

FILED FOR RECORD
at 11:51 o'clock 2 M

SEP 26 2017

JENNIFER LINDENZWEIG
County Clerk, Hunt County, TX
By J. Lindenzweig

RESOLUTION NO. 14,828

A RESOLUTION OF THE COMMISSIONERS COURT OF HUNT COUNTY, TEXAS TO ENTER INTO A TAX ABATEMENT AGREEMENT ACCOMPANYING THE REINVESTMENT ZONE KNOWN AS INDUSTRIAL PARK WEST PURSUANT TO THE REQUIREMENTS OF CHAPTER 312 OF THE TEXAS TAX CODE AND THE GUIDELINES AND CRITERIA FOR TAX ABATEMENT IN A REINVESTMENT ZONE CREATED IN HUNT COUNTY AND SETTING AN EFFECTIVE DATE

WHEREAS, in accordance with Chapter 312 of the Texas Tax Code and Section 5 of the Guidelines and Criteria for Tax Abatement in a Reinvestment Zone created in Hunt County, the Commissioners Court of Hunt County has conducted a public hearing on the Tax Abatement agreement accompanying the designated Reinvestment Zone known as "Industrial Park West," attached to this resolution as Exhibit "A," and

WHEREAS, the Commissioners Court of Hunt County has found that entering into the Tax Abatement agreement would not have a substantial adverse effect on the provision of government services or tax base, the parties to the agreement have sufficient financial capacity, the planned or potential use of the property would not constitute a hazard to public safety, health or morals, or the planned or potential use of the property would not constitute a violation of other codes or laws.

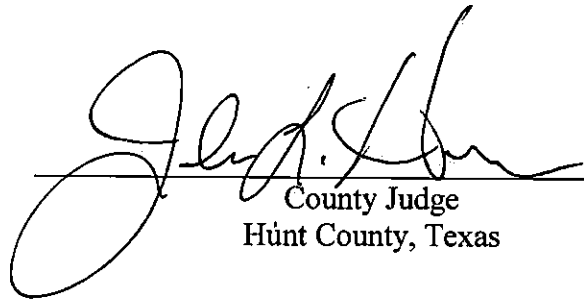
BE IT RESOLVED BY THE COMMISSIONERS COURT OF HUNT COUNTY, TEXAS:


Section 1. Findings. The statements contained in the preamble to this Resolution are true and correct and are hereby adopted as findings of fact and as part of the operative provisions hereof.


Section 2. Tax Abatement Agreement. The Hunt County Commissioners Court, having held a public hearing and made the required findings pursuant to Section 5 of the Guidelines and Criteria for Tax Abatement in a Reinvestment Zone created in Hunt County, hereby resolves to enter into the Tax Abatement agreement accompanying the designated Reinvestment Zone known as "Industrial Park West," attached to this resolution as Exhibit "A."


Section 3. Setting an Effective Date. This Order shall take effect immediately upon approval.

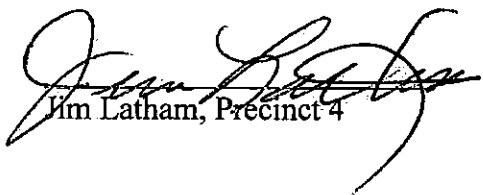
The foregoing Order was read and adopted on September 26, 2017.


County Judge
Hunt County, Texas

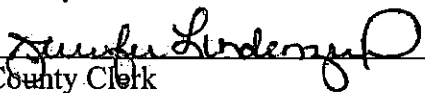

Eric Evans, Precinct 1

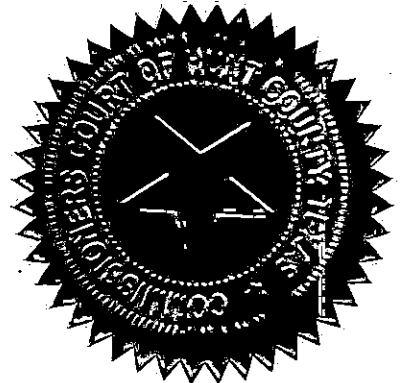

Tod McMahan, Precinct 2


Phillip Martin, Precinct 3


Jim Latham, Precinct 4

ATTEST:


County Clerk
Hunt County, Texas



#14,828

FILED FOR RECORD
at 11:51 o'clock a M

TAX ABATEMENT AGREEMENT

SEP 26 2017

THE STATE OF TEXAS :
:
:
COUNTY OF HUNT :

JENNIFER LINDENZWEIG
County Clerk, Hunt County TX
By: *Jennifer Lindenzweig*

This Tax Abatement Agreement (hereinafter referred to as the ("Agreement")) is made and entered into by and between Hunt County, Texas ("Governmental Unit") and Brakebush Brothers, Inc. ("Owner") the owner of taxable real property in the City of Greenville and Hunt County, Texas ("Property").

WHEREAS, -Hunt County, Texas has designated certain property as a Reinvestment Zone within County Limits and located at 1679 HWY 380 and

WHEREAS, Owner is and/or will be the owner of certain real property located at 1679 HWY 380 in the extra-territorial jurisdiction of Greenville, Texas; and

WHEREAS, Owner intends to locate their new facility on such property; and

NOW, THEREFORE, in consideration of the mutual promises hereinafter contained:

I. AUTHORIZATION

This agreement is authorized by the Texas Property Redevelopment and Tax Abatement Act, Texas Tax Code, Chapter 312, as amended ("Act"), and is subject to the laws of the State of Texas and the charter, ordinances, and orders of the Governmental Unit.

II. DEFINITIONS

As used in this agreement, the following terms shall have the meanings set forth below:

1. "Abatement" means the full or partial exemption from ad valorem taxes of the Improvements on certain property in a zone designated for economic development purposes pursuant to the Act.
2. "Added Value" means the increase in the assessed value of the Eligible Property as a result of "expansion" or "modernization" of an existing facility or construction of a "new facility". It does not mean or include "deferred maintenance".
3. "Base Year Value" means the assessed value of the eligible property as certified by the Hunt County Appraisal District on January 1, 2017 preceding the execution of the Agreement plus the agreed upon value of Improvements

made after January 1, 2017, but before the execution of this Agreement.

4. "Eligible Property" means the abatement may be extended to the value of buildings, structures, fixed machinery and equipment, and site improvements, installed, constructed, or added between January 1, 2017 and January 1, 2023, plus that office space and related fixed improvements necessary to the operation and administration of the facility.
5. "Facility" means a Basic Manufacturing Facility, Petrochemical Facility, Regional Distribution Facility, or other Authorized Facility approved by the Governmental Unit(s) as set forth in the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit(s).
6. "Improvements" means the buildings or portions thereof and other improvements used for commercial or industrial purposes on the Property.
7. "Ineligible Property" means the following types of property shall be fully taxable and ineligible for abatement: Land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodations; retail facilities; deferred maintenance; investments; property to be rented or leased, except as provided; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
8. "Community Entities" means Hunt County, Texas, Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and any other similar organization within the City of Greenville, Texas which extends to Owner one or more incentives pursuant to this or other agreements.
9. "Completion Agreement" means the Agreement by and between Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and Brakebush Brothers, Inc. containing agreements with respect to the Property and the Facility.

The Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit are incorporated as a part of this Agreement. Except as the same may be modified herein, all definitions set forth therein are applicable to this Agreement.

III. PROPERTY

The property is an area outside the city limits of Greenville, Hunt County, Texas located in whole or part within the jurisdiction of the Governmental Unit as more fully described in Exhibit "A" attached hereto and made a part hereof. Said property is located within an authorized zone for tax abatement.

The Hunt County Appraisal District has established the following value for the Property, including improvements thereon, as of the January 1, 2017, valuation date prior to the date of execution of this Agreement and which is the last valuation record known by the parties.

Land and Improvement	\$569,890.00
Machinery & Equipment	\$0.00

The Parties incorporate such value into this Agreement but agree to adjust such value as may be necessary upon adoption of the tax rolls for January 1, 2017. This is the Base Year Value.

The Governmental Unit and the Owner agree that the approximate value of any additions to the Property made after January 1, 2017 and for which abatement is sought and not otherwise reflected on the above valuation Property is referred to as "Eligible Property".

IV. TERM OF ABATEMENT AND AGREEMENT

Land and Improvement

The Governmental Unit agrees to abate the ad valorem taxes on the Eligible Property in accordance with the terms and conditions of this agreement. The Abatement shall be effective with the January 1 valuation date effective January 1, 2019. The Abatement shall continue for ten (10) years, expiring as of December 31 of the 2028 tax year for eligible land and improvement value. The years of Abatement provided herein shall in each instance coincide with the tax year commencing on January 1 and expiring on December 31, and in no event shall the Abatement extend beyond December 31 of the tenth (10th) tax year unless extended by agreement in compliance with local and state law.

Machinery and Equipment

The Governmental Unit agrees to abate the ad valorem taxes on the Eligible Property in accordance with the terms and conditions of this agreement. The Abatement shall be effective with the January 1 valuation date effective January 1, 2019. The Abatement shall continue for ten (10) years, expiring as of December 31 of the 2028 tax year for eligible land and improvement value. The years of Abatement provided herein shall in each instance coincide with the tax year commencing on January 1 and expiring on December 31, and in no event shall the Abatement extend beyond December 31 of the tenth (10th) tax year unless extended by agreement in compliance with local and

state law.

The terms and conditions of this Agreement shall continue for the period of Abatement. All covenants and representations of the Owner herein shall continue throughout the term of this Agreement, and any defaults shall be subject to the recapture provisions provided in Part VII herein.

V. TAXABILITY

During the period that the Abatement is effective, taxes shall be payable as follows:

- (1) The value of the land comprising the Property shall be fully taxable;
- (2) The value of Ineligible Property shall be fully taxable;
- (3) The Base Year Value of existing Improvements comprising the Property shall be fully taxable;
- (4) The value of the personal property comprising the Property shall be fully taxable; and
- (5) The Added Value of the Eligible Property made a part of the Property shall be abated as set forth in Part VI herein.

VI. AMOUNT OF ABATEMENT

The Abatement provided by this Agreement shall be based upon the added Value of Eligible Property made a part of the Property as a result of the project. Taxes on the eligible appraised value of the real property portion of the Eligible Property shall be abated annually for 10 years as follows:

Abatement

Year One	50%	Year Six	50%
Year Two	50%	Year Seven	50%
Year Three	50%	Year Eight	50%
Year Four	50%	Year Nine	50%
Year Five	50%	Year Ten	50%

Taxes on the eligible appraised value of the business and personal property portion of the

Eligible Property shall be abated annually for 10 years as follows:

Abatement

Year One	50%	Year Six	50%
Year Two	50%	Year Seven	50%
Year Three	50%	Year Eight	50%
Year Four	50%	Year Nine	50%
Year Five	50%	Year Ten	50%

VII. CONTEMPLATED IMPROVEMENTS

Owner represents that it will expand and/or renovate a facility at the cost, for the purpose, and in the manner as set forth in the Project Description attached as Exhibit "B". During the Construction Phase, the Owner may make such change orders as to the project as are reasonably necessary, provided that no such change order may be made which will change the qualification of the project as a "Facility" under the Guidelines for Granting Tax Abatement approved by the Governmental Unit. All improvements shall be completed in accordance with all applicable laws, ordinances, rules or regulations. During the term of this Agreement, use of the Property shall be limited to operation of the Facility described in the Project Description consistent with the general purpose of encouraging development or redevelopment of the zone during the period of this Agreement.

Upon completion of the Project, the Reinvestment Advisory Committee shall review the Added Value, as determined by the Hunt County Appraisal District. If the Added Value is less than Estimated Added Value have been added, the Reinvestment Advisory Committee may recommend to the Governmental Unit that the amount of Abatement be immediately adjusted or extinguished.

VIII. EVENTS OF DEFAULT AND RECAPTURES

- A. 1) Discontinued or Reduced Operation During Term of Agreement. In the event that the facility is completed and begins operation but subsequently discontinues operation for any reason except fire, explosion or other casualty or accident or natural disaster for a period of one year during the term of the Agreement, the Agreement may be terminated by the Governmental Unit and all taxes previously abated by virtue of the Agreement will be recaptured and paid within 60 days of the termination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty day notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.
- 2) Certification of Compliance by Owner. Owner of the property shall certify annually,

through a notarized statement to the governing body of each taxing unit that Owner is in compliance with each applicable term of this agreement.

3) Removal of Eligible Property. In the event that fixed machinery or equipment is installed and becomes eligible property, but is subsequently removed from the facility or becomes ineligible property during the abatement period, and is not replaced with fixed machinery or equipment of like value within a reasonable time, then all taxes previously abated by virtue of the agreement for said machinery or equipment will be recaptured and paid within sixty (60) days from the date the machinery or equipment is removed from the facility or becomes ineligible property.

4) Delinquent Taxes. In the event that the company or individual (1) allows its ad valorem taxes owed the Governmental Unit or any affected jurisdiction to become delinquent and fails to timely and properly file the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

B. Notice of Default. Should the Governmental Unit, determine that the Owner is in default according to the terms and conditions of this Agreement, it shall notify the Owner that if such default is not cured within sixty (60) days from the date of such notice ("Cure Period"), then this Agreement may be terminated or modified. In the event the Owner fails to cure said default during the Cure Period, the Agreement may be terminated or modified and the taxes abated by virtue of the Agreement will be recaptured and paid as provided herein.

C. Actual Added Value. Annually, the Chief of the Hunt County Appraisal District or his/her designee, shall assess the real and personal property comprising the reinvestment zone. Should the Hunt County Appraisal District determine that the total level of Added Value during any year of the term of this Agreement after completion of the Construction Phase is lower than the Estimated Added Value such that a lower percentage of Abatement is applicable, for each year during which an Abatement has been granted the difference between the tax abated and the tax which should have been abated based upon, the actual Added Value shall be determined and each Governmental Unit owner shall be notified. The taxes shall be paid within sixty (60) days of notification to the Owner of such determination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty (60) days notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

D. Continuation of Tax Lien. The amount of tax abated each year under the terms of this agreement shall be secured by a first and prior tax lien which shall continue in existence from year to year until such time as this Agreement between the Governmental Unit and Owner is

fully performed by Owner, or until all taxes, whether assessed or recaptured, are paid in full.

If the Governmental Unit terminated this Agreement pursuant to this paragraph VIII, it shall provide Owner written notice of such termination. If Owner believes that such termination was improper, Owner may file suit in the Hunt County district courts appealing such termination within sixty (60) days after the written notice of the termination by the Governmental Unit. If an appeal suit is filed, Owner shall remit to the Governmental Unit(s), within sixty (60) days after the notice of termination, and additional and/or recaptured taxes as may be payable during the pendency of the litigation pursuant to the payment provision of Section 42.08, Texas Tax Code. If the final determination of the appeal increases Owner's tax liability above the amount of tax paid, Owner shall remit the additional tax to the Governmental unit(s) pursuant to Section 42.42, Texas Tax Code. If the final determination of the appeal decreases Owner's tax liability, the Governmental Unit(s) shall refund the Owner the difference between the amount of tax paid and the amount of tax for which owner is liable pursuant to Section 42.43, Texas Tax Code.

X. ADMINISTRATION

The Owner shall allow employees and/or representative(s) of the Governmental Unit to have access to the Property during the term of this Agreement to inspect the facility to determine compliance with the terms and conditions of this Agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the Owner and in accordance with Owner's safety standards.

Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

The Chief Appraiser of the Hunt County Appraisal District shall annually determine (i) the taxable value of the real and personal property comprising the Property taking in to consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the real and personal property comprising the Property. The Chief Appraiser shall record both the abated taxable value and the full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Owner shall furnish the chief Appraiser with such information outlined in Chapter 22, Texas Tax Code, as amended, as may be necessary for the administration of the Agreement specified herein.

X. ASSIGNMENT

The Owner may assign this Agreement to a new owner or lessee of the Facility with the prior written consent of the Governmental Unit, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in this Agreement. Any assignment of this Agreement shall be to an entity that will provide substantially the same improvements to the Property, except to the extent such improvements have been completed. No assignment shall be approved if the Owner or any assignee are indebted to the Governmental Unit for ad valorem taxes or other obligations.

XI. NOTICE

Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been deposited, with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, with the United States Postal Service, addressed to the Governmental Unit or Owner at the following addresses. If mailed, any notice or communication shall be deemed to be received three days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

To the Owner:

Brakebush Brothers, Inc.

Attention: _____

To the Governmental Unit(s)

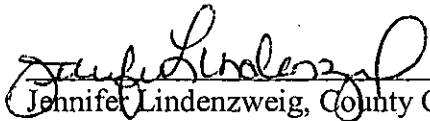
Hunt County
2507 Lee Street
Greenville, Texas 75401
Attention: Judge John Horn

Either party may designate a different address by giving the other party ten (10) days written notice.

This agreement has been executed by the parties in multiple originals or counterparts, each having full force and effect.

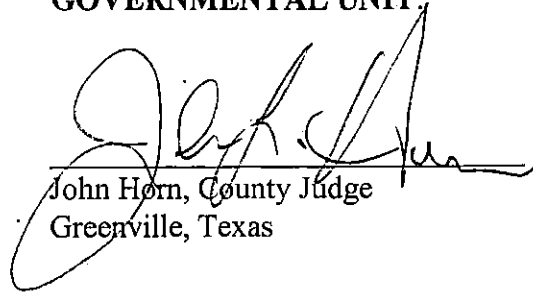
Executed this the 26 day of September, 2017.

WITNESS:



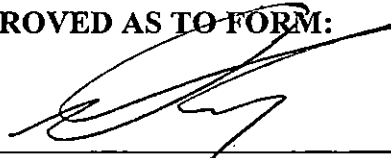
Jennifer Lindenzweig, County Clerk
Greenville, Texas

GOVERNMENTAL UNIT:



John Horn, County Judge
Greenville, Texas

APPROVED AS TO FORM:



Daniel Ray, County Attorney
Hunt County
Greenville, Texas

WITNESS:

Name: _____
Title: _____

OWNER:

By: _____
Name: _____
Title: _____

Exhibit A
Property Description

All that certain, lot, tract or parcel of land situated in the John Braziel Survey, Abstract No. 72 and the Wesley Johnson Survey, Abstract No. 552, Hunt County, Texas, and being part of that tract of land described in a Deed from Frank Whitworth to the Greenville Economic Development Corporation as recorded in Volume 1503, Page 414 of the Official Public Records of Hunt County, Texas (hereinafter called Subject Tract), and being more particularly described as follows:

BEGINNING at a point for corner at the intersection of the South line of Spur 137 with the East line of the above cited Subject Tract, said point also being the Southeast corner of that tract of land conveyed to the State of Texas by Deed recorded in Volume 1762, Page 450 of the Official Public Records of Hunt County, Texas;

THENCE S. 01 deg. 37 min. 34 sec. W. with the East line of said Subject Tract, a distance of 1539.69 feet to a point for corner at the intersection of the East line of said Subject Tract with the North line of the St. Louis & Southwestern Railroad, said point also being at the beginning of a non-tangent curve to the left;

THENCE in a Westerly direction with the North line of the St. Louis & Southwestern Railroad and said non-tangent curve to the left, having a radius of 5779.58 feet, a central angle of 04 deg. 40 min. 57 sec., a chord bearing of S. 79 deg. 54 min. 38 sec. W., a chord distance of 472.22 feet and an arc length of 472.35 to a point for corner;

THENCE S. 77 deg. 34 min. 09 sec. E. with the North line of the St. Louis & Southwestern Railroad a distance of 1123.50 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Westerly direction with the North line of the St. Louis & Southwestern Railroad and with said curve to the left, having a radius of 5779.58 feet, a central angle of 02 deg. 27 min. 54 sec., a chord bearing of S. 76 deg. 20 min. 12 sec. W., a chord distance of 248.64 feet and an arc length of 248.66 to a point for corner at the intersection of the North line of said railroad with a West line of said Subject Tract;

THENCE N. 00 deg. 50 min. 52 sec. E. with a West line of said Subject Tract a

distance of 374.64 feet to a point for corner at an interior corner of said Subject Tract;

THENCE N. 88 deg. 38 min. 09 sec. W. with the most Westerly South line of said Subject Tract a distance of 588.59 feet to a point for corner in a creek;

THENCE in a Northerly direction with the centerline of said creek as follows:

N. 14 deg. 45 min. 41 sec. W. 21.62 feet; N. 05 deg. 16 min. 05 sec. E. 92.89 feet; N. 14 deg. 50 min. 10 sec. W. 128.97 feet; N. 07 deg. 15 min. 52 sec. E. 94.93 feet; N. 04 deg. 56 min. 17 sec. W. 240.34 feet; N. 26 deg. 48 min. 30 sec. E. 37.95 feet; N. 03 deg. 32 min. 53 sec. E. 120.28 feet; N. 08 deg. 13 min. 42 sec. E. 555.19 feet; N. 06 deg. 22 min. 13 sec. W. 218.41 feet; N. 02 deg. 54 min. 28 sec. W. 156.86 feet to a point for corner at the intersection of the West line of said Subject Tract with the South line of U.S. Highway No. 380;

THENCE S. 87 deg. 18 min. 12 sec. E. with the South line of U.S. Highway No. 380 a distance of 1028.36 feet to a point for corner at the North end of a flare at the intersection of the South line of U.S. Highway No. 380 and the South line of Spur 137;

THENCE S. 39 deg. 35 min. 54 sec. E. with said flare a distance of 131.70 feet to a point for corner in the South line of Spur 137 at the South end of said flare;

THENCE S. 87 deg. 20 min. 17 sec. E. with the South line of Spur 137 a distance of 527.78 feet to a point for corner;

THENCE N. 85 deg. 31 min. 42 sec. E. with the South line of Spur 137 a distance of 761.05 feet to the POINT OF BEGINNING and containing 93.361 acres of land.

Exhibit B

Project Description

Brakebush Brothers, Inc. will construct a new +/-431,778 SF tilt wall freezer/cooler food processing facility on approximately 46 +/- acres in Industrial Park West in Hunt County, Texas just outside of Greenville, Texas at an estimated cost of \$60,000,000 for the building and parking. This will be a state-of-the-art "par fry" facility processing approximately 50 million pounds of chicken from a single line annually. The building will be constructed to house up to four (4) processing lines. It is anticipated that 700 employees will be needed. They will receive and ship product, run sophisticated portioning (DSI Waterjet) systems, operate cook line equipment, packing and warehousing operations, perform sanitation, engineering and maintenance functions as well as management, accounting, HR, safety, training and quality control. This facility will operate 24 hours per day (two shifts of production and one shift for cleaning and maintenance).