

# Southwest Restaurant Equipment

Location: 2909 E Arkansas Lane

Property Owner: Southwest Restaurant Equipment, Inc.

67 Misty Mesa Trail

Mansfield, TX 76063

## About the Project

Southwest Restaurant Equipment, Inc. will construct a 55,000 square feet mixed-use facility on vacant land located at 2909 E. Arkansas Ln. The facility will consist of warehouse and showroom space as well as Class A office space on the second floor. The new development will be located in southeast Great Southwest Industrial District. The new facility will employ a minimum of 15 people and create more desired modern industrial and office space within the District. There will be onsite improvements to existing infrastructure, median and decel lane as a result of this project.

## Goals of the Project

Business retention and expansion; job creation; new development

## Current Status

In 2019, the City Council approved Resolution No. 19-200 authorizing the execution of the Amended and Restated Tax Abatement Agreement with Southwest Restaurant Equipment to extend the completion deadline and added value requirement by one year. Pursuant to the amended terms, the Owner qualified for and received the first abatement in 2020.

## Benefit to City

Property tax base enhancement; 15 jobs created

Reinvestment Zone	43	
Ordinance	16-010	
Year Approved by Council	2016	
Base Year	2016	
Beginning Year	2020	FY21
Ending Year	2024	FY25
Duration	5 years	
Base Year Value	\$ 269,233	
Property Tax Account Number(s)	42574950	
Total Abatement Allowed	55%	
Total Estimated Investment by Company	\$ 10,000,000	

**Criteria Evaluated** Complete Eligible Property by 12-31-2019 resulting in added taxable value above the base by at least \$2.5M by 01-01-20  
 Create five jobs on the Premises by 12-31-2019  
 Create five additional jobs by 12-31-2020  
 Create five additional jobs (15 total) by 12-31-2021 and maintain 15 jobs for duration of agreement.

**Incentives Allowed** 25% if Added Taxable Value of \$2.5m over the Base Year Value is achieved  
 Additional 10% annually if qualified as a target industry  
 Additional 10% annually if median wage of employees exceeds City's median wage  
 Additional 10% annually if owner utilizes Arlington contractors and/or certified MWBE contractors for at least 30% of total construction costs

Year	Abatement Percentage Allowed on Eligible Property	Appraised Value	Percentage of Total Value Abated	Abated Value	Abated Levy	Jobs Reported	Average Salary	Levy Abated as % of Total Tax Liability
2020 (FY21)	35%	5,414,483	27%	1,475,804	9,187	10	58,000	7%
2021 (FY22)	35%	4,875,000	22%	1,054,146	6,534	16	42,000	5%
2022 (FY23)	25%	4,875,000	31%	1,518,496	9,108	15	45,000	8%
2023 (FY24)	25%	5,100,000	23%	1,189,613	7,016	15	45,000	6%
2024 (FY25)								
				<b>TOTAL</b>	<b>\$ 31,845</b>			

## 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)	Mansfield ISD (908)	Kennedale ISD (914)	Total Annual Tax Bill
2020 (FY21)	24,518.28	12,670	12,152	7,048	75,104			131,492
2021 (FY22)	23,681.65	11,164	10,941	6,346	66,339			118,471
2022 (FY23)	20,132.31	10,920	10,941	6,346	63,799			112,138
2023 (FY24)	23,063.46	9,920	9,920	5,721	56,896			105,519
2024 (FY25)								-
	<b>\$ 91,395.70</b>	<b>\$ 44,673.14</b>	<b>\$ 43,952.99</b>	<b>\$ 25,460.28</b>	<b>\$ 262,138.02</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 467,620.13</b>

**Ordinance No. 16-010**

**An ordinance establishing Reinvestment Zone Number Forty-Three; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading**

WHEREAS, the City Council of the City of Arlington, Texas, desires to promote the development or redevelopment of a certain area within its jurisdiction by the establishment of a Reinvestment Zone for commercial-industrial tax abatement; and

WHEREAS, on April 7, 2009, the City Council of the City of Arlington, Texas passed Resolution No. 09-079 authorizing staff, following a briefing to City Council regarding creation of the zone, to give notice required by law to call public hearings relative to creation of reinvestment zones for tax abatement; and

WHEREAS, on January 12, 2016, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Three; and

WHEREAS, a public hearing was held at which time interested persons were entitled to speak and present evidence for or against the designation of the property described in Exhibit "A" as Reinvestment Zone Number Forty-Three, and notice of such public hearing was published in a newspaper of general circulation in the City of Arlington not later than the seventh day before the date of the scheduled hearing; and

WHEREAS, the City Council of the City of Arlington has established guidelines and criteria governing tax abatement agreements and has stated that the City elects to become eligible to participate in tax abatement; NOW THEREFORE,

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

1.

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

2.

The City Council, after conducting a public hearing and having considered all relevant evidence and testimony, has made the following findings and determinations based on such evidence and testimony:

- A. That a public hearing on the designation of Reinvestment Zone Number Forty-Three has been properly called, held and conducted, and that notice of such hearing was published in accordance with the law; and
- B. That the boundaries of Reinvestment Zone Number Forty-Three should be the proposed area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and
- C. That the improvements sought to be made in Reinvestment Zone Number Forty-Three are feasible and practical and would be a benefit to the land to be included in the Zone and to the City of Arlington following the expiration of an executed Tax Abatement Agreement; and
- D. That the proposed area of land to be designated Reinvestment Zone Number Forty-Three is reasonably likely, as a result of this designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property, thereby contributing to the economic development of the City of Arlington.

3.

In accordance with State law, the City of Arlington hereby officially creates Reinvestment Zone Number Forty-Three for commercial-industrial tax abatement, which Zone shall hereafter encompass only that certain area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and such Reinvestment Zone shall be officially designated as Tax Abatement Reinvestment Zone Number Forty-Three of the City of Arlington, Texas.

4.

The designation of Reinvestment Zone Number Forty-Three of the City of Arlington, Texas shall expire Five (5) years after the effective date of its designation and may be renewed.

5.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington; and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be



inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

6.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

7.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

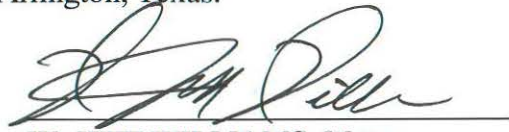
8.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

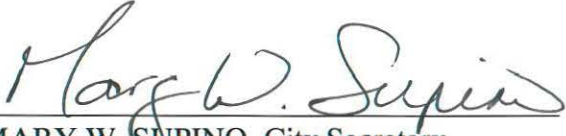
9.

This ordinance shall become effective upon second reading.

PRESENTED AND GIVEN FIRST READING on the 23rd day of February, 2016, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the 1st day of March, 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 \_\_\_\_\_  
Ryan Mitchell

**Exhibit "A"**

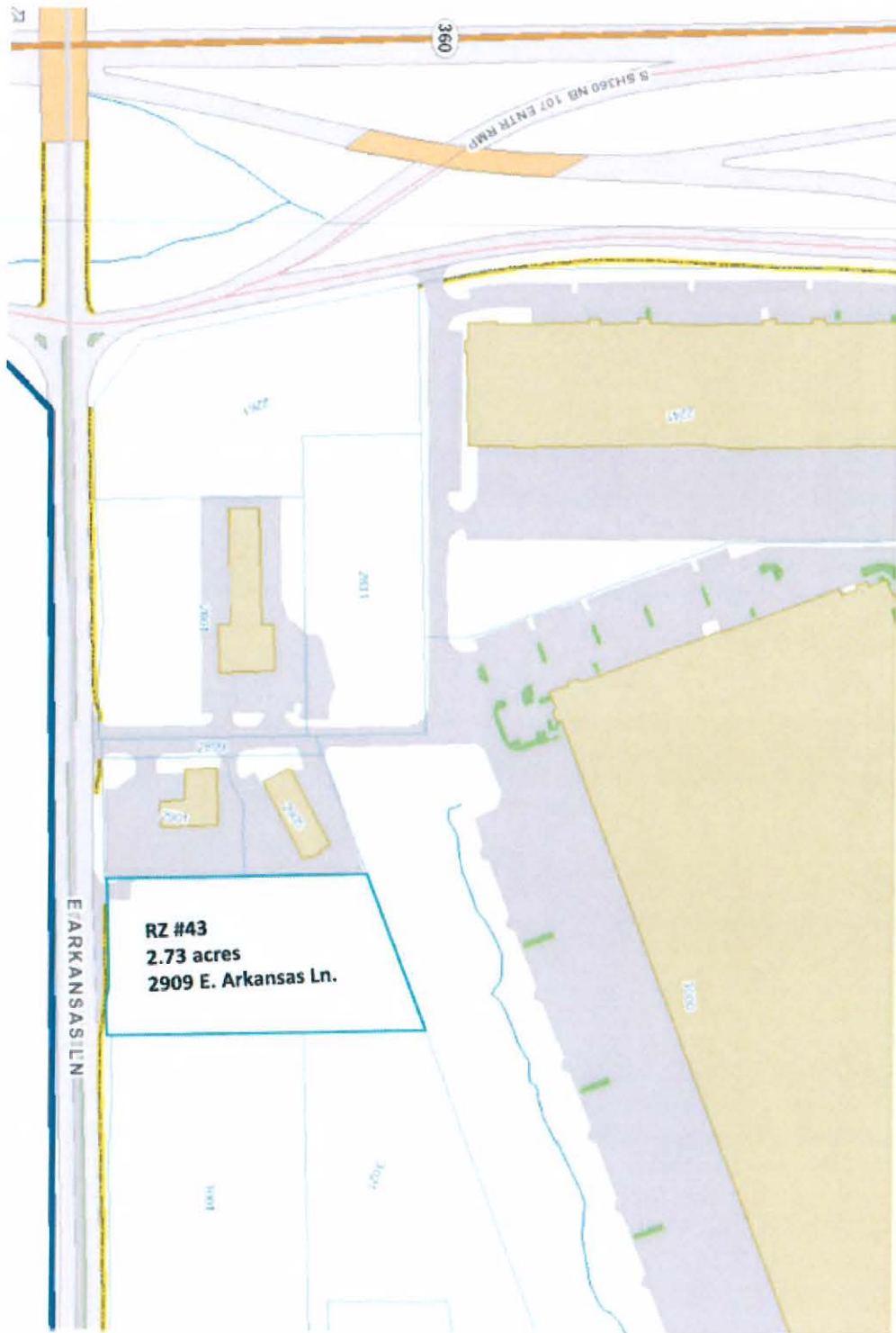
**PROPERTY DESCRIPTION**

Lot 3C, Tract V, of FORUM 303 ADDITION, an addition to the City of Arlington, Tarrant County, Texas, according to the revised plat thereof recorded in Cabinet A, Slide 2087, of the Plat Records of Tarrant County, Texas.

**Exhibit "B"**

**MAP OF SUBJECT PROPERTY**

**2909 E. ARKANSAS LANE, ARLINGTON, TEXAS**



**Resolution No. 19-200**

**A resolution authorizing the execution of the Amended and Restated Tax Abatement Agreement by and between Southwest Restaurant Equipment, Inc. and the City of Arlington, Texas**

WHEREAS, on March 1, 2016, by Resolution No. 16-039, City Council authorized the execution of a Tax Abatement Agreement (the "Agreement") with Southwest Restaurant Equipment, Inc. relative to tax abatement for the construction of a new 55,000 sq. ft. two-story mixed-use facility at 2909 E. Arkansas Lane in Reinvestment Zone Number Forty-Three in the City of Arlington, Texas (the "Project"); and

WHEREAS, on December 5, 2017, by Resolution No. 17-330, City Council authorized the execution of the First Amendment to the Tax Abatement Agreement (the "First Amended Agreement") with Southwest Restaurant Equipment, Inc. relative to an extension of time to complete the Project; and

WHEREAS, on April 24, 2018, by Resolution No. 18-097, City Council authorized the execution of the Second Amendment to the Tax Abatement Agreement (the "Second Amended Agreement") with Southwest Restaurant Equipment, Inc. relative to an extension of time to complete the Project; and

WHEREAS, due to engineering challenges and multiple rain events that contributed to construction delays, the anticipated project completion date was not attained; and

WHEREAS, Southwest Restaurant Equipment, Inc. has requested the Agreement be amended to extend the completion date by one year to allow for development of the Project; and

WHEREAS, Southwest Restaurant Equipment, Inc. and City desire to amend the project description from "55,000 square foot" to "55,000 square foot or larger" to allow Southwest Restaurant Equipment, Inc. to increase the facility square footage if desired; 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 Amended and Restated Tax Abatement Agreement with Southwest Restaurant Equipment, Inc.

III.

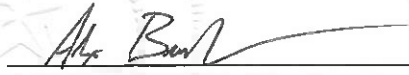
A substantial copy of the Amended and Restated Tax Abatement Agreement is attached hereto as Exhibit "A" and incorporated herein for all intents and purposes.

PRESENTED AND PASSED on this the 6th day of August, 2019, by a vote of 9 ayes and 0 nays at a regular meeting of the City Council of the City of Arlington, Texas.



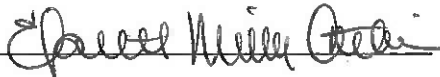
W. JEFF WILLIAMS, Mayor

ATTEST:



ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY 

THE STATE OF TEXAS    §  
                                  §  
COUNTY OF TARRANT   §

Amended and Restated  
Tax Abatement Agreement

THIS AMENDED AND RESTATED TAX ABATEMENT AGREEMENT (hereafter "Agreement") is executed on October 7<sup>th</sup> 2019, by and between **SOUTHWEST RESTAURANT EQUIPMENT, INC.**, duly authorized to do business in the State of Texas, acting by and through its authorized officer (hereafter referred to 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, the City Council of CITY has resolved that the CITY may elect to participate in tax abatement; and

WHEREAS, the City Council, in accordance with law, has adopted a Policy Statement for Tax Abatement; and

WHEREAS, prior to executing this Agreement, the CITY has adopted a Policy Statement consistent with this Agreement; and

WHEREAS, the Policy Statement constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the CITY; and

WHEREAS, the City Council passed Ordinance No. 16-010 establishing Reinvestment Zone Number Forty-Three in the City of Arlington, Texas, being a commercial-industrial reinvestment zone for tax abatement as authorized by Texas Tax Code Chapter 312 (hereafter referred to as "the Code"); and

WHEREAS, the use of the Premises (as hereafter defined), the Eligible Property (as hereafter defined) and the other terms hereof are consistent with encouraging development within Reinvestment Zone Number Forty-Three, and are in compliance with the Policy Statement and the Ordinance and similar guidelines and criteria adopted by CITY and all applicable law; and

WHEREAS, pursuant to City Council Resolution No. 16-039, approved on March 1, 2016, CITY and OWNER entered into a Tax Abatement Agreement (hereafter referred to as "Original Agreement") relative to tax abatement for a project in Reinvestment Zone Number Forty-Three in the City of Arlington, Texas (hereafter referred to as "Project"); and

WHEREAS, pursuant to City Council Resolution No. 17-330, approved on December 5, 2017, CITY and OWNER entered into a contract modification

(hereafter referred to as "First Amended Agreement") relating to the extension of various OWNER deadlines under the Original Agreement; and

WHEREAS, pursuant to City Council Resolution No. 18-097, approved on April 24, 2018, CITY and OWNER entered into a second contract modification relating to the extension of various OWNER deadlines under the Original Agreement and First Amended Agreement (hereafter the Original Agreement and its Amendments shall be referred to as the "Amended Original Agreement"); and

WHEREAS, the CITY and OWNER desire to modify the Amended Original Agreement as set forth herein, and it is deemed advisable by the parties hereto that all of the aforesaid contracts and modifications between the parties hereto be modified, amended, and restated so that the entire relationship between the parties with respect to the tax abatement for the Project will be set forth in this Agreement.

WHEREAS, the City Council finds that the terms of this Agreement meet applicable guidelines and criteria adopted by the City Council; and

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

WHEREAS, the City Council finds that it is in the public interest to provide the tax abatement;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, CITY hereby enters into this Agreement in accordance with the terms and conditions herein set forth, and the parties agree that the Original Amended Agreement is hereby modified, amended, combined, consolidated, and restated so as henceforth to be in their entirety and for all purposes as follows to wit:

**I.**  
**Definitions**

- A. "Added Value" is defined as the value of the Eligible Property, as determined by the Tarrant Appraisal District, above the Base Year Value.
- B. "Base Year Value" is defined as the tax year 2016 taxable value of OWNER's real property located at the Premises in Reinvestment Zone Number Forty-Three, on January 1, 2016, as finally determined by Tarrant Appraisal District. (TAD Account Number 06779050.)

- C. "Eligible Property" is defined as the Real Property Improvements specified in Exhibit "A", erected on or affixed to the Premises between July 25, 2016, and December 31, 2019. Exhibit "A" is attached hereto and incorporated herein for all purposes.
- D. "Job" is defined as a permanent, full-time employment position that results in employment of at least 1,820 hours each calendar year.
- E. The "Median Wage" for Arlington will be determined by the Median Earnings for Workers as reported by the most recent release of the American Community Survey available at the time the application is submitted to CITY. To qualify, an applicant's median wage must exceed the figure determined by multiplying the reported Margin of Error for Median Earnings for Workers times 1.20 and adding this figure to the reported estimate of Median Earnings for Workers. If Margin of Error is not reported, the figure that an applicant's median wage must exceed will be determined by taking the difference between the reported High Estimate and Estimate and multiplying the difference by 1.20 and adding this figure to the Estimate.
- F. "Premises" are defined as the real property (land and improvements) owned and operated by OWNER within Reinvestment Zone Number Forty-Three.
- G. "Real Property Improvements" are defined as improvements to the Premises and shall include buildings, structures, or fixtures erected on or affixed to land.
- H. "Reinvestment Zone Number Forty-Three" is defined as the real property described in Exhibit "B", which is attached hereto and incorporated herein for all purposes. Such property was designated as Reinvestment Zone Number Forty-Three by City of Arlington Ordinance No. 16-010, which is attached hereto as Exhibit "C".
- I. "Target Industry" is defined as an industry identified as a target industry in CITY's Policy Statement for Tax Abatement and exhibits thereto, as amended from time to time.

**II.**  
**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. It is acknowledged and agreed by the parties that the completion of the Eligible Property Improvements is consistent with the purposes of encouraging development or redevelopment of the Reinvestment Zone.



**III.**  
**Improvement Conditions and Requirements**

- A. OWNER shall complete construction of the Eligible Property described in Exhibit "A" on or before December 31, 2019.
- B. OWNER's completion of the Eligible Property described in Exhibit "A" must result in Added Value of at least Two Million Five Hundred Thousand Dollars (\$2,500,000) not later than January 1, 2020.
- C. OWNER shall operate and maintain on the Premises the Eligible Property described in Exhibit "A" for the term of this agreement.
- D. OWNER shall create: a minimum of five jobs on the Premises on or before December 31, 2019; a minimum of five additional jobs (ten total) on the Premises on or before December 31, 2020; and a minimum of five additional jobs (fifteen total) on the Premises on or before December 31, 2021. OWNER shall maintain these created jobs throughout the duration of this agreement.
- E. OWNER shall ensure that all Eligible Property conforms to applicable building codes, zoning ordinances, and all other ordinances and regulations.
- F. 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.
- G. OWNER shall not fail to render for taxation any property located within the City of Arlington.
- H. 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 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 132a(f), OWNER shall repay to the CITY the full amount of taxes abated under Section IV of this Agreement, plus 10% per annum from the date the abatement was made. Repayment shall be paid within 120 days after the date following such conviction that OWNER receives notice of violation from the CITY as provided by 2264.101(c) of the Texas Government Code, OWNER shall not be liable for a violation by a subsidiary, affiliate, or franchisee of OWNER or by a person with whom OWNER contracts.

**IV.**  
**Abatement Allowed**

- A. If the Improvement Conditions and Requirements set forth in Section III are met, then CITY agrees to exempt from taxation twenty-five percent (25%) of the Added Value of the Eligible Property. The exemption shall be for a period from the tax year beginning January 1, 2020, through and including the tax year beginning January 1, 2024.
- B. OWNER shall be eligible to receive additional tax abatement based on the following:
  - 1. An additional 10% abatement in each year in which OWNER meets the qualifications of Target Industry.
  - 2. An additional 10% abatement in each year in which the median wage of the persons employed at the Premises exceeds the CITY's Median Wage as defined in Section I.
  - 3. An additional 10% abatement annually for the duration of this agreement if OWNER hires and utilizes Arlington contractors and/or certified minority/women-owned contractors for a minimum of 30% of the total costs of the Eligible Property's construction, and meets reporting requirements.
- C. Under no circumstances shall the total abatement in any tax year exceed 55% of the Added Value.
- D. Only the Real Property Improvements described in **Exhibit "A"** shall be eligible for abatement. Any other Real Property Improvements on the Premises shall be fully taxable in accordance with the Texas Property Tax Code.

**V.**  
**Reports, Audits and Inspections**

- A. Annual Certification, TAD Application, and Reports - Pursuant to state law, OWNER shall certify annually to taxing units that OWNER is in compliance with the terms of this Agreement, and shall provide taxing units with reports and records reasonably necessary to support each year of this Agreement, as follows:
  - 1. Annual Certification -- OWNER shall complete and certify a Tax Abatement Certification to be provided by CITY for each year of this Agreement, to be due annually not later than April 1. This certification shall include reports on Eligible Property values and costs, a narrative description of the project's progress, and other submittals required by this Agreement.

2. TAD Application -- OWNER shall submit a completed application for Property Tax Abatement Exemption to the Tarrant Appraisal District by the statutory deadline of April 30 in each year that OWNER intends to claim the abatement exemption, with no expectation of prompting or reminding from the Tarrant Appraisal District or CITY. The application for Property Tax Abatement Exemption must be obtained by OWNER from the Forms section of the Tarrant Appraisal District's website at <http://www.TAD.org>.
  3. Additional Reports -- Additionally, throughout the term of this agreement, OWNER shall furnish CITY any additional records and information reasonably requested to support the reports required by this agreement.
- B. Right to Audit Books and Records - CITY shall have the right to audit the books and records related to the Eligible Property and supporting the Eligible Property reports. CITY shall notify OWNER in advance in writing of their intent to audit in order to allow OWNER adequate time to make such books and records available.
- C. Inspection - At all times throughout the term of this Agreement, CITY and the Tarrant Appraisal District ("TAD") shall have reasonable access to the Premises for the purpose of inspecting the Premises to ensure that the Eligible Property is constructed, installed, maintained and operated in accordance with the terms of this Agreement. All inspections shall be conducted in a manner as to not unreasonably interfere with the installation of the Eligible Property or the operation of the Premises. The inspections shall be conducted within a reasonable time period after notice by CITY or TAD to OWNER, provided, however, that all inspections shall be made with one (1) or more representative(s) of OWNER present and in accordance with the safety standards of OWNER.

## VI. Use of Premises

The Premises at all times shall be used in a manner that is consistent with CITY's zoning ordinances and consistent with the general purpose of encouraging development within Reinvestment Zone Number Forty-Three.

## VII. Breach and Recapture

- A. Breach - A breach of this Agreement may result in termination or modification of this Agreement and recapture by CITY of taxes which otherwise would have been paid since the execution of this Agreement to CITY without the benefit of the Abatement. Penalty and interest on recaptured taxes will be charged at the statutory rate for delinquent taxes as determined by Section 33.01 of the Property

Tax Code of the State of Texas. Recaptured taxes shall become due sixty (60) days following notice of breach and after the expiration of any cure period as provided in Section VII(B). The following conditions shall constitute a breach of this Agreement:

1. OWNER terminates the use of the Premises at any time during the duration of this Agreement; or
  2. OWNER fails to meet the Conditions and Requirements specified in Section III above.
- B. Notice of Breach - In the event that CITY makes a reasonable determination that OWNER has breached this Agreement, then CITY shall give OWNER written notice of such default. OWNER has sixty (60) days following receipt of said written notice to reasonably cure such breach 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 term of this Agreement, should OWNER commit a breach of this Agreement according to items A(1) or A(2) of this Section VII and fail to cure in the time period set forth in Section VII B, CITY may terminate this Agreement and recapture all taxes abated under this Agreement up to the time of breach. It shall be the duty of CITY to determine whether to require recapture and payment of abated taxes and to demand payment of such. The right of CITY to require recapture and demand payment of abated taxes and the obligation of OWNER to repay such shall survive termination of this agreement.
- D. Tax Lien Not Impaired - It is expressly agreed and acknowledged between the parties to this Agreement that nothing in this Agreement shall be deemed or construed to affect the lien for taxes against the property established by Section 32.01 of the Tax Code of the State of Texas. Such lien shall secure the payment of all taxes, penalties and interest ultimately imposed on the property, including any taxes abated and subject to recapture under this Agreement. Any such lien may be fully enforced pursuant to the provisions of the Code. For purposes of this Subsection, "property" refers to the Premises and Eligible Property described herein.

## **VIII.**

### **Effect of Sale or Lease of Property**

The abatement granted by this Agreement shall not be assignable to any new owner of all or a portion of the Premises or Eligible Property unless such assignment is approved in writing by the CITY with approval of the City Council.



**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: Southwest Restaurant Equipment, Inc.  
Attention: Charlie Pham, Chairman & CEO  
3220 Dalworth Street  
Arlington, Texas 76011

CITY: City of Arlington  
Attention: Economic Development Director  
Post Office 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 Agreement on behalf of the CITY.

**XI.**  
**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.

**XII.**  
**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.

**XIII.**  
**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.

**XIV.**  
**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.

**XV.**  
**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.

**XVI.**  
**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.

**XVII.**  
**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.

**XVIII.**  
**Recordation of Agreement**

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Tarrant County, Texas.

**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.

**XXI.**  
**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.

**XXII.**  
**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.

**XXIII.**

**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.

**XXIV.**

**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.

**XXV.**

**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.

**XXVI.**

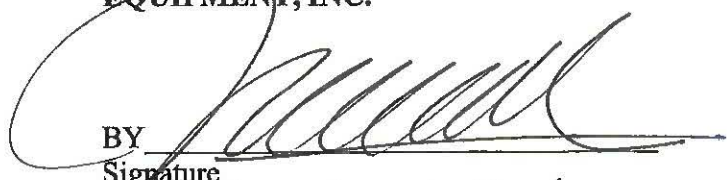
**Termination**

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. However, in no event shall the abatement period exceed ten (10) years.



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

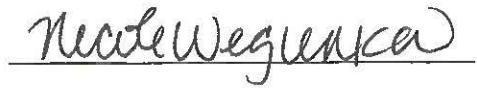
**SOUTHWEST RESTAURANT  
EQUIPMENT, INC.**

BY 

Signature

THANH V PHAM  
Typed or Printed Title

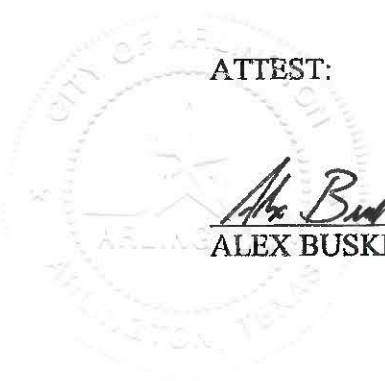
WITNESS:



**CITY OF ARLINGTON, TEXAS**

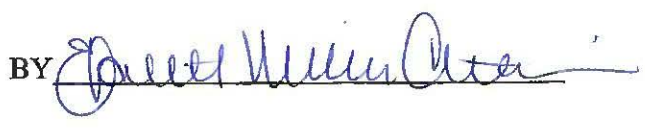
BY   
JIM PARAJON  
Deputy City Manager

ATTEST:



  
ALEX BUSKEN, City Secretary

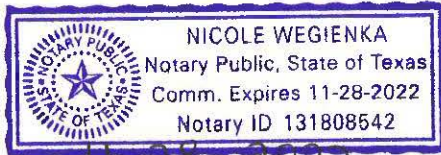
APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY 

THE STATE OF TEXAS §  
§ **SOUTHWEST RESTAURANT EQUIPMENT, INC.**  
COUNTY OF TARRANT § **Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Thanh Pham, known to me (or proved to me on the oath of \_\_\_\_\_ 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 **SOUTHWEST RESTAURANT EQUIPMENT, INC.**, and as the owner 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 1<sup>st</sup> day of October, 2019.



11-28-2022  
My Commission Expires

Nicole Wegienka  
Notary Public in and for  
The State of Texas  
Nicole Wegienka  
Notary's Printed Name

THE STATE OF TEXAS §  
§ **CITY OF ARLINGTON, TEXAS**  
COUNTY OF TARRANT § **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 the **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 7<sup>th</sup> day of October, 2019.



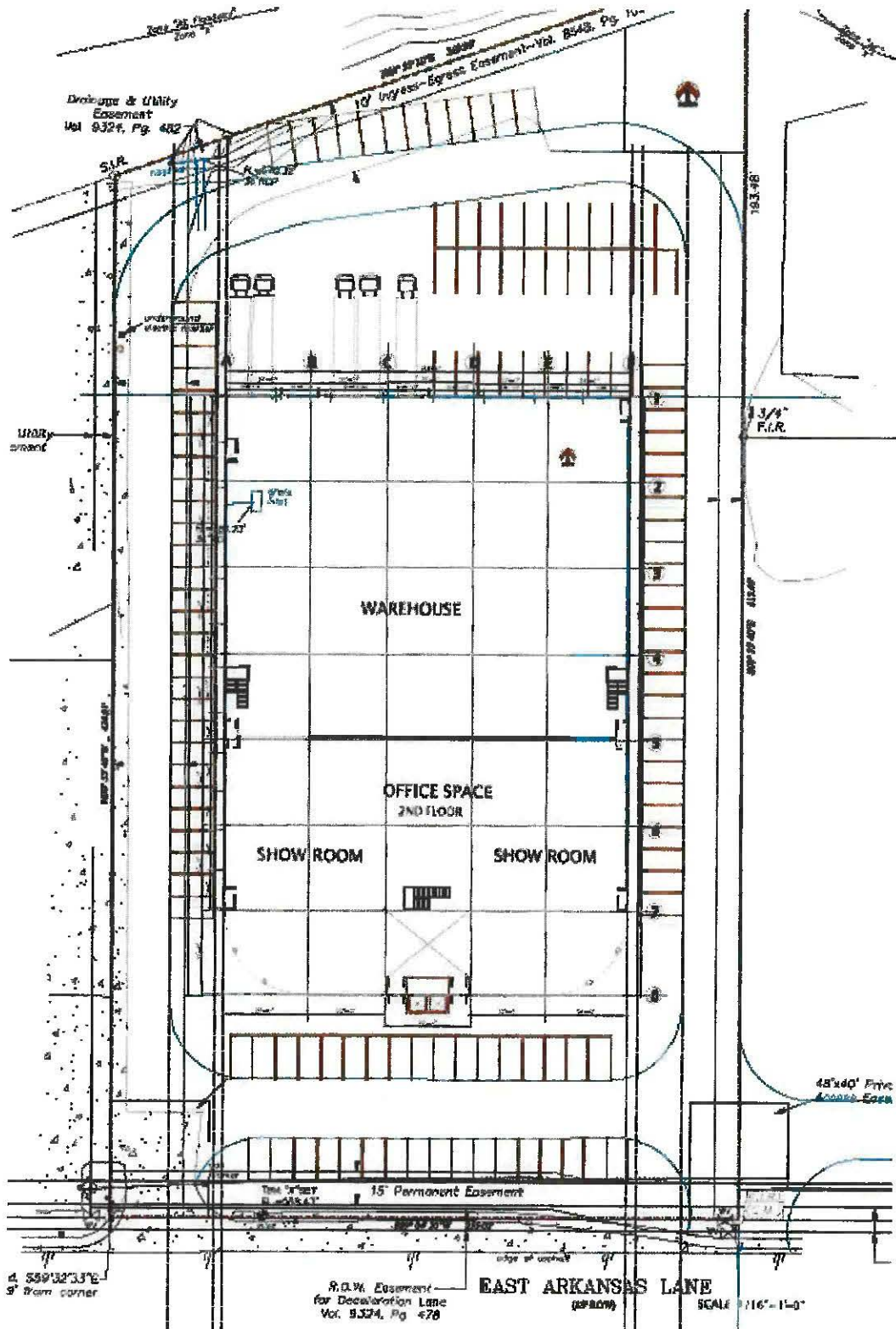
My Commission Expires  
08-16-2023

Natalie Raulston  
Notary Public in and for  
The State of Texas  
Natalie Raulston  
Notary's Printed Name

**Exhibit "A"**

**ELIGIBLE PROPERTY**

Construction of a new 55,000 square foot or larger, two-story mixed-use facility on a vacant site located at 2909 E. Arkansas Lane.





**Exhibit "B"**

**PROPERTY DESCRIPTION**

Lot 3C, Tract V, of FORUM 303 ADDITION, an addition to the City of Arlington, Tarrant County, Texas, according to the revised plat thereof recorded in Cabinet A, Slide 2087, of the Plat Records of Tarrant County, Texas.

**Exhibit "C"**

**Ordinance 16-010  
creating  
Reinvestment Zone Forty-Three**

**Ordinance No. 16-010**

**An ordinance establishing Reinvestment Zone Number Forty-Three; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading**

**WHEREAS, the City Council of the City of Arlington, Texas, desires to promote the development or redevelopment of a certain area within its jurisdiction by the establishment of a Reinvestment Zone for commercial-industrial tax abatement; and**

**WHEREAS, on April 7, 2009, the City Council of the City of Arlington, Texas passed Resolution No. 09-079 authorizing staff, following a briefing to City Council regarding creation of the zone, to give notice required by law to call public hearings relative to creation of reinvestment zones for tax abatement; and**

**WHEREAS, on January 12, 2016, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Three; and**

**WHEREAS, a public hearing was held at which time interested persons were entitled to speak and present evidence for or against the designation of the property described in Exhibit "A" as Reinvestment Zone Number Forty-Three, and notice of such public hearing was published in a newspaper of general circulation in the City of Arlington not later than the seventh day before the date of the scheduled hearing; and**

**WHEREAS, the City Council of the City of Arlington has established guidelines and criteria governing tax abatement agreements and has stated that the City elects to become eligible to participate in tax abatement; NOW THEREFORE,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:**

**1.**

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

2.

The City Council, after conducting a public hearing and having considered all relevant evidence and testimony, has made the following findings and determinations based on such evidence and testimony:

- A. That a public hearing on the designation of Reinvestment Zone Number Forty-Three has been properly called, held and conducted, and that notice of such hearing was published in accordance with the law; and
- B. That the boundaries of Reinvestment Zone Number Forty-Three should be the proposed area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and
- C. That the improvements sought to be made in Reinvestment Zone Number Forty-Three are feasible and practical and would be a benefit to the land to be included in the Zone and to the City of Arlington following the expiration of an executed Tax Abatement Agreement; and
- D. That the proposed area of land to be designated Reinvestment Zone Number Forty-Three is reasonably likely, as a result of this designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property, thereby contributing to the economic development of the City of Arlington.

3.

In accordance with State law, the City of Arlington hereby officially creates Reinvestment Zone Number Forty-Three for commercial-industrial tax abatement, which Zone shall hereafter encompass only that certain area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and such Reinvestment Zone shall be officially designated as Tax Abatement Reinvestment Zone Number Forty-Three of the City of Arlington, Texas.

4.

The designation of Reinvestment Zone Number Forty-Three of the City of Arlington, Texas shall expire Five (5) years after the effective date of its designation and may be renewed.

5.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington; and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be

inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

6.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

7.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.


8.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

9.

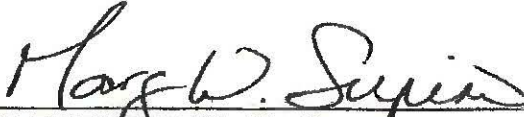
This ordinance shall become effective upon second reading.

PRESENTED AND GIVEN FIRST READING on the 23rd day of February, 2016, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the 1st day of March, 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"**

**PROPERTY DESCRIPTION**

**Lot 3C, Tract V, of FORUM 303 ADDITION, an addition to the City of Arlington, Tarrant County, Texas, according to the revised plat thereof recorded in Cabinet A, Slide 2087, of the Plat Records of Tarrant County, Texas.**

**Exhibit "B"**

**MAP OF SUBJECT PROPERTY  
2909 E. ARKANSAS LANE, ARLINGTON, TEXAS**

