

## ECONOMIC DEVELOPMENT AGREEMENT

This ECONOMIC DEVELOPMENT AGREEMENT (this "**Agreement**") is effective as of April 27, 2026 (the "**Effective Date**"), by and between the CITY OF WOLFFORTH, TEXAS (the "**City**"), a Texas home-rule city, and the Wolfforth Economic Development Corporation, LLC, a Texas non-profit corporation created under the Development Corporation Act (the "**WEDC**"). The City and WEDC are each a "**Party**" and collectively the "**Parties**".

### RECITALS

WHEREAS, the Texas Legislature through Chapter 380 of the Texas Local Government Code (the "**Act**") authorized home-rule municipalities to enter into a contract with a development corporation created by the municipality under the Development Corporation Act to grant public money to the corporation;

WHEREAS, the development corporation shall use the grant money for the development and diversification of the economy of the state, elimination of unemployment or underemployment in the state, and development and expansion of commerce in the state;

WHEREAS, amounts payable under this Agreement shall constitute economic development funds under Art. III, Sec. 52-a, Texas Constitution and, therefore, are not considered to be a constitutional debt of the City;

WHEREAS, the WEDC is currently entering into a **loan transaction** with PlainsCapital Bank, N.A. (the "**Lender**") wherein WEDC executed a Loan Agreement dated \_\_\_\_\_, 2026 ("**Loan Agreement**"), a Promissory Note dated \_\_\_\_\_, 2026, in the original principal amount of \$4,930,000.00 ("**Note**"), and related documents to finance the purchase of property that will diversify the economy of the state, eliminate unemployment or underemployment in the state, and develop and expand commerce in the state (the "**Project**");

WHEREAS, the Lender requires that the City guarantee the performance of WEDC in the Loan Agreement;

WHEREAS, the Wolfforth City Council has determined that the Project is consistent with the Act and would not go forward in the manner best anticipated to promote economic development within the City without the aid of the allocation of funds from the City; and

WHEREAS, the City and the WEDC wish to set out the terms and conditions under which the WEDC will be eligible for economic development incentives under this Agreement, as more fully set out herein.

NOW THEREFORE, for and in consideration of the mutual covenants set forth herein, the City and the WEDC agree as follows:

ARTICLE 1  
GENERAL TERMS

1.1 Definitions. The terms defined in the preamble hereto shall have the meanings provided for them therein. The following capitalized terms shall have the meanings provided below, unless otherwise defined or the context clearly requires otherwise. For purposes of this Agreement the words "shall" and "will" are mandatory, and the word "may" is permissive.

"City Grant Allocations" means the allocations described in Article 3 from the City to the WEDC to help secure the Loan Agreement.

"Project" means the project as defined in the recitals.

1.2 Singular and plural; gender. 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. Likewise, any masculine references shall include the feminine, and vice versa.

ARTICLE 2  
REPRESENTATIONS

2.1 Representations of the WEDC. The WEDC hereby represents that:

(a) It is duly authorized, created, and existing in good standing under the laws of the State of Texas and is duly qualified and authorized to conduct its obligations described in this Agreement and the Loan Agreement.

(b) It has the power, authority and legal right to enter into and perform this Agreement and the Loan Agreement, and the execution, delivery and performance of both (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (iii) does not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the WEDC under any agreement or instrument to which the WEDC is a party or by which the WEDC or its assets may be bound or affected.

(c) This Agreement has been duly authorized, executed and delivered by the WEDC and, constitutes a legal, valid, and binding obligation of the WEDC, enforceable in accordance with its terms.

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

2.2 Representation of the City. The City hereby represents that:

(a) The City is duly authorized, created, and existing under the laws of the State of Texas and is duly qualified and authorized to execute the governmental functions and operations as contemplated by this Agreement.

(b) The City has the power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (iii) does 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) This Agreement has been duly authorized, executed and delivered by the City and, constitutes a legal, valid, and binding obligation of the City, enforceable in accordance with its terms.

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

### ARTICLE 3

#### CITY ECONOMIC DEVELOPMENT GRANT

3.1 City Grant Allocations. In consideration of the execution and performance of the Loan Agreement by the WEDC, the City agrees to budget for and make available City Grant Allocations in favor of the WEDC in an amount not to exceed \$4,930,000. Subject to and conditioned upon annual appropriations by the Wolfforth City Council, the City will allocate in each fiscal budget during the Term an amount equal to the amount of principal and interest due from the WEDC to the Lender for payment of the Note during the subsequent twelve (12) months following the allocation. The allocation shall be part of the City's annual budget adopted on or before October 1 of each applicable year in accordance with state law. City Grant Allocations shall commence on the adoption of the City budget for the 2026-2027 fiscal year. Subject to and conditioned upon annual appropriations by the Wolfforth City Council, City Grant Allocations shall continue until the earlier of either (i) the date the WEDC has completely satisfied the Loan Agreement and Note; or (ii) sixteen (16) years from the date hereof, whichever occurs first (the "**Term**").

3.2 Grant Payments. The City will pay the City Grant Allocations to the WEDC only if, and in the event that, the WEDC will be in default of the Loan Agreement, Note, or other loan documents. Prior to the City making any payment of funds under this Agreement, the WEDC must present to the Wolfforth City Council documentation evidencing why the WEDC is unable to make a payment under the Loan Agreement or Note at least thirty (30) days prior to the date that the payment is due to the Lender.

3.3 WEDC Budget. The WEDC will include the full amount due under the Loan Agreement and Note for the subsequent twelve (12) months in each of its annual budgets during the Term. Failure of the WEDC to include the full amount of both the principal and interest due during the subsequent twelve (12) months in a budget will result in the Wolfforth City Council amending the WEDC budget to include such amounts and directing the WEDC Board of Directors and Executive Economic Development Director to ensure that such payments are timely made. The WEDC shall submit its annual budget, including the amount due for the Loan Agreement for the

subsequent twelve (12) months, to the City secretary on or before August 1 during each year of the Term.

3.4 Source of Grant Payments. The City may allocate funds for the City Grant Allocations from any lawfully available source. Neither ad valorem taxes nor sales taxes are pledged to such payment. IN NO EVENT MAY THIS AGREEMENT BE CONSTRUED OR INTERPRETED AS PLEDGING OR OTHERWISE ENCUMBERING THE AD VALOREM TAX RECEIPTS OF THE CITY OR TO IN ANY MANNER REQUIRE THE CITY TO ISSUE BONDS OR OTHER AD VALOREM TAX SUPPORTED INDEBTEDNESS IN ORDER TO MAKE THE PAYMENTS REQUIRED BY THIS AGREEMENT.

ARTICLE 4  
DEFAULT; REMEDIES

4.1 Default. A party to this Agreement shall be in "Default" if the party has failed to perform a duty or obligation required by this Agreement and does not cure such failure within fifteen (15) days after receiving written notice from the other party setting forth in reasonable detail the nature of the alleged failure ("**Default**").

4.2 Remedies.

(a) If the WEDC is in Default, the City may pursue any available remedy, including terminating this Agreement or removing the WEDC Board of Directors members.

(b) If the City is in Default, the WEDC may seek specific performance of this Agreement. The WEDC shall have no recourse against the ad valorem tax base of the City or any other funds of the City other than as specified herein or damages relating to nonpayment thereof.

ARTICLE 5  
GENERAL

5.1 State Law Verifications.

(a) The WEDC represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, are identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section

2270.0201, Government Code. The foregoing representation demonstrates exclusion of the WEDC and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, as a company 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.

(b) The WEDC hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

(c) The WEDC hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

(d) The WEDC hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other 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. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

(e) Submitted herewith or on a date prior hereto is a completed Form 1295 in connection with the WEDC’s participation in the execution of this Agreement 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”). The City hereby confirms receipt of the Form 1295 from the WEDC. The WEDC and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the WEDC; and neither the City nor its consultants have verified such information.

5.2 Inspections, audits. The WEDC agrees to keep such records with respect to the activities contemplated by this Agreement as may be reasonably required.

5.3 Personal liability of public officials, legal relations. To the extent permitted by state law, no director, officer, employee, or agent of the City shall be personally responsible for any liability arising under or growing out of the Agreement.

5.4 Indemnity. THE WEDC SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY, ITS AGENTS AND EMPLOYEES FROM ALL SUITS, ACTIONS, OR CLAIMS OF ANY CHARACTER, TYPE, OR DESCRIPTION BROUGHT OR MADE FOR OR ON ACCOUNT OF ANY INJURY OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, ARISING OUT OF, OR OCCASIONED BY, THE ACTS OF THE WEDC OR ITS AGENTS OR EMPLOYEES. THE WEDC SHALL PROVIDE A DEFENSE OF SUCH CLAIMS AT ITS OWN EXPENSE WITH LEGAL COUNSEL WHO SHALL REPORT TO THE CITY.

5.5 Force Majeure. Neither the City nor the WEDC shall be liable for failure to perform their duties if such failure is caused by a catastrophe, riot, war, fire, flood, landslide, lightning, act of God, or similar contingency beyond the reasonable control of the parties to this Agreement.

5.6 Notices. Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed, or sent by electronic mail or facsimile transmission confirmed by mailing written confirmation at same time as such electronic mail or facsimile transmission, or personally delivered to an officer of the receiving party at the following addresses:

WEDC:

Wolfforth Economic Development Corporation  
302 Main Street  
Wolfforth, Texas 79382  
Attention: Executive Economic Development Director  
Electronic Mail: [dsweat@wolfforthtx.us](mailto:dsweat@wolfforthtx.us)

City:

City of Wolfforth, Texas  
302 Main Street  
Wolfforth, Texas 79382  
Attention: City Manager  
Electronic Mail: [rcriswell@wolfforthtx.us](mailto:rcriswell@wolfforthtx.us)

Each party may change its address by written notice 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 so sent by electronic mail or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication so delivered in person shall be deemed to be given when receipted for by, or actually received by the other party.

5.7 Amendments and waivers. No provision of this Agreement may be amended or waived unless such amendment or waiver is in writing and is signed by all the parties. No course of dealing on the part of the parties, nor any failure or delay by one or more of the parties, with respect to exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, except as otherwise provided in this section.

5.8 Invalidity. If 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, except to the extent of a complete failure of consideration.

5.9 Successors and assigns. All covenants and agreements contained by or on behalf of a Party in this Agreement shall bind its successors and assigns and shall inure to the benefit of the other Parties, their successors, and assigns. The Parties may assign their rights and obligations under this Agreement or any interest herein, only with the prior written consent of the other Party, and any assignment without such prior written consent, including an assignment by operation of law, is void and of no effect.

5.10 Titles of articles, sections, and subsections. All titles or headings are 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 hereto. Any reference herein to a section or subsection shall be considered a reference to such section or subsection of this Agreement unless otherwise stated.

5.11 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. Venue for and all suits or causes of action shall be exclusive in Lubbock County, Texas.

5.12 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.

5.13 Term. This Agreement shall be in force and effect from the date of execution hereof for a term the expiring the earlier of sixteen (16) years or the full satisfaction of the Loan Agreement and Note by the WEDC.

5.14 Time of the essence. Time is of the essence with respect to the obligations of the Parties to this Agreement.

5.15 Further assurances. Each Party hereby agrees that it will take all actions and execute all documents necessary to fully conduct the purposes and intent of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be duly executed as of the date first written above.

**WOLFFORTH ECONOMIC DEVELOPMENT CORPORATION**

\_\_\_\_\_  
Joel Robinette, President

**CITY OF WOLFFORTH, TEXAS**

\_\_\_\_\_  
Randy Criswell, City Manager

ATTEST:

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Terri Robinette, City Secretary

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