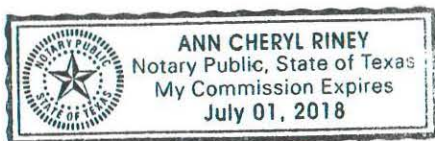
CITY OF ARLINGTON, TEXAS
Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **JIM PARAJON**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the **CITY OF ARLINGTON, TEXAS**, a municipal corporation of Tarrant County, Texas, and as a **Deputy City Manager** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 30th day of August, 2016.

7/1/18
My Commission Expires

Ann Cheryl Riney
Notary Public in and for
The State of Texas
Ann Cheryl Riney
Notary's Printed Name



1127217-9

Exhibit "A"

PREMISES DESCRIPTION

BEING FOUR TRACTS OF LAND LOCATED IN THE JOSIAH O'DANIEL SURVEY, ABSTRACT NO. 1186, TARRANT COUNTY, TEXAS, BEING ALL OF A TRACT OF LAND DESCRIBED IN A DEED TO ARLINGTON INDEPENDENT SCHOOL DISTRICT RECORDED IN VOLUME 12516, PAGE 2286, DEED RECORDS, TARRANT COUNTY, TEXAS (D.R.T.C.T.), A PORTION OF A TRACT OF LAND DESCRIBED IN A DEED TO I-20, A JOINT VENTURE, VOLUME 5074, PAGE 470, D.R.T.C.T., A PORTION OF A TRACT OF LAND DESCRIBED IN A DEED TO I-20, A JOINT VENTURE RECORDED IN VOLUME 5073, PAGE, 400, D.R.T.C.T., AND A PORTION OF A TRACT OF LAND DESCRIBED IN A DEED TO PEYCO FAMILY, LTD., RECORDED IN VOLUME 10897, PAGE 2138, D.R.T.C.T., AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1" IRON ROD FOUND (BENT) AT THE INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 20 (A VARIABLE WIDTH RIGHT-OF-WAY), WITH THE EAST RIGHT-OF-WAY LINE OF SHERRY STREET (A VARIABLE WIDTH RIGHT-OF-WAY), BEING THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO I-20, A JOINT VENTURE, RECORDED IN VOLUME 5073, PAGE 400, (D.R.T.C.T.);

THENCE ALONG THE SOUTH RIGHT-OF-WAY LINE OF SAID INTERSTATE 20 AS FOLLOWS:

(1) SOUTH 89°53'51" EAST, ALONG THE NORTH LINE OF SAID I-20 TRACT, A DISTANCE OF 559.09 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "COOMBS PLS 5294", SAID IRON ROD BEING THE NORTHEAST CORNER OF SAID I-20 TRACT, AND THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO PEYCO FAMILY, LTD., RECORDED IN VOLUME 10897, PAGE 2138, D.R.T.C.T., FROM WHICH A 5/8" IRON ROD FOUND BEARS SOUTH 00°28' EAST, 1.0 FEET;

(2) SOUTH 89°53'51" EAST, ALONG THE NORTH LINE OF SAID PEYCO FAMILY TRACT, A DISTANCE OF 32.14 FEET (CALLED 34.94 FEET), TO A TxDOT MONUMENT WITH ALUMINUM CAP FOUND, FROM WHICH A 5/8" IRON ROD FOUND BEARS SOUTH 24°30' EAST, 1.1 FEET, SAID TxDOT MONUMENT BEING THE BEGINNING OF A CURVE TO THE RIGHT;

(3) SOUTH 87°37'01" EAST, ALONG THE NORTH LINE OF SAID PEYCO FAMILY TRACT, A DISTANCE OF 105.64 FEET (CALLED 105.84 FEET) TO A 1/2" IRON ROD IN CONCRETE FOUND;

(4) SOUTHEASTERLY, AT AN ARC LENGTH OF 327.75 FEET (CALLED 327.30 FEET), PASSING A 1/2" IRON ROD FOUND WITH A CAP STAMPED "COOMBS PLS 5294", SAID IRON ROD BEING THE NORTHEAST CORNER OF SAID PEYCO FAMILY TRACT, AND THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO ARLINGTON INDEPENDENT SCHOOL DISTRICT RECORDED IN VOLUME 12516, PAGE 2286, D.R.T.C.T., FROM WHICH A 1" IRON ROD FOUND BEARS SOUTH 26°37' EAST, 0.6' FEET, AND CONTINUING ALONG THE NORTH LINE OF SAID ARLINGTON INDEPENDENT SCHOOL DISTRICT TRACT IN ALL A TOTAL DISTANCE OF 429.37 FEET, ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 2844.79 FEET, A DELTA ANGLE OF 08°38'52", AND A CHORD BEARING OF SOUTH 83°30'14" EAST, 428.96 FEET, TO A TxDOT MONUMENT WITH ALUMINUM CAP FOUND, BEING THE NORTHEAST CORNER OF SAID ARLINGTON INDEPENDENT SCHOOL DISTRICT TRACT AND BEING THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO I-20, A JOINT VENTURE RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T.;

(5) SOUTH 77°59'19" EAST, ALONG THE NORTH LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., A DISTANCE OF 149.65 FEET (CALLED 149.35 FEET), TO A TxDOT MONUMENT WITH ALUMINUM CAP FOUND;

(6) SOUTH 74°35'11" EAST, ALONG THE NORTH LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., A DISTANCE OF 103.43 FEET (CALLED 103.70 FEET), TO A 5/8" IRON ROD FOUND;

(7) SOUTH 73°25'17" EAST, ALONG THE NORTH LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., A DISTANCE OF 52.52 FEET (CALLED 52.40 FEET), TO A 1/2" IRON ROD FOUND;

(8) SOUTH 72°53'31" EAST, ALONG THE NORTH LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., A DISTANCE OF 86.68 FEET (CALLED 86.80 FEET), TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "COOMBS PLS 5294", SAID IRON ROD BEING THE MOST NORTHERLY NORTHEAST CORNER OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., AND THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO DOMONICO SEMINARA RECORDED IN VOLUME 17325, PAGE 251, D.R.D.C.T., FROM WHICH A 5/8" IRON ROD FOUND BEARS SOUTH 09°05' WEST, 0.7 FEET;

THENCE SOUTH 00°10'34" EAST, DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID INTERSTATE 20, AND ALONG THE EAST LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., AND THE WEST LINE OF SAID DOMONICO SEMINARA TRACT, A DISTANCE OF 663.66 FEET (CALLED 664.32 FEET), TO A 1/2" IRON PIPE FOUND, BEING THE SOUTHWEST CORNER OF SAID DOMONICO SEMINARA TRACT AND AN ELL CORNER OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T.;

THENCE NORTH 89°52'12" EAST, ALONG THE SOUTH LINE OF SAID DOMONICO SEMINARA TRACT, AND THE MOST EASTERLY NORTH LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., A DISTANCE OF 156.52 (CALLED 156.00 FEET) TO 5/8" IRON ROD FOUND, BEING THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED TO SPECIALTY RESTAURANT EQUIPMENT CORPORATION RECORDED IN VOLUME 14036, PAGE 518, D.R.T.C.T., THE SOUTHEAST CORNER OF SAID DOMONICO SEMINARA TRACT, THE NORTHWEST CORNER OF LOT 1, J. O'DANIEL ADDITION, AN ADDITION TO THE CITY OF ARLINGTON, TARRANT COUNTY, TEXAS ACCORDING TO THE PLAT RECORDED IN CABINET A, SLIDE 5247, PLAT RECORDS, TARRANT COUNTY, TEXAS (P.R.T.C.T.) AND THE MOST EASTERLY NORTHEAST CORNER OF OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T.;

THENCE SOUTH 00°25'16" EAST, ALONG THE WEST LINE OF SAID LOT 1, AND THE MOST SOUTHERLY EAST LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T. A DISTANCE OF 471.72 FEET TO A 5/8" IRON ROD FOUND IN THE NORTH RIGHT-OF-WAY LINE OF BARDIN ROAD (A 120' WIDE RIGHT-OF-WAY), SAID IRON ROD BEING THE SOUTHWEST CORNER OF SAID LOT 1;

THENCE ALONG THE NORTH RIGHT-OF-WAY LINE OF BARDIN ROAD AS FOLLOWS:

(1) SOUTH 67°19'21" WEST, A DISTANCE OF 91.45 FEET TO A POINT, BEING THE BEGINNING OF A CURVE TO THE RIGHT, FROM WHICH A 5/8" IRON ROD FOUND BEARS SOUTH 38°03' EAST, 0.3 FEET;

(2) SOUTHWESTERLY, AN ARC DISTANCE OF 372.69, ALONG SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 940.00 FEET, A DELTA ANGLE 22°43'00", AND A CHORD OF BEARING SOUTH 78°40'50" WEST, 370.26 FEET, TO A 5/8" IRON ROD FOUND;

(3) NORTH 89°57'40" WEST, A DISTANCE OF 83.52 FEET (83.62 FEET) TO A 5/8" IRON ROD FOUND, BEING IN THE WEST LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5074, PAGE 470, D.R.T.C.T., AND IN THE EAST LINE OF SAID PEYCO FAMILY TRACT;

(4) NORTH 89°57'40" WEST, A DISTANCE OF 562.94 FEET (CALLED 562.84 FEET), TO A 5/8" IRON ROD FOUND IN THE WEST LINE OF SAID PEYCO FAMILY TRACT AND THE EAST LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5073, PAGE 400, D.R.T.C.T.;

(5) NORTH 89°57'40" WEST, A DISTANCE OF 560.14 FEET (CALLED 558.98 FEET), TO A POINT AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF SAID BARDIN ROAD WITH THE EAST RIGHT-OF-WAY LINE OF SAID SHERRY STREET, FROM WHICH A 1/2" IRON ROD FOUND WITH A CAP STAMPED "PLS 4838" BEARS NORTH 80°13' EAST, A DISTANCE OF 1.4 FEET;

THENCE NORTH 00°25'18" WEST, ALONG THE EAST RIGHT-OF-WAY LINE OF SAID SHERRY STREET AND THE WEST LINE OF SAID I-20 TRACT RECORDED IN VOLUME 5073, PAGE 400, D.R.T.C.T., A DISTANCE OF 1395.27 FEET TO THE PLACE OF BEGINNING AND CONTAINING 48.629 ACRES (2,118,270 SQUARE FEET) OF LAND, MORE OR LESS.

Resolution No. 17-117

A resolution authorizing the execution of the First Amendment to the Chapter 380 Program Agreement for Economic Development Incentives by and between Autosales, Incorporated d/b/a Summit Racing and the City of Arlington to modify the seven-year term of the Agreement to begin in 2019 and end in 2025, to modify the certification date to be April 30th of each year, and to modify the date grant payments will be paid by City to Summit Racing to July 1 of each year annually beginning in July 2019 and ending in July 2025

WHEREAS, on August 23, 2016, by Resolution 16-184, City Council authorized the execution of a Chapter 380 Program Agreement for Economic Development Incentives (the "Agreement") with Autosales, Incorporated d/b/a Summit Racing ("Summit Racing") relative to the location of an auto-parts distribution and retail sales center at the real property located at 2200 East Interstate Highway 20, formerly 2300, 2310, 2320, and 2330 East Interstate Highway 20, in Arlington, Texas; and

WHEREAS, Summit Racing has requested amendments to the Agreement to modify the seven-year term of the Agreement to begin in 2019 and end in 2025, to modify the certification date of the Agreement to be April 30th of each year, and to modify the date grant payments will be paid by City to Summit Racing to July 1 of each year annually beginning in July 2019 and ending in July 2025; NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

II.

That the City Manager or his designee is authorized to execute the First Amendment to the Chapter 380 Program Agreement for Economic Development Incentives with Autosales, Incorporated d/b/a Summit Racing and other necessary or required parties to modify the seven-year term of the Agreement to begin in 2019 and end in 2025, to modify the certification date of the Agreement to be April 30th of each year, and to modify the date grant payments will be paid by City to Summit Racing to July 1 of each year annually beginning in July 2019 and ending in July 2025.

III.

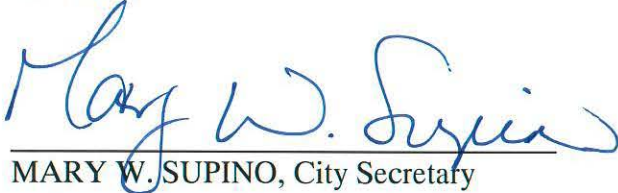
A substantial copy of the First Amendment to the Chapter 380 Program Agreement for Economic Development Incentives is attached hereto as Exhibit "A" and incorporated herein for all intents and purposes.

PRESENTED AND PASSED on this the 23rd day of May, 2017,
by a vote of 8 ayes and 0 nays at a regular meeting of the City Council of the
City of Arlington, Texas.

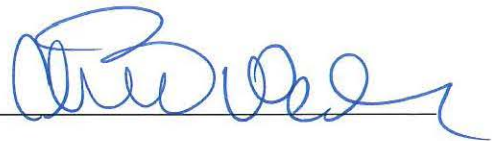


W. JEFF WILLIAMS, Mayor

ATTEST:


MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:
TERIS SOLIS, City Attorney

BY 

STATE OF TEXAS §
 §
 §
COUNTY OF TARRANT §
 §

**FIRST AMENDMENT TO THE
CHAPTER 380 PROGRAM AGREEMENT
FOR ECONOMIC DEVELOPMENT
INCENTIVES**

THIS FIRST AMENDMENT TO THE CHAPTER 380 PROGRAM AGREEMENT FOR ECONOMIC DEVELOPMENT INCENTIVES (hereafter "Amendment") is entered into by and between the CITY OF ARLINGTON, TEXAS, a home-rule municipal corporation of Tarrant County, Texas, acting by and through its City Manager or his designee (hereafter referred to as "CITY"), and AUTOSALES, INCORPORATED d/b/a Summit Racing, a corporation authorized to do business in Texas, (hereafter referred to as "OWNER").

WITNESSETH:

WHEREAS, CITY and OWNER entered into a Chapter 380 Program Agreement for Economic Development Incentives (hereafter "Agreement") dated August 26, 2016, relative to certain improvements at 2200 East Interstate Highway 20, in the City of Arlington, Texas; and

WHEREAS, the OWNER has requested amendments to the Agreement to modify the seven-year term of the Agreement to begin in 2019 and end in 2025, to modify the certification date of the Agreement to be April 30th of each year, and to modify the date grant payments will be paid by CITY to OWNER to July 1 of each year annually beginning in July 2019 and ending in July 2025; and

WHEREAS, CITY and OWNER now desire to amend the Agreement as set forth below; NOW THEREFORE;

The Agreement and Amendment are incorporated herein as if written word for word. Except as provided below, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect. In the event of any conflict or inconsistency between the provisions set forth in this Amendment and the Agreement, this Amendment shall govern and control. In consideration of the foregoing, and for other good and valuable consideration, the parties hereby agree to amend the Agreement as follows:

I.

Paragraph IV, Subsection A, shall be amended to modify the Added Value Measurement Dates of the Agreement to begin January 1, 2019, and end January 1, 2025, and shall read as follows:

- A. OWNER's location of an auto-parts distribution and retail sales center on the Premises must result in Added Value as detailed in the schedule below:

Measurement Date	Taxable Value
January 1, 2019	\$18,655,000
January 1, 2020	\$18,937,000
January 1, 2021	\$18,344,000
January 1, 2022	\$17,943,000
January 1, 2023	\$17,513,000
January 1, 2024	\$17,146,000
January 1, 2025	\$16,979,000

II.


Paragraph V, Subsection A, shall be amended to modify the seven-year term of the Agreement to begin in 2019 and end in 2025, modify the date to annually certify compliance to April 30th, modify the date grant payments will be paid by CITY to OWNER to July 1 of each year annually beginning in July 2019 and ending in July 2025, and shall read as follows:

A. **Annual Grant.** For a period of seven (7) years, beginning in 2019 and ending in 2025, CITY agrees to pay to OWNER an annual grant payment calculated as follows:

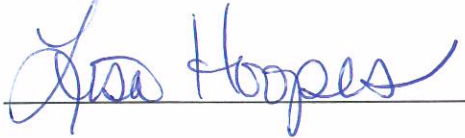
1. Each grant payment shall be determined annually based upon the following:
 - a. An amount equal to 65% of the ad valorem taxes collected by CITY in the previous tax year for the Added Value of the OWNER's Eligible Property located on the Premises.
2. Each year OWNER must certify compliance by April 30 of payment in full of all ad valorem taxes due for the Eligible Property located at the Premises, subject to the right of protest. OWNER must also certify the number of Full Time Employees employed at the Premises for the preceding year.
3. Such grant payments will be paid by CITY to OWNER on or before July 1 of each year, beginning in July 2019 and ending in July 2025, provided the Conditions and Requirements contained in Section IV herein have been met.

EXECUTED THIS 20 day of JUNE, 2017.

AUTOSALES, INCORPORATED
d/b/a Summit Racing

BY 
Signature PATRICK RAWLEY CFO
Typed or Printed Title

WITNESS:



CITY OF ARLINGTON, TEXAS

BY 
JIM PARAJON
Deputy City Manager

ATTEST:

for 
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:
TERIS SOLIS, City Attorney

BY 

THE STATE OF OHIO §
 §
COUNTY OF SUMMIT §

AUTOSALES, INCORPORATED
d/b/a Summit Racing
Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Ohio, on this day personally appeared Pat Rawley, known to me or proved to me on the oath of DL or through _____ (description of identity card or other document) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of **AUTOSALES, INCORPORATED d/b/a Summit Racing**, and as the CEO thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 20 day



of June, 2017.
TERRY D. SCHLEPER, Notary Public
Residence - Portage County
State Wide Jurisdiction, Ohio
My Commission Expires July 13, 2021

7/13/2021
My Commission Expires

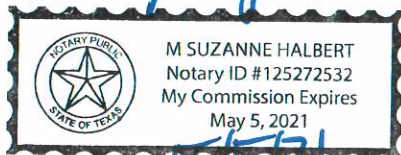
Terry D. Schleper
Notary Public in and for
The State of Ohio
Terry D Schleper
Notary's Printed Name

THE STATE OF TEXAS §
 §
COUNTY OF TARRANT §

CITY OF ARLINGTON, TEXAS
Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **JIM PARAJON**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the **CITY OF ARLINGTON, TEXAS**, a municipal corporation of Tarrant County, Texas, and as a **Deputy City Manager** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 6th day of July, 2017.



5/5/21
My Commission Expires

M. Suzanne Halbert
Notary Public in and for
The State of Texas
M. SUZANNE HALBERT
Notary's Printed Name