

ITEM NO. 9

Date: December 8, 2025

Subject: Resolution Approving Tax Abatement Agreement with Oegg Inc

Comments: The attached Resolution approves a tax abatement agreement between the City of Corsicana and Oegg Inc.

Oegg is considering investing \$6 Million, and creating 100 new jobs at 3001 E Business Highway 31.

The City of Corsicana approved a similar agreement on November 24, 2025 with Oegg.

Recommendation: Approve Resolution approving a Tax Abatement Agreement with Oegg Inc.

MOTION:

I MOVE TO (APPROVE/DENY) THE RESOLUTION APPROVING A TAX ABATEMENT AGREEMENT WITH OEGG INC.

RESOLUTION NO.

2025-2

A RESOLUTION OF THE COMMISSIONER'S COURT OF THE COUNTY OF NAVARRO, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN AGREEMENT BY AND BETWEEN THE COUNTY OF NAVARRO, TEXAS AND OEGG INC., FOR A COMMERCIAL/INDUSTRIAL TAX ABATEMENT, AND AUTHORIZING EXECUTION BY THE COUNTY JUDGE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Commissioners Court has been presented a proposed tax abatement agreement between the County of Navarro, Texas and Oegg Inc., providing for a property tax abatement for certain improvements, 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 Commissioner's Court is of the opinion that the terms and conditions thereof should be approved, and that the County Judge shall be authorized to execute it on behalf of the County of Navarro, Texas;

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

Section 1. The terms and conditions of the proposed AGREEMENT, having been reviewed by the Commissioner's Court of 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.

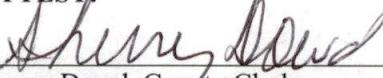
Section 3. That this approval and execution of the AGREEMENT on behalf of the County of Navarro is not conditional upon approval and execution of any other tax abatement agreement by any other taxing entity.

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

PASSED and APPROVED on this the 8 day of DECEMBER, 2025.


H.M. Davenport, Jr., County Judge

ATTEST:


Sherry Dowd, County Clerk



STATE OF TEXAS §

COUNTY OF NAVARRO §

TAX ABATEMENT AGREEMENT

This Tax Abatement Agreement (the “AGREEMENT”) is entered into by and between COUNTY OF NAVARRO TEXAS, acting herein by and through its County Judge and hereinafter referred to as COUNTY, and Oegg Inc., hereinafter referred to as OWNER.

WITNESSETH:

WHEREAS, on the 24th day of November, 2025, the City Council of the City of Corsicana (CITY) passed an Ordinance (the “ORDINANCE”) establishing Enterprise Zone/Reinvestment Zone 25-01 (the “REINVESTMENT ZONE”) in the CITY for commercial/industrial tax abatement as authorized by Chapter 312, Texas Tax Code; and

WHEREAS, the COUNTY has previously adopted a Tax Abatement Policy (the “Tax Abatement POLICY”); and

WHEREAS, the Tax Abatement Policy constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by COUNTY as required by Chapter 312, Texas Tax Code; and

WHEREAS, COUNTY has adopted a Resolution on July 28, 2025 stating that it elects to be eligible to participate in tax abatement; and

WHEREAS, COUNTY has sent written notice that COUNTY intends to enter into this AGREEMENT, including a copy of this AGREEMENT, to the presiding officer of the governing body of each other taxing unit in which property to be subject to this AGREEMENT is located, as required by Section 312.2041 of the Texas Tax Code; and

WHEREAS, in order to maintain and/or enhance the commercial economic and employment base of the Corsicana area to the long term interest and benefit of the COUNTY, it is in the best interest of the taxpayers for the COUNTY to enter into this AGREEMENT in accordance with the Ordinance, the Tax Abatement Policy, and the Texas Tax Code; and

WHEREAS, OWNER owns the real property described by metes and bounds and by map on Exhibit “A”, and Exhibit “B” attached hereto and incorporated herein by reference (the “Property” and intends to make certain Improvements (as defined below) to the Property; and

WHEREAS, the contemplated use of the Property, the contemplated Improvements to the Property in the amount as set forth in this AGREEMENT, and the other terms hereof are consistent with encouraging development of the Reinvestment Zone in accordance with the purposes for its creation and are in compliance with the Tax Abatement Policy.

NOW THEREFORE, in consideration of the mutual benefits and promises contained herein and

for good and other valuable consideration, the adequacy and receipt of which is hereby acknowledged, the parties hereto do mutually agree as follows:

I. DEFINITIONS

Whenever used in this AGREEMENT, the following terms shall have the meanings ascribed to them:

- 1.1 “Estimated Tax Value” means the estimated depreciated Tax Net Book Values applicable to the real property improvements and the Tangible Personal Property improvements comprising the Investment described in Paragraph 2.2 below, as scheduled on Exhibit “D” attached hereto and incorporated herein by reference. For reference purposes, the Estimated Tax Values scheduled on Exhibit “D” are determined using the Navarro Central Appraisal District's appraisal guidelines in effect as of the date of this AGREEMENT.
- 1.2 “Event of Bankruptcy or Insolvency” means the dissolution or termination of a party's existence as a going business, insolvency, appointment of receiver for any part of a party's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.
- 1.3 “Force Majeure” means any contingency or cause beyond the reasonable control of OWNER including, without limitation, acts of God or the public enemy, war, riot; civil commotion, insurrection, adverse weather, governmental or de facto governmental action (unless caused by acts or omissions of OWNER), fires; explosions or floods, and strikes, as well as delays in permitting, inspection, customs clearance, provided OWNER gives the COUNTY prompt written notice of such Force Majeure event and then proceeds to undertake commercially responsible mitigation.
- 1.4 “Full-Time Equivalent Job” is a ratio that represents the number of hours that an employee works compared to 40 hours per week. An FTE is any combination of employees whose work hours total 40 hours a week and does not necessarily equate to headcount. For example, 2 half-time (20 hours per week) workers together equal 1 FTE.
- 1.5 “In Service Project Cost” means the initial project cost of the Improvements identified and defined below, as of the date such Improvements are first placed into service by OWNER
- 1.6 “Tangible Personal Property” means tangible personal property classified as such under state law and hereafter located on the Property, but expressly excludes inventory and supplies, and any tangible personal property that was located in the Reinvestment Zone at any time before the date of this AGREEMENT.
- 1.7 “Taxable Value” means the appraised value as certified by the Navarro County Appraisal District as of January 1 of a given year.

Other terms defined elsewhere in this AGREEMENT shall have the meanings therein ascribed to

those terms.

II. OWNER'S OBLIGATIONS

2.1 The property to be the subject of this AGREEMENT shall be the Property described herein in Exhibits "A" and "B".

2.2 For the purposes of fulfilling this AGREEMENT, the OWNER shall make improvements to the Property and personal property acquisitions as described in Exhibit "C" attached hereto and incorporated herein by reference (collectively the "Improvements"), having a minimum total taxable value of at least \$6,000,000, more specifically defined as a minimum total taxable value of at least \$6,000,000 in real property improvements and in Tangible Personal Property improvements to be added (hereinafter collectively referred to as the "Investment"). On or before January 1, 2031, OWNER shall substantially complete all Improvements and cause an increase in Taxable Value as shown in Exhibit "D". On or before January 1, 2031, OWNER shall create and maintain a minimum of 100 Full-Time Equivalent Jobs as described in Exhibit "F" at the Property and OWNER shall maintain such jobs at the Property throughout the Term of this AGREEMENT. Notwithstanding the foregoing deadlines, OWNER shall have such additional time to satisfy the obligations contained in this Paragraph 2.2 as may reasonably be required in the event of Force Majeure if OWNER is diligently and faithfully pursuing satisfaction of the applicable obligation. The date of substantial completion of the Improvements shall be defined as the date a Certificate of Occupancy is issued by the CITY.

2.3 As good and valuable consideration for this AGREEMENT, OWNER agrees and covenants that it will diligently and faithfully pursue the completion of the Improvements in a good and workmanlike manner. OWNER further covenants and agrees that all construction of the Improvements and use of the Property will be in accordance with all applicable State and local laws, codes, and regulations (or valid waiver thereof). In further consideration, OWNER agrees and covenants that it will continuously operate, maintain and occupy the Property as a manufacturing facility from the date of Certificate of Occupancy is issued until expiration of the Term of this AGREEMENT.

2.4 OWNER further agrees that the COUNTY, its agents and employees shall have reasonable right of access to the Property, upon not less than ten (10) days prior written notice, to inspect the Improvements in order to ensure that the construction of the Improvements is in accordance with this AGREEMENT and all applicable State and local laws and regulations (or valid waiver thereof). After completion of the Improvements, the COUNTY shall have the continuing right to inspect the Property, upon not less than ten (10) days prior written notice, to ensure that it is thereafter maintained, operated and occupied in accordance with this AGREEMENT throughout the Term of this AGREEMENT. In addition, the OWNER agrees that appraisal district representatives shall have reasonable right of access to the Property, upon not less than ten (10) days prior written notice, for the purpose of ad valorem property tax appraisal for all real property and improvements to real property, tangible personal property, inventory and equipment.

2.5 OWNER agrees that it will register all permanent jobs with the Texas Workforce Commission and that all contractors shall be encouraged to seek qualified workers through the Texas Workforce Commission.

III. ABATEMENT OF TAXES

3.1 Subject to the terms and conditions of this AGREEMENT, and subject to the rights of holders of any outstanding bonds of the COUNTY, a portion of ad valorem real property taxes from the Property, and a portion of taxes for Tangible Personal Property in place at the Property on January 1st of each year, that are otherwise owed to the COUNTY, shall be abated. Said ad valorem real property tax abatement/freeze shall be for a ten (10) year term and shall apply to the taxes assessed upon the increased value of the eligible Property, after installation of the real property improvements contemplated by Paragraph 2.2, over the value of the Property in the year in which this AGREEMENT is executed; and said Tangible Personal Property tax abatement shall be for a ten (10) year term and shall apply to the taxes assessed upon the increased value of the eligible Tangible Personal Property Improvements contemplated in Paragraph 2.2, over the value of in place Tangible Personal Property in the year in which this AGREEMENT is executed; all subject to, and in accordance with, the terms of this AGREEMENT, the Tax Abatement Policy, Chapter 312, Texas Tax Code, and all applicable state and local regulations (or valid waiver thereof). The percentage (%) level of tax abatement for both Real Property Improvements and Tangible Personal Property during the foregoing ten (10) year terms shall be as described below in “Table 3.1, Tax Abatement Schedule.”

Table 3.1 Tax Abatement Schedule For Real Property Improvements and Tangible Personal Property Added	
Year of Abatement	Level (%) of Tax Abatement
1	50
2	50
3	50
4	50
5	50
6	50
7	50
8	50
9	50
10	50

The tax abatement for Tangible Personal Property will apply only to the Tangible Personal Property added to the Property after this AGREEMENT is executed. Notwithstanding the forgoing, the OWNER shall have the right to protest and/or contest any assessment of the Property over and above the minimum Investment as required by this AGREEMENT..

3.2 Said abatement(s) shall extend for a period of ten (10) years, as applicable, to the real property and the Tangible Personal Property tax abatement, with each such tax abatement beginning with the tax year immediately following the issuance of a Certificate of Occupancy for the project facility but no later than on January 1, 2029, whichever is sooner, and shall remain in effect during the Term of this AGREEMENT as long as the OWNER (a) incurs the minimum Taxable Value as shown in schedule on Exhibit “D” for the Investment as contemplated under Paragraph 2.2; (b) maintains minimum Taxable Values for the real

property improvements and the Tangible Personal Property improvements comprising the Investment each year during the Term of this AGREEMENT at least equal to the Estimated Tax Values for each item as scheduled on Exhibit "D"; (c) maintains a minimum of 100 Full-Time Equivalent Jobs, as shown in Exhibit "F" at the Property; and (d) otherwise satisfies all of the terms, conditions, and obligations of this AGREEMENT.

3.3 It is understood and agreed among the parties that the Property shall be appraised at market value for the purposes of the applicable real and personal property tax assessments effective as of January 1, 2025, and continued at market value until the expiration of the Term of this AGREEMENT.

IV. TERM OF THE AGREEMENT

4.1 The term of this AGREEMENT (the "Term") shall begin on the date of this AGREEMENT and end upon completion of the final abatement year.

4.2 Prior to October 1st of each year during the Term of this AGREEMENT, OWNER shall certify to the governing body of the COUNTY and each taxing unit that OWNER is in compliance with all of the terms and conditions of this AGREEMENT.

V. DEFAULT AND RECAPTURE OF ABATED TAX

5.1 If: (a) OWNER fails to incur the minimum In Service Project Cost of at least \$6,000,000 dollars for Investment, as contemplated under Paragraph 2.2 and for which an abatement has been granted, or the Improvements otherwise are not completed in accordance with this AGREEMENT; (b) OWNER fails to maintain throughout the Term of this AGREEMENT minimum Taxable Values for the real property Improvements comprising the Investment at least equal to the Estimated Tax Values for each item as scheduled on Exhibit "D"; (c) OWNER fails to create and maintain throughout the Term of this AGREEMENT of the 100 Full-Time Equivalent Jobs as contemplated under Paragraph 2.2, as shown in Exhibit "F" at the Property; (d) OWNER allows its ad valorem taxes owed the COUNTY to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of any such ad valorem taxes; (e) OWNER has an Event of Bankruptcy or Insolvency (as defined in Paragraph 1.2); or (f) OWNER otherwise fails to comply with any of the terms, conditions, or obligations of this AGREEMENT, then the OWNER shall be in default of this AGREEMENT.

5.3 In the event of default, COUNTY shall give the OWNER written notice of such default and, if the OWNER has not cured such default within sixty (60) days after said written notice, this Agreement may be terminated by the COUNTY. If the COUNTY terminates this Agreement in the event of default, OWNER shall repay to the COUNTY all taxes which otherwise would have been paid to the COUNTY without the benefit of abatement during the Term of this AGREEMENT, together with interest at the statutory rate for delinquent taxes as determined by Section 33.01 of the Texas Tax Code (but without the addition of penalty), reasonable attorney's fees, and costs. Such amounts shall be due, owing, and payable to the COUNTY within sixty (60) days after the expiration of the above mentioned 60-day cure period. The parties acknowledge that COUNTY will suffer damages in the event of OWNER's default under this

AGREEMENT. The parties acknowledge that actual damages in the event of default and termination would be speculative and difficult to determine. OWNER's obligation to pay any amounts hereunder shall survive termination of this AGREEMENT.

5.4 It is expressly acknowledged and agreed between the parties that the COUNTY shall have the right to place a tax lien against the Property pursuant to Section 32.01 of the Texas Tax Code. Such lien shall secure the payment of all taxes abated and subject to recapture under this AGREEMENT, together with all other amounts payable hereunder. Any such lien may be fully enforced pursuant to the provisions of the Texas Tax Code. Also, to collect any amounts payable hereunder, the COUNTY shall have all other remedies provided generally in the Tax Code for the collection of delinquent property tax.

VI. GENERAL PROVISIONS

6.1 The COUNTY represents and warrants that the Property does not include any property that is owned by a member of the Commissioner's Courtl approving, or having responsibility for the approval of this AGREEMENT.

6.2 The terms and conditions of the AGREEMENT are binding upon the successors and permitted assigns of all parties hereto. This AGREEMENT may not be assigned by OWNER without the prior written consent of the COUNTY, such consent to be at the sole discretion of the COUNTY; provided, however, that upon written notice to the COUNTY, OWNER may assign its rights under this AGREEMENT to a wholly owned subsidiary of OWNER, subject to OWNER remaining liable for all of its obligations hereunder.

6.3 It is understood and agreed between the parties that the OWNER, in performing its obligations hereunder, is acting independently, and the COUNTY assumes no responsibility or liability in connection therewith to third parties and OWNER agrees to indemnify and hold harmless the COUNTY therefrom. It is further understood and agreed among the parties that the COUNTY, in performing its obligations hereunder, is acting independently, and the OWNER assumes no responsibility or liability in connection therewith to third parties and the COUNTY agrees to indemnify and hold harmless the OWNER therefrom.

6.4 Notices required to be given to any party to this AGREEMENT shall be given personally or by certified mail, return receipt requested, postage prepaid, addressed to the party at its address set forth below, and given by mail, shall be deemed delivered as of the date personally delivered or three days after deposit in the United States mail:

For COUNTY by notice to:

City of Corsicana, Texas
Attention: City Manager
Corsicana Government Center
200 North 12th Street
Corsicana, Texas 75110

For OWNER by notice to:

Oegg Inc.
3821 Sandlin Street
Grapevine, TX 76092

Any party may change the address to which notices are to be sent by giving the other party written notice in the manner provided in this Section.

6.5 This AGREEMENT constitutes the entire and final expression of the agreement of the parties hereto with respect to the subject matter hereof. This AGREEMENT can be modified or amended only by a written agreement executed by both parties.

6.6 If either party commences an action against the other party arising out of or in connection with this AGREEMENT, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs of suit.

6.7 This AGREEMENT shall be governed by the laws of the State of Texas, without regard to its choice of law rules. This AGREEMENT is performable in Navarro County, Texas. Exclusive venue for any litigation related to, or arising out of, this AGREEMENT shall lie in Navarro County, Texas.

6.8 In this AGREEMENT, time is of the essence.

6.9 This AGREEMENT may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

6.10 This AGREEMENT was authorized by resolution of the County Commissioners at its regularly scheduled meeting on the 8th day of December, 2025, authorizing the Mayor to execute the AGREEMENT on behalf of the CITY.

6.11 This AGREEMENT was entered into by _____, pursuant to authority granted by its Directors/Members/Owners on the 8 day of December 2025.

6.12 This AGREEMENT shall constitute a valid and binding agreement between the CITY and OWNER when executed in accordance herewith, regardless of whether any other taxing unit executes a similar agreement for tax abatement.

Witness our hands this 8 day of December 2025.

APPROVED:

COUNTY OF NAVARRO, TEXAS

By: H.M. Davenport, Jr.
H.M. Davenport, Jr., County Judge

ATTEST:

Sherry Dowd

Sherry Dowd, County Clerk



By: _____

Name: _____
Title: President

EXHIBITS ATTACHED:

- “A” Survey and Description of Property
- “B” Overhead Map of Property
- “C” Application for Tax Abatement
- “D” Estimated Tax Value Schedule
- “E” Environmental Impact Letter to City
- “F” Schedule of Employment

Exhibit D

Estimated Taxable Value By Year

Year	1	2	3	4	5	6	7	8	9	10
	\$ 4,025,000	\$ 3,220,000	\$ 2,576,000	\$ 2,060,800	\$ 1,648,640	\$ 1,318,912	\$ 1,055,130	\$ 844,104	\$ 675,283	\$ 540,226
	\$ 1,300,000	\$ 1,040,000	\$ 832,000	\$ 665,600	\$ 532,480	\$ 425,984	\$ 340,787	\$ 272,630	\$ 218,104	
	\$ 300,000	\$ 240,000	\$ 192,000	\$ 153,600	\$ 122,880	\$ 98,304	\$ 78,643	\$ 62,915		
		\$ 225,000	\$ 180,000	\$ 144,000	\$ 115,200	\$ 92,160	\$ 73,728	\$ 58,982		
			\$ 150,000	\$ 120,000	\$ 96,000	\$ 76,800	\$ 61,440	\$ 49,152		
Taxable Value	\$ 4,025,000	\$ 4,520,000	\$ 3,916,000	\$ 3,357,800	\$ 2,836,240	\$ 2,268,992	\$ 1,815,194	\$ 1,452,155	\$ 1,161,724	\$ 929,379

Exhibit F

Schedule of Employment

Year	1	2	3	4	5	6	7	8	9	10
	11	42	69	87	100	100	100	100	100	100