

**Performance Agreement between the Wolfforth Economic Development Corporation and
All Hale Meats, LLC, for Incentives to Promote Expanded Business Development in
Wolfforth, Texas**

This Performance Agreement (“Agreement”) is entered into on September ___, 2024, by and between the **Wolfforth Economic Development Corporation** (“WEDC”), a Texas development corporation authorized under the Texas Development Corporation Act (“Act”), and **All Hale Meats, LLC** (“Company”).

WHEREAS, the WEDC is a Type B economic development corporation; and

WHEREAS, the Act authorizes economic development corporations created by municipalities with a population of 20,000 or less to undertake projects that fund expenditures found by the Board to promote new or expanded business development and undertake projects that advertise and publicize the City for new and expanded business; and

WHEREAS, the City of Wolfforth currently has a population of less than 20,000; and

WHEREAS, Company operates a meat market at 903 W. 5th Street, Wolfforth, Texas 79382 (the “Facility”); and

WHEREAS, Company and its founders have operated a meat market in the Lubbock area since 1949; and

WHEREAS, Company has committed to invest at least \$1,376,000.00 in the Property to expand its operation at the Property which will include new construction to allow increased capacity to operate its meat market and begin production of jerky and other ready to eat food (the “Project”); and

WHEREAS, as a result of the Project, Company will also create new primary jobs at the Property; and

WHEREAS, the WEDC Board finds that an incentive to the Company will expand business development within the City of Wolfforth.

Now, Therefore, subject to the execution of this Agreement to memorialize and obligate funds provided hereunder in the form to be provided by the WEDC, the parties agree as follows:

1. Definitions. As used in this Agreement, the following terms have the following meanings:

“Position” means a permanent, full-time, Company benefit-eligible employee working at least 37.5 hours per week at the Facility who receives full-time wages paid by Company for a period of at least six months at the Facility. References to “Company” herein shall also include affiliates of Company. To be a “New Position”, an employee must represent an increase in the total, permanent level of employment at the Facility. Positions shall not be considered New Positions if they replaced occupants of New

Positions or full-time positions from an earlier reduction in the number of full-time employees in the City of Wolfforth. New Positions must be Primary Jobs. Additionally, New Positions will only be considered New Positions to the extent their additions increase the total employment level by Company at the Facility at the time of the initiation of this agreement.

"Payroll Statement" means a written statement setting forth the monthly, quarterly, and annual (as applicable) payroll at the Facility and the amount of wages paid to each full-time employee at the Facility.

"Primary Job" means a primary job as defined in Texas Local Gov't Code 501.002.

1. Incentive - WEDC's Total Maximum Obligation: \$50,000.00

- 1.1 WEDC agrees, as an incentive for the Project, to provide a forgivable loan to Company in the amount of \$50,000.00 (the "Loan Amount") to assist in the Project.
- 1.2 Subject to the provisions below, Company will pay back the full Loan Amount to WEDC on or before December 31, 2025.
- 1.3 As a condition of the receipt of any portion of the incentive, Company agrees to request annexation of any property adjacent to the Property that it purchases within twenty years following the execution of this Agreement. Until such annexation, Company agrees to comply with C3 zoning and the requirements in the Meat Processing with Retail Front commercial use category as set forth in the Wolfforth Zoning Ordinance as of the date of this Agreement.
- 1.4 Company will provide to WEDC applicable Payroll Statements and quarterly Texas Workforce Commission wage reports showing the employment of the New Positions no later than January 10th of each year of this Agreement.
- 1.5 WEDC will forgive the Loan Amount on January 31, 2026, if Company provides proof that the Company is still in operation, has invested at least \$1,376,000.00 into the Facility for the Project and is then employing at least eight (8) New Positions.
- 1.6 Company agrees that it will continue its practice of not discharging any prohibited waste into the City of Wolfforth wastewater system.
- 1.7 Company must submit construction documents, receipts or other proof of payment as required by the WEDC Board with each reimbursement request.

3. No Waiver. No delay or omission by either party in exercising any right that may accrue to it pursuant to this Agreement will operate as a waiver of any other right that may accrue pursuant hereto.

Either party by notice to the other may designate additional or different addresses for subsequent notices or communications.

9. Authority. The parties have the power and authority to enter into the transactions contemplated by this Agreement and to conduct their obligations hereunder and have complied with all state laws and ordinances relating to this Agreement. The individuals signing this Agreement have the authority to enter into this Agreement on behalf of their represented party.

10. Use of Proceeds. Company agrees to use all funds received from WEDC pursuant to this Agreement for (or as reimbursement for) the "costs" (as that term is defined in Tex. Loc. Gov't Code Ann. § 501.152, as of the date of this Agreement) of this Project related to the creation or retention of primary jobs as provided by Tex. Loc. Gov't Code Ann. § 501.101.

11. Compliance with Tex. Gov't Code § 2264.001. In accordance with Tex. Gov't Code §§ 2264.001 through 2264.101, Company does not and will not knowingly employ an undocumented worker during the term of this Agreement in violation of Texas or federal law. If, during the term of this Agreement, Company or a branch, division, or department of Company is convicted of a violation under 8 U.S.C. Section 1324a(t), Company shall repay the entire amount of the public subsidy with the addition of interest at the rate of 5% simple annual interest as required by Tex. Gov't Code § 2264.053, not later than the 120th day after the date the WEDC notifies the Company of the violation.

12. Compliance with Tex. Gov't Code §§ 501.156 through 501.158. The parties agree that this Agreement complies with Tex. Loc. Gov't Code §§ 501.156 through 501.158, by: (1) being intended to benefit the WEDC, (2) providing that default on this Agreement is enforceable as provided by Tex. Loc. Gov't Code § 501.157, in addition to retaining other enforcement remedies provided by Texas law, and (3) providing a schedule as stated in this Agreement for additional jobs and capital investment as consideration for direct incentives provided herein and providing for repayment obligations.

13. Indemnity. Company shall indemnify, save and hold harmless WEDC and the City of Wolfforth and their respective officers, directors, employees, representatives and agents (collectively, the "Indemnified Parties") from and against: (i) any and all claims, demands, actions, or causes of action that are asserted against any Indemnified Party by any person or entity if the claim, demand, action or cause of action directly or indirectly relates to a claim, demand, action, or cause of action attributable to the acts or omissions of Company, any affiliate of Company or any officer, employee or partner of Company; (ii) any and all claims, demands, actions or causes of action that are asserted against any Indemnified Party if the claim, demand, action or cause of action directly or indirectly relates to funds received by Company pursuant to this agreement, Company's use of the proceeds of funds received pursuant to this agreement or the relationship of Company and WEDC pursuant to this agreement; and (iii) any and all liabilities, losses, costs or expenses (including attorneys' fees and disbursements) that any Indemnified Party suffers or incurs as a result of any of the foregoing; provided, however, that Company shall have no obligation pursuant to this provision to any Indemnified Party with respect to any of the

