

**ECONOMIC DEVELOPMENT AND PERFORMANCE AGREEMENT BETWEEN  
THE MANSFIELD ECONOMIC DEVELOPMENT CORPORATION AND  
TURNKEY DEVELOPMENT GROUP, L.L.C.**

This Economic Development Agreement ("Agreement") is made and entered into by and between TURNKEY DEVELOPMENT GROUP, L.L.C., a Texas limited liability company ("Turnkey") and the MANSFIELD ECONOMIC DEVELOPMENT CORPORATION (the "Corporation"), a nonprofit corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code, for the purposes and considerations stated below:

**RECITALS:**

1. Turnkey is the developer of a certain tract of land located at Mansfield 287 Addition Lot 1R3C, Block 1 within the corporate limits of the City of Mansfield ("City") (hereafter referred to as the "Property") and intends to make certain improvements to the Property as more particularly set forth in this Agreement.

2. The Corporation has determined and found that requested grant will be used to fund a "project" as defined in Section 501.103 of the Texas Local Government Code, and that the expenditure of the Corporation is suitable or required for the development of a new or expanding business enterprise and will be limited to certain infrastructure improvements ("Improvements") necessary to promote or develop such enterprise.

3. The Corporation, which has determined that substantial economic benefit and the creation of new opportunities of employment will accrue to the City as a result of Turnkey's development and operation of the Property, desires to have Turnkey construct the Improvements on the Property. This project will increase the taxable value of the Property and will directly and indirectly result in the creation of additional jobs throughout the City. As a consequence, the value of the benefits of the Project (as defined herein) will substantially outweigh the amount of expenditures required of the Corporation under this Agreement.

4. The Corporation, to encourage the development and operation of the Property, desires to participate in the funding of the cost of the Improvements which are necessary in order for Turnkey to construct the facility in Mansfield and operate as hereinafter set forth, which will aid and promote economic development in the City.

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

1. **Authorization.**

This Agreement is authorized by Title 12, Subtitle C1, Chapter 501 of the Texas Local Government Code.

2. **Definitions.**

CAPITAL INVESTMENT means the actual cost incurred related to the construction of the Improvements and related infrastructure, including the actual construction costs of all buildings, renovations, site preparation, structures, infrastructure, utilities, landscaping and onsite improvements, including labor and materials, engineering costs, surveying costs, fees of consultants, permit and inspection fees. It does not include insurance costs, marketing costs or any interest paid to finance the cost of Capital Investment.

CITY means the City of Mansfield, Texas.

ELIGIBLE INFRASTRUCTURE means the construction of an access drive across the "Glade – Family Limited" property to the "Todd & Shelly R. Tardy" property as depicted on Exhibit "B".

IMPROVEMENTS mean the improvements to be constructed on the Property by Turnkey as shown on Exhibit "A" attached hereto and incorporated herein.

PROJECT means the reimbursement by the Corporation of up to \$50,000 toward the cost of a common access entrance and drive between the Fairfield Inn, the Property, and the adjacent vacant parcel located to the southeast of the Property.

PROPERTY means the Lot 1R3C, Block 1, Mansfield 287 Addition, located on the 287 access road as depicted on Exhibit "B".

3 **Term.**

This Agreement shall be effective as of the date of execution of all parties. This Agreement will continue to be in force and effective for a five year term commencing on the date that the Improvements are complete and approved by the City.

4. **Covenants of Turnkey.**

a. In consideration of Corporation agreeing to reimburse Turnkey monies in accordance with the terms and conditions of this Agreement, Turnkey agrees to:

- (1) Make a Capital Investment to construct the Improvements described on Exhibit "A" in an amount equal to a minimum of \$1,800,000, not including the cost of the land, and to receive a certificate of occupancy from the City on or before December 31, 2016; and

- (2) Render the Property to the Tarrant County Appraisal District and remain current on all property taxes for the term of this Agreement.

b. Should Turnkey fail to comply with any term of this Agreement, Turnkey shall have thirty (30) days after written notice from the Corporation to come into compliance. If the noncompliance is not cured within that period, or an agreement on a time frame to come into compliance is not reached with the Corporation, Turnkey will forfeit the right to reimbursement by the Corporation. In the event Turnkey's uncured noncompliance occurs after the grant of funds is received, Turnkey shall immediately upon demand repay the Corporation an amount equal to all payments made under Section 5 of this Agreement plus the greater of ten percent (10%) per annum or the maximum rate permitted by law from the date the payments were made until the date of full repayment.

c. Turnkey covenants and certifies that he does not and will not knowingly employ an undocumented worker as that term is defined by Section 2264.01(4) of the Texas Government Code. In accordance with Section 2265.052 of the Texas Government Code, if Turnkey is convicted of a violation under 8 U.S.C. Section 1324a (f), Turnkey shall repay to the Corporation the full amount of all payments made under Section 5 of this Agreement, plus ten percent (10%) per annum from the date such payment was made until the date of full repayment. Repayment shall be paid within one hundred twenty (120) days after the date Turnkey receives a notice of violation from the Corporation.

#### **5. Payments by Corporation.**

The Corporation shall participate with Turnkey in the cost of the Project not to exceed Fifty Thousand Dollars (\$50,000) to be reimbursed to Turnkey to construct the Eligible Infrastructure upon satisfactory proof of the Capital Investment for the Eligible Infrastructure, within 30 days after the Facility receives a Certificate of Occupancy from the City and submission to the Corporation of satisfactory documentation evidencing the expenditures for the Capital Investment and the expenditures required by Section 4(a)(1) herein.

#### **6. Improvements.**

Turnkey shall be solely responsible for the design and construction of the Improvements and shall comply with all subdivision regulations, building codes and other ordinances of the City applicable to the Improvements.

#### **7. Indemnification.**

TURNKEY, IN PERFORMING THE OBLIGATIONS UNDER THIS AGREEMENT, IS ACTING INDEPENDENTLY, AND THE CORPORATION ASSUMES NO RESPONSIBILITIES OR LIABILITIES TO THIRD PARTIES IN CONNECTION WITH THE PROPERTY OR IMPROVEMENTS. TURNKEY AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CORPORATION, ITS OFFICERS, AGENTS, EMPLOYEES, AND

VOLUNTEERS IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM AND AGAINST CLAIMS, SUITS, DEMANDS, LOSSES, DAMAGES, CAUSES OF ACTION, AND LIABILITY OF EVERY KIND, INCLUDING, BUT NOT LIMITED TO, EXPENSES OF LITIGATION OR SETTLEMENT, COURT COSTS, AND ATTORNEYS FEES WHICH MAY ARISE DUE TO ANY DEATH OR INJURY TO A PERSON OR THE LOSS OF USE, OR DAMAGE TO PROPERTY, ARISING OUT OF OR OCCURRING AS A CONSEQUENCE OF THE PERFORMANCE BY TURNKEY OF THE OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING ANY ERRORS OR OMISSIONS, OR NEGLIGENT ACT OR OMISSION OF TURNKEY, OR THE OFFICERS, AGENTS OR EMPLOYEES.

8. **Access to Information.**

Turnkey agrees to provide the Corporation access to information related to the construction of the Improvements and Project during regular business hours upon reasonable notice. The Corporation shall have the right to require Turnkey to submit any reasonably necessary information, documents, invoices, receipts or other records to verify costs of the Improvements and capital expenditures related to the Property.

9. **General Provisions.**

a. **Mutual Assistance.** Turnkey and the Corporation shall do all things reasonably 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.

b. **Representations and Warranties.** Turnkey represents and warrants to the Corporation that it has the requisite authority to enter into this Agreement. Turnkey represents and warrants to the Corporation that it will not violate any federal, state or local laws in operating the business, that all proposed Improvements shall conform to the applicable building codes, zoning ordinances and all other ordinances and regulations.

c. **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.

d. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to the transaction contemplated herein.

e. **Amendment.** This Agreement may only be amended, altered, or revoked by written instrument signed by Turnkey and the Corporation.

f. **Successors and Assigns.** This Agreement shall be binding on and insure to the benefit of the parties, their respective successors and assigns. Turnkey may assign all or part of its rights and obligations hereunder only upon prior written approval of the Corporation, which approval shall not be

unreasonably withheld or delayed provided reasonably satisfactory guaranties are provided to insure compliance with all terms of this Agreement. Upon written approval by Corporation of such assumption, assignment or transfer, Turnkey shall thereafter be released from its obligations hereunder.

g. **Notice.** Any notice required or permitted to be delivered by this Agreement shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

Turnkey Development Group:      Turnkey Development Group, L.L.C.  
4101 W. Green Oaks Blvd. #305-226  
Arlington, TX 76016

CORPORATION:                      Director  
Mansfield Economic Development Corporation  
301 South Main Street  
Mansfield, Texas 76063

With a copy to:                      City Attorney  
City of Mansfield  
1200 East Broad Street  
Mansfield, Texas 76063

h. **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.

i. **Applicable Law/Venue.** This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas; venue for any legal action regarding this Agreement shall lie in Tarrant County, Texas.

j. **Severability.** In the event any provision of this Agreement is ruled illegal, invalid, or unenforceable by any court of proper jurisdiction, 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.

k. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

l. **No Joint Venture.** Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties.

m. **Default.** If a party should default (the "Defaulting Party") with respect to any of its obligations hereunder and should fail, within thirty (30) days after delivery of written notice of such default from the other party (the "Complaining Party") to cure such default, the Complaining Party, by action or proceeding at law or in equity, may be awarded its actual but not consequential damages and/or specific performance for such default.

n. **Covenant Running with the Land.** All rights, covenants, restrictions, burdens, privileges and charges, set forth in this Agreement shall exist at all times as long as this Agreement is in effect, among all parties having any right, title or interest in any portion of all of the Property.

o. **Force Majeure.** If either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder (other than the payment of money) by reason of strikes, lockouts, inability to procure materials, failure of power, governmental moratorium or other governmental action or inaction (including, failure, refusal or delay in issuing permits, approvals or authorizations), injunction or court order, terrorist attacks, riots, insurrection, war, fire, earthquake, flood or other natural disaster or other reason of a like nature not the fault of the party delaying in performing work or doing acts required under the terms of this Agreement (but excluding delays due to financial inability), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided that the foregoing shall not be applicable to any payment obligation of either party under this Agreement.

**MANSFIELD ECONOMIC  
DEVELOPMENT CORPORATION**

\_\_\_\_\_  
By: Lary Klos, Board President

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

ATTEST:

\_\_\_\_\_  
Board Secretary

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_

Attorney for the Corporation

**TURNKEY DEVELOPMENT GROUP, LLC.**

By: \_\_\_\_\_  
Mark Feuling, Managing Member

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

**ACKNOWLEDGEMENT**

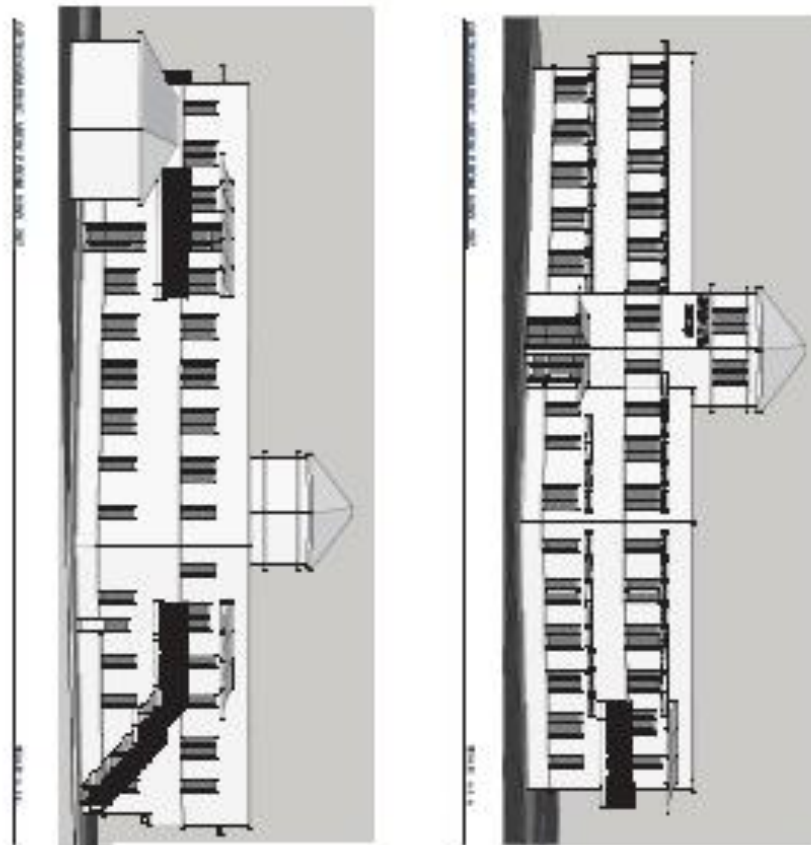
BEFORE ME, the undersigned authority, on this date personally appeared Mark Feuling, who after being duly sworn stated that he is the Managing Member of Turnkey Development Group, LLC, and that he signed the foregoing instrument on behalf of said entity for the purposes expressed therein.

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

My commission expires: \_\_\_\_\_

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

# EXHIBIT A





## EXHIBIT B

