

ADVANCE FUNDING AGREEMENT

This Advance Funding Agreement (this "Agreement"), effective as of _____, 2025, is made by and between MISSION ECONOMIC DEVELOPMENT CORPORATION, a Texas Economic Development Corporation and governed by Texas Local Government Code chapters 501, 502 and 505 and the Texas Non-Profit Corporation Act, (the "MEDC") acting by and through its governing body, the Board of Directors (the "MEDC Board"), , and THE CITY OF MISSION, TEXAS (the "City"), a Texas home-rule city.

RECITALS

WHEREAS, the Board of Directors of MEDC has determined that it is in the best interests of MEDC to contract with the City, in its capacity as a developer, to provide for the efficient and effective implementation of the construction of infrastructure improvements on the Property (as hereinafter defined), which is owned by MEDC; and

WHEREAS, on **October 15, 2025**, the MEDC authorized the allocation for the purposes of funding the construction of the infrastructure improvements on the Property; and

WHEREAS, the MEDC as a Type B Corporation may provide funding for public improvements to recreational and community facilities pursuant to Chapter 505 of the Texas Local Government Code; and

WHEREAS, MEDC finds that such investment will improve the quality of life for the Mission community and residents; and

WHEREAS, the City has determined that it will carry out the construction of such improvements and MEDC cover the cost of such construction.

AGREEMENT

For and in consideration of the mutual promises, covenants, obligations, and benefits contained herein, the MEDC and the City contract and agree as follows:

ARTICLE 1 GENERAL TERMS

1.1 Definitions. The terms "Agreement," "City," "MEDC," and "MEDC Board," have the above meanings, and the following terms have the following meanings:

"Code" means the Texas Local Government Code, as amended.

“County” means Hidalgo County, Texas.

“City Advances” means any funds advanced by the City pursuant to Section 6.1 of this Agreement, expressly including, but not limited to, out-of-pocket expenses.

“Party” or “Parties” means one or more of the MEDC, and the City, the parties to this Agreement.

“Project” means the construction and installation of the Public Improvements on the Property;

“Project Costs” means all costs relating to the planning, design, engineering, construction, and installation of the Public Improvements.

“Property” means the real property described as **Exhibit “A”**.

“Public Improvements” means, collectively, the projects described in Section 3.1, below.

“State” means the State of Texas.

1.2 Singular and Plural. Words used herein in the singular, where the context so permits, also include the plural and vice versa. The definitions of words in the singular herein also apply to such words when used in the plural where the context so permits and vice versa.

ARTICLE 2 REPRESENTATIONS

2.1 Representations of the MEDC. The MEDC hereby represents to the City that:

(A) The MEDC is duly authorized, created and existing in good standing under the laws of the State of Texas and is duly qualified and authorized to carry out the governmental functions and operations contemplated by this Agreement.

(B) The MEDC has the power, authority, and legal right to enter into and perform this Agreement and the execution, delivery, and performance hereof (a) have been duly authorized, (b) to the best of the MEDC’s knowledge, will not violate any applicable judgment, order, law, or regulation, and (c) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance, or security interest upon any assets of the MEDC under any

agreement or instrument to which the MEDC is a party or by which the MEDC or its assets may be bound or affected.

(C) The Public Improvements and the Project Costs are components of or are consistent with the Project, and the Project Costs are eligible for payment in accordance with the Code

(D) This Agreement has been duly authorized, executed, and delivered by the MEDC and, constitutes a legal, valid, and binding obligation of the MEDC, enforceable in accordance with its terms except to the extent that (a) the enforceability of such instrument may be limited by bankruptcy, reorganization, insolvency, moratorium, or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (b) certain equitable remedies including specific performance may be unavailable.

(E) The execution, delivery, and performance of this Agreement by the MEDC do not require the consent or approval of any person which has not been obtained.

2.2 Representations of the City. The City hereby represents to the MEDC that:

(A) The City is duly authorized, created, and validly existing under the laws of the State of Texas.

(B) The City has the power, authority, and legal right to enter into and perform the obligations set forth in this Agreement, and the execution, delivery, and performance hereof (a) have been duly authorized, (b) will not, to the best of the City's knowledge, violate any judgment, order, law, or regulation applicable to the City or any provisions of the City's organizational documents, and (c) do not constitute a default under or result in the creation of, any lien, charge, encumbrance, or security interest upon any assets of the City under any agreement or instrument to which the City is a party or by which the City or its assets may be bound or affected.

(C) The City will have sufficient capital to perform its obligations under this Agreement at the time it needs to have sufficient capital.

(D) This Agreement has been duly authorized, executed, and delivered and constitutes a legal, valid, and binding obligation of the City, enforceable in accordance with its terms except to the extent that (a) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium, or other similar laws of general application in effect from time to time

relating to or affecting the enforcement of creditors' rights and (b) certain equitable remedies including specific performance may be unavailable.

ARTICLE 3 THE PUBLIC IMPROVEMENTS

3.1 Public Improvements. The Public Improvements consist of the design, construction, and installation of infrastructure improvements, including but not limited to water lines, sanitary sewer lines, and drainage infrastructure on the Property (the "Public Improvements"). The Parties acknowledge that the Public Improvements will be financed and designed, and will be acquired by the City and consistent with the terms of this Agreement.

3.2 Project Costs. The Project Costs eligible under this Agreement shall be the City's actual expense costs of the Public Improvements, not to exceed \$237,000.00, and shall not include interest.

ARTICLE 4 DUTIES AND RESPONSIBILITIES OF THE CITY

4.1 Acquisition of Public Improvements. The City shall be responsible for the acquisition and installation of the Public Improvements and complying with all applicable competitive bidding laws. As applicable, the City will provide bid tabs and other information reasonably requested by the MEDC to document the scope of the Public Improvements, and the costs thereof. A summary of the anticipated costs associated with the Public Improvements for which the City seeks funding is attached hereto as **Exhibit "B"**. The City will document the extent of the Public Improvements to the MEDC as soon as practicable following completion thereof.

4.2 Cooperation. The City agrees that it will cooperate with the MEDC and will provide all necessary information to the MEDC to evidence completion of the Project.

ARTICLE 5 DUTIES AND RESPONSIBILITIES OF MEDC

5.1 Payment by MEDC. The MEDC shall pay to the City the Project Costs, without interest, in the amount of the actual eligible costs of the Public Improvements as described herein. The total, actual Project Costs of the Public Improvements for which the MEDC shall be responsible under the terms of this Agreement shall not exceed \$237,000.00.

ARTICLE 6
PUBLIC IMPROVEMENTS FINANCING AND FUNDING

6.1 Payment of the Project Costs. MEDC shall pay the Project Costs by advancing the sum of \$237,000.00 to the City upon execution of this Agreement by both parties.

ARTICLE 7
DEFAULT

7.1. Default.

(A) If the MEDC does not perform its obligations hereunder in compliance with this Agreement in all material respects, in addition to the other rights given the City under this Agreement, the City may enforce specific performance of this Agreement or seek actual damages incurred by the City for any such default if such default is not cured within 30 days after receipt by the MEDC of a written notice of default (or such longer period as is reasonably necessary; provided that actions reasonably calculated to cure the default are being diligently pursued to completion).

(B) In the event the City completes the Public Improvements but does not otherwise perform its obligations hereunder in all material respects in substantial compliance with this Agreement, in addition to the other rights given to the MEDC under this Agreement, the MEDC may enforce specific performance or seek actual damages incurred for any such default if such default is not cured within thirty (30) days after receipt by the City of a written notice of default (or such longer period as is reasonably necessary; provided that actions reasonably calculated to cure the default are being diligently pursued to completion).

(C) Force majeure. If force majeure prevents either Party hereto from performing any of its obligations under this Agreement, in whole or part, then the obligations of such Party, to the extent affected by such force majeure, shall be suspended during the continuance of any inability, provided that such Party is exercising due diligence to resume performance at the earliest practical time. As soon as reasonably possible after occurrence of the force majeure relied upon, the Party whose contractual obligations are affected thereby shall give notice and full particulars of such force majeure to the other Party. The term "force majeure," as used herein, shall include, without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, direct orders of any kind of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts,

arrests, restraints of government and people, civil disturbances, explosions, and any other inabilities of either Party, whether similar to those enumerated or otherwise, which are not within the control of the Party claiming such inability, and which such Party could not have avoided by the exercise of due diligence and care. It is understood and agreed that the settlement of strikes and lockouts shall be remedied with all reasonable dispatch, but shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable to it in the judgment of the Party having the difficulty.

ARTICLE 8 GENERAL

8.1 Inspections. The City agrees to keep such operating records relating to the Public Improvements as may be required by the MEDC, or by state and federal law or regulation for a period not to exceed four years after completion, unless otherwise required by law. The City shall allow the MEDC reasonable access to documents and records in the City's possession, custody or control that the MEDC deems necessary to assist the MEDC in determining the City's compliance with this Agreement.

8.2 Personal Liability of Public Officials. To the extent permitted by state law, no director, officer, employee or agent of the MEDC, and no officer, employee, or agent of the City, shall be personally responsible for any liability arising under or growing out of the Agreement.

8.3 Notices. Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed (certified, return receipt requested), or sent by facsimile transmission confirmed by mailing written confirmation at substantially the same time as such facsimile transmission, or personally delivered to an officer of the receiving Party at the following addresses:

If to the City: City Manager
 City of Mission, Texas
 1201 E. 8th
 Mission, Texas 78572

If to the MEDC: Chief Executive Officer
 Mission Economic Development Corporation
 801 N. Bryan Road
 Mission, Texas 78572

Each Party may change its address by supplying written notice to the other Party in accordance with this Section. Any communication addressed and mailed in accordance

with this Section shall be deemed to be given when so mailed, any notice sent by facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication delivered in person shall be deemed to be given when actually received by the MEDC or the City, as the case may be.

8.4 Amendments and Waivers. Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is signed by the MEDC and the City. No course of dealing on the part of the City, nor any failure or delay by the City with respect to exercising any right, power or privilege of the City under this Agreement shall operate as a waiver thereof, except as otherwise provided in this Section.

8.5 Invalidity. In the event that any of the provisions contained in this Agreement shall be held unenforceable in any respect, such unenforceability shall not affect any other provision of this Agreement.

8.6 Successors and Assigns. All covenants and agreements made herein by or on behalf of the MEDC shall bind its successors and assigns and shall inure to the benefit of the City and its successors and assigns. The MEDC may assign its rights and obligations under this Agreement or any interest herein, with the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned, or delayed.

8.7 Exhibits; Titles of Articles, Sections and Subsections. The exhibits attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except that in the event of any conflict between any of the provisions of such exhibits and the provisions of this Agreement, the provisions of this Agreement shall prevail. All titles or headings in this Agreement are included only for the convenience of the Parties and shall not be construed to have any effect or meaning as to the agreement between the Parties. Any reference herein to a Section or Subsection shall be considered a reference to such Section or Subsection of this Agreement unless otherwise stated. Any reference herein to an exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

8.8 Construction. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Texas, as such laws are now in effect.

8.9 Entire Agreement. THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

8.10 Term. This Agreement shall be in force and effect from the date of execution hereof for a term expiring on the date the City Advances have been repaid in full.

8.11 Approval by the Parties. Whenever this Agreement requires or permits approval or consent to be hereafter given by any of the Parties, the Parties agree that such approval or consent shall not be unreasonably withheld or delayed.

8.12 Additional Actions. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be necessary or appropriate, from time to time, to carry out the terms, provisions, and intent of this Agreement, and to aid and assist each other in carrying out such terms, provisions, and intent.

[EXECUTION PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this Advance Funding Agreement to be duly executed as of the ____ day of _____, 2025.

**MISSION ECONOMIC DEVELOPMENT
CORPORATION**

By: _____
TECLO J. GARCIA, CEO

CITY OF MISSION, TEXAS

By: _____
NORIE GONZALEZ-GARZA, Mayor

Exhibit A
The Property

A tract of land containing 5.151 acres situated in the City of Mission, County of Hidalgo, Texas, being a part or portion out of Lot 17-11, West Addition to Sharyland Subdivision, according to the plat thereof recorded in Volume 1, Page 56, Hidalgo County Map Records, which said 5.151 acres conveyed to Idee Juarez Cruz and Marivel Juarez by virtue of a Gift Warranty Deed recorded under Document No. 2818870, Hidalgo County Official Records, and to Joel C. Juarez, Idee Juarez Cruz, and Marivel Juarez by virtue of an Affidavit of Heirship recorded under Document No. 2818869, Hidalgo County Official Records, said 5.151 acres also being more particularly described as follows:

COMMENCING at the Southeast corner of said Lot 17-11;

THENCE, N 08°34'23" E along the East line of said Lot 17-11, a distance of 284.05 feet to a point on the existing North right-of-way line of U.S. Expressway 83 Frontage Road;

THENCE, N 81°36'09" W along the existing North right-of-way of U.S. Expressway 83 Frontage Road, a distance of 50.00 feet to a point, from which a No. 4 rebar found bears N 66°05'41" E a distance of 0.23 feet, for the Southeast corner and POINT OF BEGINNING of this herein described tract;

1. THENCE, N 81°36'09" W along the existing North right-of-way line of U.S. Expressway 83 Frontage Road, a distance of 610.00 feet to a No. 4 rebar set from which a No. 4 rebar found bears N 88°28'59" W a distance of 0.57 feet, for the Southwest corner of this tract;
2. THENCE, N 08°34'23" E along the East line of Newquest Gateway Subdivision according to the plat thereof recorded in Instrument No. 3522556, Hidalgo County Map Records, a distance of 377.98 feet to a No. 4 rebar set at an inside corner of said Newquest Gateway Subdivision, for the Northwest corner of this tract;
3. THENCE, S 81°25'37" E, at a distance of 30.00 feet pass a No. 4 rebar found at an outside corner of said Newquest Gateway Subdivision continuing a total distance of 565.00 feet to a No. 4 rebar found, for the Northernmost Northeast corner of this tract;
4. THENCE, S 08°34'23" W a distance of 125.00 feet to a No. 4 rebar set, for an inside corner of this tract;
5. THENCE, S 81°25'37" E a distance of 45.00 feet to an No. 4 rebar set, for the Southernmost Northeast corner of this tract;
6. THENCE, S 08°34'23" W a distance of 251.11 feet to the POINT OF BEGINNING and containing 5.151 acres of land, more or less.

Exhibit "B"
Project Costs and Diagram of Project Area

CHANGE ORDER No.1- PROPOSAL				
City of Mission				
MISSION EDC SUBDIVISION				
Qty	Unit	Item Description	Unit Price In Figures	Total Extension In Figures
560	LF	8" SS PVC SDR26	\$ 255.00	\$ 142,800.00
3	EA	48" F/G SS Manholes	\$ 17,500.00	\$ 52,500.00
3	EA	Short SS Service Connections PVC SDR26	\$ 4,950.00	\$ 14,850.00
3	EA	Water Service Connections	\$ 4,950.00	\$ 14,850.00
1	EA	Fire Hydrant	\$ 12,000.00	\$ 12,000.00
Change Order No.1 Total			\$	237,000.00

