

STATE OF TEXAS                   §  
  §  
COUNTY OF NAVARRO           §

**INTERLOCAL COOPERATION AGREEMENT  
BETWEEN THE CITY OF CORSICANA AND NAVARRO COUNTY**

THIS INTERLOCAL AGREEMENT is made and entered into by and between Navarro County, a political subdivision of the State of Texas, hereinafter referred to as the "COUNTY", acting by and through its duly authorized County Judge, and the City of Corsicana, a home-rule municipal corporation, herein after referred to as the "CITY", and acting by and through its duly authorized City Manager.

**WINESSETH:**

**WHEREAS**, Chapter 791 of the Texas Government Code authorized the formulation of interlocal cooperation agreements between and among municipalities and counties for the performance of governmental functions; and

**WHEREAS**, the City and County agree to participate in an interlocal agreement for the purpose of economic development, specifically the redevelopment of the former K-Mart facility located at the southwest corner of State Business Hwy 31 and FM 2555 in Corsicana, Texas; and

**WHEREAS**, the City has approved a 380 Agreement (AGREEMENT) with CH Corsi Retail LLC (Developers) for the repair and renovation of the former K-Mart facility for retail commercial development activities which remediate an underutilized building that is in a blighted condition; and

**WHEREAS**, the redevelopment of former K-Mart facility will generally stimulate the economy by providing jobs, increase the taxable value of the building and increase sales taxes.

**WHEREAS**, in order to avoid any disputes between the parties regarding the agreement the City and County agree to the terms and conditions outlined below; and

**WHEREAS**, County and City mutually desire to be subject to the provisions of Chapter 791 of the Texas Government Code, also known as the Interlocal Cooperation Act.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONER'S COURT OF THE COUNTY OF NAVARRO, TEXAS:**

**Section 1.** The terms and conditions of the AGREEMENT with CH Corsi Retail LLC (Exhibit A.) have been reviewed by the County of Navarro and found to be acceptable and in the best interest of the County of Navarro and its citizens, are hereby in all things approved.

**Section 2.** The County Judge is hereby authorized to execute the AGREEMENT and all other documents in connection therewith on behalf of the County of Navarro, substantially according to the terms and conditions set forth in the AGREEMENT.

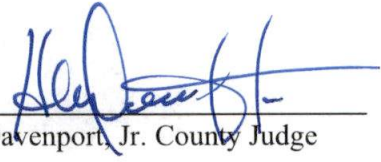
**Section 3.** The County of Navarro agrees to reimburse the City of Corsicana for the County's portion of the AGREEMENT.

**Section 4.** That the approval and execution of the AGREEMENT on behalf of the County of Navarro is not conditional upon approval and execution of any other agreements by any other taxing entity.

**Section 5.** Agreement shall become effective from and after its passage.

EXECUTED this 25 day of MARCH, 2024, in Corsicana, Navarro County, Texas

**NAVARRO COUNTY**



H.M. Davenport, Jr. County Judge

ATTEST:



Sherry Dowd, County Clerk

Exhibit A: Chapter 380 Agreement with CH Corsi LLC

**RESOLUTION NO.**

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**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN AGREEMENT BY AND BETWEEN THE CITY OF CORSICANA, TEXAS AND CH CORSI LLC, FOR A "CHAPTER 380" ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT, AND AUTHORIZING EXECUTION BY THE MAYOR; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City Council has been presented a proposed "Chapter 380" Economic Development Agreement agreement between the City of Corsicana, Texas and CH Corsi LLC, providing for an economic development incentive to promote continued local economic development within the City, a copy of which is attached hereto and incorporated herein by reference (hereinafter called "AGREEMENT"); and

**WHEREAS**, upon full review and consideration of the AGREEMENT, and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and that the Mayor shall be authorized to execute it on behalf of the City of Corsicana;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS:**

**Section 1.** The terms and conditions of the proposed AGREEMENT, having been reviewed by the City Council of the City of Corsicana and found to be acceptable and in the best interest of the City of Corsicana and its citizens, are hereby in all things approved.

**Section 2.** The Mayor is hereby authorized to execute the AGREEMENT and all other documents in connection therewith on behalf of the City of Corsicana, substantially according to the terms and conditions set forth in the AGREEMENT.

**Section 3.** That this approval and execution of the AGREEMENT on behalf of the City of Corsicana is not conditional upon approval and execution of any other tax abatement agreement by any other taxing entity.

**Section 4.** This Resolution shall become effective from and after its passage.

**PASSED and APPROVED** on this the 11<sup>th</sup> day of **March, 2024**.

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Michael Fletcher, Mayor

**ATTEST:**

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Cathy McMullan, Acting City Secretary

**APPROVED AS TO FORM:**

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Kerri Anderson Donica, City Attorney

**THE CITY OF CORSICANA, TEXAS**

**AND**

**CH CORSI RETAIL LLC**

**"CHAPTER 380" ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT**

This Economic Development Program Agreement ("Agreement") is made and entered into by and between the City of Corsicana, Texas, a home rule city and municipal corporation located in Navarro County, Texas (the "City"), and CH CORSI RETAIL LLC, a Delaware limited liability company (the "Company"), as of March \_\_, 2024 (the "Effective Date").

**WITNESSETH:**

**WHEREAS**, on March 11, 2024, the City adopted Resolution No. \_\_\_\_\_, which authorized the City to enter into this Agreement pursuant to Chapter 380 of the Texas Local Government Code ("Chapter 380");

**WHEREAS**, the Company currently owns or plans to purchase a certain tract of real property located within the City and as more particularly described on Exhibit A attached hereto (the "Project Site");

**WHEREAS**, the Project Site contains at least one large empty building that has been largely unused for approximately 24 years and is in need of repair and renovation;

**WHEREAS**, the repair and renovation of the building for retail commercial development activities will serve a public purpose in that it will remediate an underutilized building that is in a blighted condition, increase the ad valorem tax value of the Project Site, and generally stimulate the economy by providing jobs, tax value and increased sales taxes;

**WHEREAS**, the Company desires to enter into this Agreement with respect to the Project Site pursuant to Chapter 380;

**WHEREAS**, the Company will redevelop the existing improvements within the Project Site as a retail commercial development and facilitate the development of complimentary facilities (collectively, the "Commercial Retail Development") on the Project Site;

**WHEREAS**, the City desires to provide, pursuant to Chapter 380, an incentive to the Company to promote continued local development within the City; and

**NOW, THEREFORE**, in consideration of the mutual benefits and premises contained herein and for other good and valuable consideration which is hereby acknowledged, the parties agree as follows:

1. Authorization.

The City has concluded that this Agreement is authorized by Chapter 380, and is authorized by Resolution of the City.

2. Definitions.

The following definitions shall apply to the terms used in this Agreement:

"Agreement" has the meaning set forth in the introductory paragraph of this Agreement.

"Chapter 380" has the meaning set forth in the recitals to this Agreement.

"City" has the meaning set forth in the introductory paragraph of this Agreement.

"Commercial Retail Development" has the meaning set forth in the recitals to this Agreement.

"Company" has the meaning set forth in the introductory paragraph of this Agreement.

"Company Affiliate" means any Person, directly or indirectly controlling, controlled by, or under common control with the Company. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"Comptroller" means the Texas Comptroller of Public Accounts.

"County" means Navarro County.

"Effective Date" has the meaning set forth in the introductory paragraph of this Agreement.

"Force Majeure" means, without limitation, acts of God, or the public enemy, war, terrorism, criminal acts by unrelated third parties, riot, civil commotion, insurrection, governmental or de facto governmental action other than the City's legislative zoning authority, fire, explosions, floods, strikes, adverse weather, or any other extraordinary event beyond the control of the Company (including, without limitation, broad based extraordinary economic events) that makes it reasonably impracticable to accomplish a desired objective.

"Grant Certification" has the meaning set forth in Section 5 of this Agreement.

"Person" means an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

"Project Site" has the meaning set forth in the recitals to this Agreement.

"Tax Code" means the Texas Tax Code, as amended from time to time.

"Term" has the meaning set forth in Section 3 of this Agreement.

All references in this Agreement to a "tax year" mean a calendar year.

3. Term

This Agreement shall be effective as of the Effective Date and shall remain in full force and effect until the earlier of: (1) the fifteen (15) year anniversary of the date the first retail tenant within the Project Site opens for business to the general public (the "Commencement Date"); or (2) the date the sales tax grant incentives described in Section 4(a)(3) and 4(a)(4) of this Agreement are, in the aggregate, paid to the Company.

4. Grant Incentive:

(a) Sales Tax Grant. Subject to Section 4(b), Section 4(c), and Section 4(d), the City and County shall collectively remit to the Company as follows:

1. For the period beginning on the Commencement Date and continuing until the fifteen (15) year anniversary of the Commencement Date (the "Phase I Period"), an amount equal to One Hundred Percent (100%) of local sales taxes collected by the City and County (in the aggregate amount of two percent (2%) (1½ % from the City and ½% from the County) of the sales generated from the Project Site, as a result of the commercial retail activities identified in Section 4(a)(5) below at the Project Site. The sales tax to be remitted is limited to (1) sales tax that is levied by the City pursuant to Chapter 321 of the Tax Code and by the County pursuant to Chapter 322 of the Tax Code, in no event to be less than two percent (2%) of the total sales generated from the Project Site; and (2) sales tax that is actually received by the City and County from the Comptroller for the businesses identified in Section 4(a)(5) below, the City agreeing to use good faith, diligent efforts to collect said sales tax from the Comptroller on a regular basis.
2. The City's portion of the total sales tax grant remitted to the Company shall not exceed Seven Million One Hundred Twenty-Five Thousand Dollars and No cents (\$7,125,000) in the aggregate over the Term of this Agreement.
3. The County's portion of the total sales tax grant remitted to the Company shall not exceed Two Million Three Hundred Seventy-Five Thousand Dollars and No cents (\$2,375,000) in the aggregate over the Term of this Agreement.
4. The local sales taxes used to pay the sales tax grants described above will come only from the retail occupants of Corsicana Sales Tax District Number 4 (i.e. the Project Site) which are initially anticipated to include Ulta Beauty, TJ Maxx or its affiliated store, Academy Sports and Outdoors, and Hobby Lobby. With respect to the Company's potential replacement of any of the above-named retailers, the City shall have the right to condition its future obligation to fund its share of the local sales tax

applicable to any such replacement occupant to the Company in accordance with this Agreement on the City's approval of any replacement occupant proposed by the Company, such approval not to be unreasonably withheld or delayed. The Company acknowledges and agrees that during the term of this Agreement, it will not replace any of the named retailers above with any tenant which would violate any of the use restrictions set forth in Exhibit B attached hereto and incorporated herein by reference. For purposes herein, Ulta Beauty, TJ Maxx or its affiliated store, Academy Sports and Outdoors, Hobby Lobby and reasonably approved replacements thereof are collectively referred to as the "Retail Tenants."

5. For the avoidance of doubt, the sales tax grants will immediately cease at such time as the City and County have collectively paid the amounts described in Sections 4(a)(3) and 4(a)(4) above during the Term of this Agreement, it being understood that any amounts paid by the City and County pursuant to Section 4(f) herein are in addition to the amounts described in Sections 4(a)(3) and 4(a)(4) above.
  6. For the further avoidance of doubt, the sales tax grants may not be paid from any other fund or account controlled by the City and County, respectively. The sales tax grants may not be paid from ad valorem taxes of either the City or County.
  7. Upon the Company's written request (not more than once every calendar year), the Company shall have the right to review City and County records regarding the sales tax returns from the Project Site to confirm the appropriate allocation and payment of the aggregate sales tax grants related to the Project Site as described herein.
- (b) Operation Covenant. The Company shall use good faith, diligent efforts to acquire the Project Site and construct and, subject to the terms of the leases with the Retail Tenants, operate a Commercial Retail Development on the Project Site throughout the Term of this Agreement. The Company agrees to comply with all local, state and federal laws in connection with any repairs to and construction on the Project Site. The Company further agrees to obtain and maintain, at its expense, all permits, licenses and authorizations necessary to operate the Project Site as a Commercial Retail Development. In the event the Company fails to acquire the Project Site prior to October 1, 2024, this Agreement shall be deemed null and void and the parties hereto shall have no further rights or obligations hereunder.
- (c) Commencement Covenant. Subject to matters of Force Majeure, the Company shall commence construction of the Commercial Retail Development within twelve (12) months of the Effective Date of this Agreement and the Commencement Date shall occur within two (2) years of the Effective Date.
- (d) Property Tax Covenant. Throughout the Term of this Agreement, the Company shall timely pay, or cause to be paid, all property taxes for the Project Site and real and personal property owned by the Company and located therein due and owing by it to all relevant taxing jurisdictions.



- (e) Payment of Grant. Beginning as of the Commencement Date, the sales tax grants shall be paid to the Company within thirty (30) days after the end of a calendar quarter, based on the sales taxes actually received by the City and County from the Comptroller during the previous calendar quarter and which are eligible for remittance pursuant to Section 4(a). For the avoidance of doubt, it is understood that the last payment of the sales tax grant (for the last calendar quarter of the Term) shall be payable by the City and County within thirty (30) days after the last calendar quarter of the Term notwithstanding the prior expiration of the Term of this Agreement.
- (f) Additional Reimbursement of Renovation Tax. In connection with the Commercial Retail Development on the Project Site, the State of Texas mandates the collection of an additional sales tax (the "Renovation Tax") in the amount of between eight percent (8.0%) and eight and 25/100 percent (8.25%) of the total contract amount under all site and vertical contracts (including labor, general conditions, materials, etc.) executed in connection with such redevelopment (collectively, the "Aggregate Contract Amounts"). In addition to the sales tax grants described in Section 4(a) above, the City and County agree to use prompt good faith, diligent efforts to recoup the City and County portion (i.e. two percent (2%) of the Aggregate Contract Amounts) of the Renovation Tax from the State of Texas and upon receipt of same, remit to the Company the local portion of said Renovation Tax. For the avoidance of doubt, the City and County will only be required to remit the local portion of the Renovation Taxes they actually receive from the Comptroller.

Any amounts remitted to the Company pursuant to this Section 4(f) shall be in addition to the cap on sales tax grants set forth in Sections 4(a)(3) and 4(a)(4) herein. The Company agrees to provide the City and County with copies of the executed site and vertical construction contracts evidencing the Aggregate Contract Amounts to facilitate the collection of the local portion of said Renovation Tax. In addition, the Company agrees to cause its contractors to cooperate with the City and County in identifying Renovation Taxes paid in connection with the Commercial Retail Development of the Project Site.

#### 5. Certification/Verification

Once the Retail Tenants have commenced operating, the Company shall certify in writing to the City that the conditions set forth in Sections 4(b) and (c), hereof have been met (each, a "Grant Certification").

#### 6. Default.

If the Company defaults with respect to any of its obligations hereunder and fails, within thirty (30) days after delivery of written notice of such default from the City or such longer time as is reasonably necessary to address a default due to Force Majeure, to cure such default, then the City may terminate this Agreement.

The Company's failure to meet a condition set forth in Sections 4(b) or (c) hereof shall result in the loss of the grant incentive contemplated by this Agreement. The Company's only liability for failing to meet a condition or breach shall be those set forth in this Section 6.

In the event the City or County fails to perform any of its obligations hereunder, and such failure continues for a period of thirty (30) days after written notice thereof, the Company shall

thereafter have any rights or remedies available at law or equity.

7. Mutual Assistance.

The City and the Company shall take all reasonable measures that are necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

8. Representations and Warranties.

Both parties hereto warrant and represent that they have the authority to enter into this Agreement.

9. INDEMNIFICATION

A. **IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE CITY IN THIS AGREEMENT, COMPANY SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY, ITS COUNCIL MEMBERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER "CITY'S INDEMNIFIED PARTY") FOR, FROM AND AGAINST ANY AND ALL ACTUAL AND DIRECT LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, REASONABLE ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE, OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY RESULTING FROM COMPANY'S CONSTRUCTION AND OPERATION OF THE FACILITY (COLLECTIVELY, THE "LOSSES").**

B. Notice of Indemnified Loss. The City's Indemnified Party shall promptly notify Company of any indemnified Losses or Claim for indemnified Losses in respect of which the City's Indemnified Party may be entitled to indemnification under this Section 9. Such notice shall be given as soon as reasonably practicable after the City's Indemnified Party becomes aware of the Loss or Claim for Losses.

C. Defense of Third-Party Claims. In the event any action or proceeding shall be brought against the City's Indemnified Party by reason of any matter for which the City's Indemnified Party is indemnified hereunder, Company shall, upon notice from the City's Indemnified Party or its authorized agents or representatives, at Company's sole cost and expense, resist and defend the same with legal counsel selected by Company; provided, however, that Company shall not admit liability in any such matter on behalf of the City's Indemnified Party without the City's express written consent. Nothing herein shall be deemed to prevent the City's Indemnified Party at its election and at its own expense from cooperating with Company and participating in the defense of any litigation by their own counsel. If Company fails to retain defense counsel within ten (10) business days after receipt of City's Indemnified Party written notice that the City's Indemnified Party is invoking its right to indemnification under this Agreement, the City's Indemnified Party shall have the right to retain defense counsel on their own

behalf; and Company shall be liable for all usual and customary defense costs incurred by the City's Indemnified Party.

- D. Limitation on Indemnity. The amount owing to a City Indemnified Party will be the amount of the City Indemnified Party's Losses net of any insurance proceeds received by the City Indemnified Party following a reasonable effort by the City Indemnified Party to obtain such insurance proceeds.

10. Section or Other Headings.

Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

11. Attorney's Fees.

In the event any legal action or proceeding is commenced to enforce or interpret provisions of this Agreement, each party shall be responsible for their own attorneys' fees.

12. Entire Agreement.

This Agreement contains the entire agreement between the parties with respect to the transactions contemplated herein.

13. Amendment.

This Agreement may only be amended, altered, or revoked by written instrument signed by the Company and the City.

14. Successors and Assigns.

This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and all Company Affiliates, and their respective successors and assigns. Without the consent of the City, the Company may assign all of its rights and obligations hereunder to any Company Affiliate. Any other assignment of this Agreement or the rights hereunder by the Company shall require the prior written approval of the City, which shall not be unreasonably withheld, conditioned or delayed, and once the Retail Tenants have commenced operations within the Project Site, in no event shall the City withhold its consent to an assignment to a U.S. citizen or domestic entity which is a reputable retail developer or investor with sufficient financial wherewithal to satisfy the Company's obligations hereunder. Notwithstanding anything contained herein to the contrary, any assignee of the Company shall agree, in writing, to be bound by the terms and conditions of this Agreement including the assumption of all of the Company's outstanding obligations hereunder. Any assignment in violation of this Section 14 shall not affect any grants with respect to which the Company or any Company Affiliate is already entitled.

15. Notice.

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid,

hand delivered or sent by overnight delivery service (by any method of delivery offered by such overnight carrier), addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

Company: CH CORSI RETAIL LLC  
c/o Michael E. Robbe  
1111 Metropolitan Ave.,  
Suite 700  
Charlotte, NC 28204

City: City Manager  
City of Corsicana  
200 N. 12<sup>th</sup> Street  
Corsicana, Texas 75110

16. Interpretation.

Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any party.

17. Suspension in Operations Due to Casualty/Condemnation/Force Majeure.

In the event of a casualty, condemnation or matter of Force Majeure (including without limitation any pandemic) which results in the suspension of any Retail Tenant's business at the Project Site, the Term of this Agreement and the Phase I Period shall be extended by the amount of time said Retail Tenant's operations are suspended such that the Company shall have the benefit of a full fifteen (15) years of business operations within the Project Site regardless of matters outside of the Company's control. It is the intention of the parties that the sales tax grant payable pursuant to Section 4 of this Agreement shall be tolled during such time as the Retail Tenants are unable to operate as a function of the matters described above and shall resume for the balance of the extended term when all Retail Tenants resume business operations at the Project Site.

18. Applicable Law.

This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas and exclusive venue and jurisdiction shall lie in the state district court located in Navarro County, Texas.

19. Severability.

In the event any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

20. Counterparts.

This Agreement may be executed in multiple counterparts (and may be delivered by telecopy, in addition to other means, with originals to follow), each of which shall be considered an original, but all of which shall constitute one instrument.

21. County Joinder.

The County hereby joins in the execution of this Agreement to evidence its consent to the terms and conditions herein and to acknowledge its obligations as set forth in Section 4 herein.

22. Miscellaneous.

- (a) Form 1295. The Parties acknowledge and agree that the Company submitted to the City a completed Form 1295 generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295") at the time Company submitted its signature page to this Agreement. The City hereby confirms timely receipt of the Form 1295 from the Company pursuant to Section 2252.908, and the City agrees to acknowledge such form with the TEC through its electronic filing application system not later than the 30th day after the receipt of such form. The City waives all claims related to the validity and enforceability of this Agreement to the extent such claims are based on noncompliance with Section 2252.908, Texas Government Code.
- (b) Chapter 380 Reporting. The City agrees to timely report this Agreement to the State Comptroller in accordance with Section 403.0246 of the Texas Government Code and Chapter 380 of the Texas Local Government Code.
- (c) Boycott of Israel. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Company hereby verifies that it and other Company Affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to enable compliance with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, 'boycott Israel,' a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.
- (d) Verification Regarding Discrimination Against Fossil Fuel Companies. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Company hereby verifies that it and other Company Affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with

such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

(e) During the term of this Agreement, the Company agrees not to knowingly employ any undocumented workers in violation of 8 U.S.C. Section 1324a (f). Pursuant to Section 2264.101 (c), Texas Government Code, a business is not liable for a violation of Chapter 2264 by a subsidiary, Company Affiliate, or franchisee of the business, or by a person with whom the business contracts.

(f) Verification Regarding No Discrimination Against Firearm Entities and Firearm Trade Associations. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Company hereby verifies that it and other Company Affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification and the following definitions:

(i) "Discriminate against a firearm entity or firearm trade association" is a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association;

(ii) "Firearm entity" is a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler,

supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting); and

(iii) "Firearm trade association" is a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

- (g) Iran, Sudan, and Foreign Terrorist Organizations. The Company represents that neither it nor any other Company Affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,  
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or  
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to enable the City to comply with Section 2252.152, Texas Government Code, and to the extent such section does not contravene applicable Federal law or Texas law and excludes the Company and each of its parent company, wholly- or majority-owned subsidiaries, and other Company Affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

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**CITY OF CORSICANA, TEXAS**

**MICHAEL FLETCHER, MAYOR**

**ATTEST:**

**Cathy McMullan, Acting City  
Secretary**

**APPROVED AS TO FORM  
AND LEGALITY:**

**Kerri Donica, City Attorney**

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

**CH CORSI RETAIL LLC**

**By:** \_\_\_\_\_

**Name: Michael E. Robbe**

**Title: Manager**

**Address: c/o Collett**

**1111 Metropolitan Ave., Suite 700**

**Charlotte, NC 28204**

\_\_\_\_\_  
**(Corporate Seal)**



ACKNOWLEDGED AND AGREED:



ATTEST:

Sherry [Signature]

NAVARRO COUNTY, TEXAS

[Signature]  
By: H.M. DAVENPORT  
3-23-24  
NAVARRO County Judge.

**CITY ACKNOWLEDGMENT**

**THE STATE OF TEXAS**

§

**COUNTY OF NAVARRO**

§

§

**BEFORE ME**, the undersigned authority, on this day personally appeared Michael Fletcher, Mayor of the CITY OF CORSICANA, TEXAS, a municipal corporation, known to me to be the person acknowledged to me that the same was the act of the said CITY OF CORSICANA, TEXAS, a municipal corporation, that he was duly authorized to perform the same by appropriate resolution of the City Council of the City of Corsicana, Texas, and that he executed the same as the act of the said City for the purposes and consideration therein expressed and in the capacity therein stated.

**GIVEN UNDER MY HAND AND SEAL OF OFFICE** this \_\_\_\_\_ day of \_\_\_\_\_,  
2024

\_\_\_\_\_  
Notary Public in and for  
the State of Texas

\_\_\_\_\_  
Notary's Printed Name

My Commission Expires:

\_\_\_\_\_



**COUNTY ACKNOWLEDGMENT**

**THE STATE OF TEXAS**

§

**COUNTY OF NAVARRO**

§

§

**BEFORE ME**, the undersigned authority, on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of the NAVARRO COUNTY, TEXAS, a municipal corporation, known to me to be the person acknowledged to me that the same was the act of the said NAVARRO COUNTY, TEXAS, a municipal corporation, that he was duly authorized to perform the same by appropriate resolution of the County of Navarro, Texas, and that he executed the same as the act of the said County for the purposes and consideration therein expressed and in the capacity therein stated.

**GIVEN UNDER MY HAND AND SEAL OF OFFICE** this \_\_\_\_\_ day of \_\_\_\_\_, 2024

\_\_\_\_\_  
Notary Public in and for  
the State of Texas

\_\_\_\_\_  
Notary's Printed Name

My Commission Expires:  
\_\_\_\_\_

EXHIBIT A

DESCRIPTION OF PROJECT SITE

All that certain lot, tract or parcel of land situated in the John Williams Survey, A-850 and the George Hempling Survey, A-372, Navarro County, Texas and being known and designated as Lot 1R, Block 1681 of the K-Mart Plaza Addition, an Addition to the City of Corsicana, Navarro County, Texas, as recorded in Volume 8, Page 238 of the Plat Records of Navarro County, Texas.

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## EXHIBIT B

### PROHIBITED USES

- (i) any tavern or bar, except to the extent incidental to a restaurant operated primarily for on-premises consumption (i.e., less than 50% alcohol sales);
  - (ii) second-hand store whose principal business is selling used or donated merchandise;
  - (iii) pawn shop;
  - (iv) head shop, electronic cigarette shop, store primarily selling cigarettes or cannabidiol, or store selling marijuana;
  - (v) payday loan or check cashing provider;
  - (vi) funeral home or mortuary;
  - (vii) manufacturing operation;
  - (viii) flea market;
  - (ix) tattoo parlor or body piercing establishment;
  - (x) adult video store and adult book store;
  - (xi) adult entertainment club;
  - (xii) night club;
  - (xiii) place of betting, gambling, bingo, or other gaming;
  - (xiv) self-service laundry facility;
  - (xv) on-site dry cleaner;
  - (xvi) auto body shop, auto repair shop, auto tire shop, auto rental business or junk yard;
  - (xvii) a blood plasma donation center;
  - (xviii) a government owned or operated healthcare clinic;
  - (xix) abortion clinic, including Planned Parenthood;
  - (xx) any use that emanates obnoxious odors, noise, vibrations or sound which can be smelled, heard or felt in the Leased Premises; or
  - (xxi) any establishment which primarily sells or displays used merchandise or second hand goods, including without limitation, a flea market or a pawn shop.
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