

STATE OF TEXAS §
§
COUNTY OF FORT BEND §

**TAX ABATEMENT AGREEMENT BETWEEN
FORT BEND COUNTY AND
BIOTICS RESEARCH CORPORATION
(CITY OF ROSENBERG REINVESTMENT ZONE 27)**

This Tax Abatement Agreement hereinafter referred to as "Agreement," is executed by and between FORT BEND COUNTY, TEXAS (a taxing entity, hereinafter referred to as "County,") acting by and through its Commissioners' Court and **Biotics Research Corporation** a current or future Owner of Eligible Property (as hereinafter defined) within the boundaries of Reinvestment Zone 27, as created by the City of Rosenberg.

I. Authorization and Findings:

- A. Fort Bend County is authorized to provide Tax Abatement benefits in accordance with the State of Texas Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code.
- B. Fort Bend County has adopted GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENTS IN FORT BEND COUNTY, TEXAS and determined that this Owner's request for Tax Abatement conforms with those current Guidelines and Criteria;
- C. Owner first made Application for Abatement with the City of Rosenberg on January 7, 2021, for which the current Guidelines and Criteria specify such Application shall be controlled by the Guidelines and Criteria adopted on February 26, 2019, except as may otherwise be noted;
- D. Reinvestment Zone No. 27 was created by City of Rosenberg in accordance with Texas Tax Code, Chapter 312, and the Property subject to tax abatement under this Agreement is located within said Zone;
- E. County is authorized under Section 312.206 to execute a tax abatement agreement with the owner of tangible personal property located on real property in a municipal created reinvestment zone ;
- F. No official of County has an interest in the property subject to this Agreement;
- G. That the public notice required by Texas Tax Code Section 312.207 has been satisfied prior to the submission of this Agreement for consideration by this taxing entity; and
- H. This Tax Abatement is being executed without a variance granted to any requirement of the Tax Abatement Guidelines and Criteria.

II. **Definitions:** As used in this Agreement, the following terms shall have the meanings set forth below:

- A. "Abatement" means the full or partial exemption from ad valorem taxes of certain property located in a reinvestment zone designated for economic development purposes.
- B. The "Certified Appraised Value" or "Value" appraised value of the Property, Improvements, Eligible Tangible Personal Property, or Ineligible Tangible Personal Property, as applicable, as certified by the Fort Bend Central Appraisal District, and such value for the Effective Tax Years set out in this Agreement.
- A. "County" means the County of Fort Bend, Texas.
- B. "Eligible Property" means that Property that may qualify for Abatement under this Agreement located in Reinvestment Zone 27, all as generally described in Exhibit 2, attached to and incorporated into this Agreement by reference.
- C. "Employee" means a person whose employment is both permanent and full-time, who works for and is an employee of the Owner or an employee of a contract provider to the Owner, who is scheduled to work a minimum of 1,750 hours per year exclusively within the reinvestment zone, and whose employment is reflected in the Owner's (and/or contract provider's, as applicable) quarterly report filed with the Texas Workforce Commission (TWC); but excluding any seasonal, part-time, and full-time equivalent).
- D. "Improvements" are as identified in the Texas Tax Code Chapter One.
- E. "Ineligible Property" means (i) land, (ii) improvements existing within the Reinvestment Zone prior to the effective date of this Agreement, (iii) tangible personal property that the FBCAD classifies as inventory or supplies, (iv) real property used primarily to provide retail sales or services to the public, (v) real property used for residential purposes, (vi) tangible personal property classified as furnishings, (vii) tangible personal property located within the Reinvestment Zone prior to the effective date of this Agreement, (viii) real property with a productive life of less than 10 years, or (ix) any other property for which abatement is not allowed by state law or is not specifically included in the definitions herein for Eligible Property (Improvements and Personal Property).
- F. "Owner" means Biotics Research Corporation or other person or entity to which this Agreement is assigned in accordance with the terms of this Agreement.
- G. "Personal Property" means property that is not Real Property and consists of intangible and tangible personal property. Intangible Personal Property means a claim, interest (other than an interest in tangible property), right, or other thing that has value but cannot be seen, felt, weighed, measured, or otherwise perceived by the senses, although its existence may be evidenced by a document. It includes a stock, bond, note or account receivable, certificate of deposit, share, account, share certificate account, share deposit account, insurance policy, annuity, pension, cause of action, contract, and goodwill. Tangible Personal

Property means Personal Property that can be seen, weighed, measured, felt, or otherwise perceived by the senses, but does not include a document or other perceptible object that constitutes evidence of a valuable interest, claim, or right and has negligible or no intrinsic value.

III. Subject Property:

- A. "Real Property" means the approximate 8.539 acre tract of land which is within the boundaries of City of Rosenberg Reinvestment Zone No.27, described in Exhibit 1, attached hereto and incorporated herein for all purposes.
- B. Owner intends to build or expand facilities on the Real Property. Owner also intends to locate Eligible Personal Property at the Premises.
- C. Eligible Property under this Agreement:
 - 1. Improvements to be Abated under this Agreement are buildings and structures (or portions thereof) and other improvements which is owned or leased by Owner and which will be constructed, installed or improved by Owner on the Property, and any sidewalks, parking lots, outdoor lighting, landscaping; as well as other improvements to serve the buildings or structures which shall consist of a minimum of Eighty Thousand (80,000) square feet of headquarters, office, warehousing and distribution space; as generally described in Application for Abatement, attached as Exhibit 2 and incorporated into this Agreement by reference; and
 - 2. Property Personal Property to be Abated under this Agreement is fixed machinery, equipment, and process units erected, placed, or located by Owner on the Property which is owned or leased by Owner and added to the Improvements subsequent to the execution of this Agreement and is collectively assigned an account number separate and apart from any other personal property by the FBCAD for appraisal purposes.
- D. The FBCAD has established the base year values for all Eligible property as of January 1, 2020 ("Base Year").

IV. Term and Termination

- A. This Agreement is effective as of the date of execution hereof and shall continue through December 31, 2027, unless terminated earlier, as provided elsewhere herein. In no event shall this Agreement extend longer than allowed by Texas law.
- B. Notwithstanding the foregoing, the Owner's obligations upon default to pay County any taxes abated under this Agreement, and penalty and interest thereon, as herein provided shall not terminate until the abated taxes, plus penalty and interest, are paid.
- C. In each year that this Agreement is in effect, the amount of Abatement shall be an amount equal to the percentage indicated below of the taxes assessed upon the Eligible Property.

V. Value of Abatement:

- A. Subject to the limitations imposed by law and conditioned upon the representations made by Owner, there shall be granted and allowed hereunder an Abatement applicable to Owner on Eligible Property of Owner for the following years and in the following amounts based upon the Value of the Eligible Property:

Tax Year	Percentage Abatement
Year 1	75%
Year 2	50%
Year 3	50%
Year 4	25%
Year 5	25%

- B. The percentage abatement shown reflects the portion of value to be abated for Eligible Property located in the stated Reinvestment Zone.
- C. The Abatement granted shall not apply to any Ineligible Property.
- D. During the period that this Agreement is effective, the value of taxes shall be payable by the Owner as follows:
- The value of all property (Eligible and Ineligible Property), shall be determined in the Base Year and each year thereafter by the FBCAD.
 - The value of Ineligible Property shall be fully taxable.
 - The Value of Eligible Property shall be abated as set forth above.
- E. The FBCAD's determination of values shall be used to determine the value of the property subject to this Agreement. If Owner protests the FBCAD's valuation of the Eligible Property, the valuation placed on the Eligible Property after the protest is resolved under State law shall be used.

VI. Responsibilities: In consideration of receiving the tax abatement granted herein, Owner represents and agrees:

- A. Performance Measures

Criteria	Required Deliverable	Documentation Required
Construction of the Improvements will commence	Without delay	Owner shall provide certified statement to be provided with

		the minimum total project costs, as below
Date by which Improvements will be completely constructed	December 31, 2022	Owner shall provide certified statement to be provided with the minimum total project costs, as below
Minimum total project costs with respect to the Eligible Property at completion of construction	\$7,800,000.00 for Improvements \$825,000 for personal property	Owner shall provide the County's Director of Finance & Investments a certified statement for the total project costs with respect to the Eligible Property (excluding the cost of the Real Property) within thirty (30) days after completion of the Improvements
Minimum Certified Appraised Value for Eligible Property Effective Tax Years 2024 through 2027	\$8,000,000.00 in Effective Tax Year 2023	Owner shall provide the County's Director of Finance & Investments a certified statement for the Minimum Certified Appraised Value each year during the Agreement
Minimum new Employee requirements as of January 1, 2023	155 full-time employees	Owner shall annually furnish County with payroll records allowed by law and necessary for County to confirm Owner's compliance with this Agreement (e.g. number of

		Employees is appropriate; payroll dollars, taxes, benefits, and bonuses are not appropriate)
Minimum new Employee requirements as of January 1 Effective Tax Years 2024 through 2027 (add 5 full time employees per year while retaining all prior employees required)	2024 -160 full time employees 2025 -165 full time employees 2026 -170 full time employees 2027 -175 full time employees	Owner shall annually furnish County with payroll records allowed by law and necessary for County to confirm Owner's compliance with this Agreement (e.g. number of Employees is appropriate; payroll dollars, taxes, benefits, and bonuses are not appropriate).

B. Additional Requirements

- i. Owner shall ensure that construction on or at the Property is in conformity with all applicable Regulations, Ordinances and Restrictions.
- ii. Owner shall ensure that use of the property is limited to that which is consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect; namely that the use will be as described in Exhibit 2.
- iii. OWNER SHALL BE RESPONSIBLE FOR NOTIFYING THE FBCAD OF THE ABATEMENT, INCLUDING FILING WITH THE FBCAD ANY APPLICATION OR OTHER FORMS NECESSARY TO QUALIFY FOR OR RECEIVE THE ABATEMENT GRANTED.
- iv. On or before September 1 of each year of this Agreement, Owner shall certify in writing to the Fort Bend County Budget Office compliance with each term of this Agreement by submission of the Annual Compliance Statement attached as Exhibit 3.
- v. Owner shall ensure that taxes on all property owned by it in Fort Bend County are current. Delinquent taxes for any Fort Bend

County property of Owner is a default of Owner and Owner's obligations hereunder and will be grounds for termination of this Agreement, regardless of whether the delinquent property is subject to an abatement under this Agreement.

- vi. Owner shall annually furnish information necessary for Fort Bend County's evaluation of Applicant's compliance with the terms and conditions of the tax Abatement Agreement and these guidelines and criteria (in the form of an annual report/statement of compliance).

VII. Administration

- A. This Agreement shall be administered in accordance with the GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENTS IN FORT BEND COUNTY, TEXAS.
- B. Fort Bend Central Appraisal District annually determines an assessment of the real and personal property comprising the reinvestment zone. Each year, Owner shall furnish the FBCAD with such information as may be necessary for the Abatement. After value has been established, Fort Bend County receives the certified appraised value from the FBCAD.
- C. The Chief Appraiser of the FBCAD shall annually determine (1) the taxable value under the terms of this abatement of any Eligible Property located on the Real Property and (2) the full taxable value without abatement of the Eligible Property located on the Real Property. The Chief Appraiser shall record both abatement taxable value and full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that is terminated in a manner that results in recapture of abated taxes.
- D. Owner shall furnish the Chief Appraiser annually such information as provided for under Chapter 22 of the Texas Tax Code as may be necessary for the administration of this Agreement. Such information shall also be provided annually to the Director of Finance & Investments in preparation of its annual evaluation for compliance with the terms and provisions of this Agreement
- E. Upon completion of the construction, placement and/or installation of the Eligible Property, County shall annually evaluate the Eligible Property to ensure compliance with the terms and provisions of this Agreement and shall report potential defaults to the Owner.
- F. Owner shall allow employees or other representatives of County who have been designated by Commissioner's Court to have reasonable access to the Real Property to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement.

- i. Inspection shall be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the facility and in accordance with its safety standards;
- i. Twenty-four (24) hours prior notice shall be given; and
- ii. One or more representatives of the company or individual is present

VIII. Recapture/Default

- A. Failure to Commence Operation During Term of Agreement: In the event that the facility is not completed and does not begin operation with the minimum number of permanent jobs by the January 1st following the completion of construction, no tax Abatement shall be given for that tax year, and the full amount of taxes assessed against the property shall be due and payable for that tax year. In the event that the owner of such a facility fails to begin operation with the minimum number of permanent jobs by the next January 1st, then the tax Abatement Agreement shall terminate and all abated taxes shall be recaptured and paid within sixty (60) days of such termination. If the County does not receive full payment within said 60 days, a penalty may be added, equal to 15% of the total amount abated.
- B. Discontinuance of Operations During Term of Agreement: In the event the facility is completed and begins operation with the required minimum number of permanent jobs, but subsequently discontinues operations and the minimum number of permanent jobs is not maintained on any January 1st during the term of the Agreement after the completion of construction, for any reason except on a temporary basis due to fire, explosion or other casualty or accident or natural disaster, the Agreement may be terminated by the Fort Bend County and all taxes previously abated by virtue of the Agreement shall be recaptured and paid within sixty (60) days from the date of termination. If the County does not receive full payment within said 60 days, a penalty may be added, equal to 15% of the total amount abated.
- C. Delinquent Taxes: In the event that the owner allows any ad valorem taxes to become delinquent on any property in Fort Bend County (whether abated or not) and fails to timely and properly follow the legal procedures for their protest and/or contest, the tax Abatement Agreement shall terminate and so shall the Abatement of the taxes for the tax year of the delinquency. The total taxes assessed without Abatement for that tax year, shall be paid within sixty (60) days from the date of the termination. If the County does not receive full payment within said 60 days, a penalty may be added, equal to 15% of the total amount abated.
- D. Performance Criteria: In the event that the owner fails to meet any other performance criteria provided by the Tax Abatement Agreement, the tax Abatement Agreement may terminate and so shall the Abatement of the taxes for the tax year of the delinquency. The total taxes assessed without Abatement for that tax year, shall be

paid within sixty (60) days from the date of the termination. If the County does not receive full payment within said 60 days, a penalty may be added, equal to 15% of the total amount abated.

- E. Actual Capital Investment: Should Fort Bend County determine that the total level of capital investment in the eligible property is lower than provided in the Agreement, the County, at its sole discretion, reserves the right to adjust the tax Abatement percentage to reflect the actual capital investment as determined or to terminate the Agreement. If County sends Abatee notice of cancellation, shall be recaptured and paid within sixty (60) days of such termination. If the County does not receive full payment within said 60 days, a penalty may be added, equal to 15% of the total amount abated.
- F. Undocumented Workers. This paragraph is required by Chapter 2264, Texas Government Code and governs over any conflicting provisions of this Agreement. Owner is prohibited from knowingly employing undocumented workers as that term is defined in Section 2264.001, Texas Government Code. If Owner is convicted of a violation under 8 U.S.C. Section 1324a(f), the conviction shall be considered default of this Agreement, from which no cure provisions shall apply. In such event, County shall provide written notice to Owner of the default and this Agreement shall automatically terminate on the 30th day after the date of the notice of default from County to Owner. In the event of termination under this paragraph (d), Owner shall repay to County the amount of all property taxes abated under this Agreement, plus interest on the abated amount at the rate provided for in the Texas Tax Code for delinquent taxes.
- G. Procedure for "other" default, not specified herein:
 - i. For a default of any other requirement of this Agreement not specifically identified in this Section "Recapture and Default" County will Owner of the default in writing specifying the default. Owner shall have sixty (60) days from the date of the notice to cure the default.
 - ii. If Owner fails to cure the default. County may terminate this Agreement by written notice. Any default notice issued in accordance this Agreement shall prominently state the following at the top of the notice:

NOTICE OF DEFAULT UNDER TAX ABATEMENT AGREEMENT

YOU ARE HEREBY NOTIFIED OF THE FOLLOWING DEFAULT UNDER YOUR TAX ABATEMENT AGREEMENT WITH THE COUNTY. FAILURE TO CURE THIS DEFAULT WITHIN THE TIME PERIODS PROVIDED BY THE AGREEMENT SHALL RESULT IN CANCELLATION OF THE TAX ABATEMENT AGREEMENT AND ACTION TO RECAPTURE OF TAXES

ABATED PURSUANT TO THE AGREEMENT.

- H. Owner's obligations upon termination to pay County monies owed for taxes abated, interest and penalties thereon shall survive termination of this Agreement, and the County shall have a lien against the Owner's Property and any improvements or tangible personal property located thereon for the monies owed until paid.

IX. Notice

- A. Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been hand delivered, deposited with a nationally recognized overnight courier, or deposited, enclosed in a wrapper with the proper postage prepaid thereon, and certified, return receipt requested, in a United States Post Office, addressed to County and Owner and at the mailing address as hereinafter set out. If mailed, any notice of communication shall be deemed to be received three (3) business days after the date of deposit in the United States Mail.
- B. Notwithstanding anything to the contrary contained herein, the parties acknowledge and agree that any notice required to be given under the provisions of this Agreement may be made by e-mail, alone or in addition to other methods for giving notice provided for herein.
- C. Unless otherwise provided in this Agreement, all notices shall be delivered to Owner or County at the following addresses:

To the **Director of
Finance & Investments:**

Fort Bend County Director of Finance
& Investments
301 Jackson Street,
Richmond, Texas 77469

To **County:**

Fort Bend County
401 Jackson
Richmond, Texas 77469
Attention: County Judge

To Owner:

Biotics Research Corporation
6801 Biotics Research Dr.
Rosenberg, TX 77471
Attn: Denis Deluca

- D. Any party may designate a different physical mailing or e-mail address by giving the other parties sixty (60) days prior written notice thereof.

X. Indemnity

- A. IT IS UNDERSTOOD AND AGREED BETWEEN THE PARTIES THAT OWNER IN PERFORMING OBLIGATIONS HEREUNDER, IS ACTING INDEPENDENTLY, AND COUNTY ASSUMES NO RESPONSIBILITIES OR LIABILITIES IN CONNECTION THEREWITH TO THIRD PARTIES. OWNER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS COUNTY AND THE FBCAD FROM ANY AND ALL NON-OWNER CLAIMS, SUITS, AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER ARISING OUT OF OWNER'S BREACH OF ITS OBLIGATIONS HEREUNDER. OWNER'S INDEMNIFICATION OBLIGATIONS INCLUDE THE PAYMENT OF REASONABLE ATTORNEYS FEES AND EXPENSES INCURRED IN THE DEFENSE OF ANY SUCH CLAIMS, SUITS, AND CAUSES OF ACTION. OWNER SHALL BE RESPONSIBLE FOR ALL FEES INCURRED BY COUNTY IN THE DEFENSE OF ANY SUCH CLAIMS, SUITS, OR CAUSES OF ACTION.
- B. The Parties expressly acknowledge that the County's authority to indemnify and hold harmless any third party is governed by Article XI, Section 7 of the Texas Constitution, and any provision that purports to require indemnification by the County is invalid. Nothing in this Agreement requires that the County incur debt, assess or collect funds, or create a sinking fund.

XI. Miscellaneous:

- A. Assignments- The terms and conditions of this Agreement are binding upon the successors and assigns of all parties hereto. This Agreement may be transferred or assigned by Owner only upon written permission by County, which permission shall not be unreasonably withheld. No assignment shall be approved if the assignor or assignee is indebted to the City for ad valorem taxes or other obligations.
- B. Changes in Tax Laws. The tax abatement provided in this Agreement is conditioned upon and subject to any changes in the state tax laws during the term of this Agreement.

- C. Compliance with State and Local Regulations. Nothing in this Agreement shall be construed to alter or affect the obligations of Owner to comply with any ordinance, rule, or regulation or law.
- D. Public Information. This Agreement is public information. To the extent, if any, that any provision of this Agreement is in conflict with the Texas Government Code Chapter 552, as amended (the "Texas Public Information Act"), such provision shall be void and have no force or effect.
- E. Severability and Reformation.
 - i. Unless the court applies subsection (ii), if any provision of this Agreement or the application thereof to any person or circumstance is ever judicially declared invalid, such provision shall be deemed severed from this Agreement, and the remaining portions of this Agreement shall remain in effect.
 - ii. If any provision of this Agreement or the application thereof to any person or circumstance is prohibited by or invalid under applicable law, it shall be deemed modified to conform with the minimum requirements of such law, or, if for any reason it is not deemed so modified, it shall be prohibited or invalid only to the extent of such prohibition or invalidity without the remainder thereof or any such other provision being prohibited or invalid.
- E. Venue: This Agreement and the rights and obligations of each party shall be construed and enforced under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Fort Bend County, Texas.

XII. Entire Agreement

This executed instrument is understood and intended to be the final expression of the parties' agreement and is a complete and exclusive statement of the terms and conditions with respect thereto, superseding all prior agreements or representations, oral or written, and all other communication between the parties relating to the subject matter of this agreement. Any oral representations or modifications concerning this instrument shall be of no force or effect excepting a subsequent modification in writing signed by all the parties hereto.

Attached hereto are:

Exhibit 1: CITY OF ROSENBERG ORDINANCE NO. 2021-02
CREATING REINVESTMENT ZONE 27

Exhibit 2: Application (Economic Impact Statement)

Exhibit 3: FORT BEND COUNTY TAX ABATEMENT ANNUAL
COMPLIANCE CERTIFICATE

All of which are made part of this Agreement.

XIII. Conflict

Conflicts among documents shall be resolved in favor of:

First: CITY OF ROSENBERG ORDINANCE NO. 2021-02
CREATING REINVESTMENT ZONE 27

Second: This document titled TAX ABATEMENT AGREEMENT BETWEEN
FORT BEND COUNTY AND BIOTICS RESEARCH CORPORATION

Third: FORT BEND COUNTY TAX ABATEMENT ANNUAL COMPLIANCE
CERTIFICATE

Last: Application (Economic Impact Statement)

XIV. Execution

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by County and Owner as of the dates below stated. Owner warrants and represents that the individuals executing this agreement on behalf of Owner have full authority to execute this Agreement and bind Owner to the same.

FORT BEND COUNTY, TEXAS

By: _____
KP George, County Judge

ATTEST:


Date: _____

Laura Richard, County Clerk

BIOTICS RESEARCH CORPORATION

By: **Biotics Research Corporation**

Its: Sole Member

By: 
Denis Deluca President

Date: 5-25-21

APPROVED AS TO LEGAL FORM:

Michelle L. Turner
General Counsel Division Chief
County Attorney Office*

*By law, the County Attorney's Office may only advise or approve contracts or legal documents on behalf of the County. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of the County. Our approval of this document was offered solely for the benefit of the County. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney.

**COUNTY'S ORIGINAL EXECUTED DOCUMENT
TO BE RETURNED TO:**

**BUDGET OFFICE
ATTN: DIRECTOR OF FINANCE & INVESTMENTS
ADDRESS: 301 JACKSON ST. RICHMOND, TX 77469
TELEPHONE: 281-344-3922
FAX: 281-344-3954**

OWNER SHALL SEND A COPY TO:

**FORT BEND ECONOMIC DEVELOPMENT COUNCIL
1 FLUOR DANIEL DRIVE
SUGAR LAND, TX 77478**

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EXHIBIT 1:
CITY OF ROSENBERG ORDINANCE NO. 2021-02
CREATING REINVESTMENT ZONE 27

ORDINANCE NO. 2021-02

AN ORDINANCE CREATING CITY OF ROSENBERG REINVESTMENT ZONE NO. 27, BEING 8.539 ACRES (371,966 SQUARE FEET) OF LAND, BEING A PORTION OF THE 183.369 ACRE TRACT DESCRIBED IN THE DEED FROM WINDMEADOWS INVESTORS, LTD. TO ROSENBERG BUSINESS PARK, LTD., RECORDED UNDER FILE NO. 2013-092132, IN THE OFFICIAL PUBLIC RECORDS OF FORT BEND COUNTY, TEXAS, IN THE S.B. PENTECOST SURVEY, A-378, FORT BEND COUNTY, TEXAS, AND MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS WITH BEARINGS BASED ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF BUSINESS PARK DRIVE (80-FEET WIDE) AS SHOWN ON BUSINESS PARK DRIVE AND INNOVATION COURT STREET DEDICATION, THE PLAT THEREOF RECORDED IN FILE NUMBER 2015-0094 IN THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF FORT BEND COUNTY, TEXAS; MAKING CERTAIN FINDINGS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HERewith; AND, PROVIDING FOR SEVERABILITY.

WHEREAS, City Council has passed and approved Guidelines and Criteria for Granting Tax Abatement in Reinvestment Zones created in the City of Rosenberg, Texas; as set out in the Rosenberg, Texas Code of Ordinances Chapter 26, Article III Property Tax Abatement Guidelines and Criteria, as amended, and,

WHEREAS, pursuant to such Guidelines, the City Council has received a written request and application for creation of a reinvestment zone and the granting of tax abatement. A description of the property which comprises said Reinvestment Zone No. 27 is attached hereto as **Exhibit "A"**; and,

WHEREAS, after the giving of proper notice, as required by Texas Tax Code Section 312.201, the City Council held a public hearing where all interested persons were given an opportunity to speak and present evidence for and against the creation of Reinvestment Zone No. 27; and,

WHEREAS, notice of such public hearing was duly given to the presiding officer of the governing body of each taxing unit that includes within its boundaries real property that is to be included in proposed Reinvestment Zone No. 27; and,

WHEREAS, City Council has determined in accordance with Texas Tax Code Section 312.201(d) that the improvements sought to be located in proposed Reinvestment Zone No. 27 are feasible and practical and would be a benefit to the land to be included in the Zone and to the City after the expiration of the tax abatement agreement; and,

WHEREAS, the creation of Reinvestment Zone No. 27 will be reasonably likely, as a result of its creation, to contribute to the retention or expansion of primary employment or to attract major investment into the Zone that would benefit property located therein and that will contribute to the economic development of the City of Rosenberg; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ROSENBERG:

Section 1. That the facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. That Reinvestment Zone No. 27 is hereby created for the purpose of encouraging economic development through tax abatement. A description of the property which comprises said Reinvestment Zone No. 27 is attached hereto as **Exhibit "A"** and made a part hereof for all purposes. Improvements constructed, erected, or placed within Reinvestment Zone No. 27 as created hereby shall be eligible for commercial-industrial tax abatement.

Section 3. That the property which comprises Reinvestment Zone No. 27 is located within the corporate limits of the City of Rosenberg.

Section 4. This designation of Reinvestment Zone No. 27 shall expire five (5) years after the date of adoption of this Ordinance.

Section 5. All ordinances or parts of ordinances inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

Section 6. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Rosenberg, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED by a vote of 6 "ayes" in favor, 0 "noes" against, and 0 abstentions on this first and final reading in full compliance with the provisions of Section 3.10 of the Charter of the City of Rosenberg on the 2nd day of March, 2021.

ATTEST:

Danyel Swint
Danyel Swint, TRMC, **City Secretary**

APPROVED:

William Benton
William Benton, **Mayor**

APPROVED AS TO FORM:

Bruce M. ...
CITY ATTORNEY
Randle Law Office, Ltd., L.L.P.



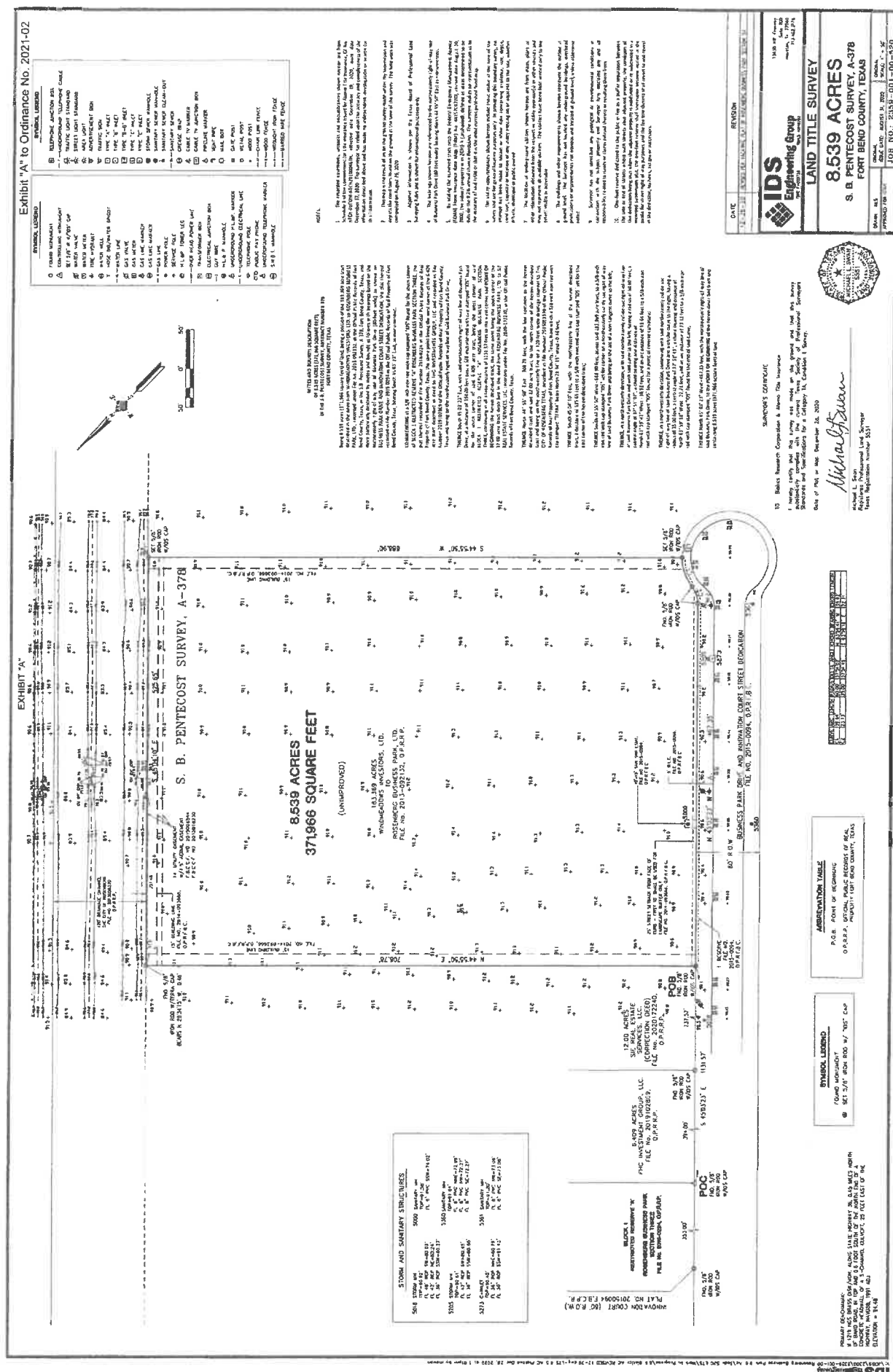


EXHIBIT 2:
APPLICATION
(ECONOMIC IMPACT STATEMENT)



ECONOMIC IMPACT QUESTIONNAIRE

Initial Company Information

Company Name - Biotics Research Corporation
 Rosenberg, Fort Bend County

Based on the information you provide below, the City of Rosenberg and the Rosenberg Development Corporation (RDC) will begin prequalification of your project. The information you provide will allow the City to begin to develop your economic impact statement for presentation to the taxing entities for consideration of economic incentives. The following factors will be considered as a whole to determine the entire economic impact of the company: location of project, type of business, number of jobs, skill level of each job, average salary, investment in building improvements or new building, value of taxable inventory, value of taxable personal property and equipment, sales tax revenue generated for the city, impact on local infrastructure, and impact (good or bad) on existing businesses in the City.

1. Please provide a detailed summary statement about your company (its history, type of business and industry, etc.) and clearly describe its operations at the proposed facility in Rosenberg.

2. Information About Your Company

Company Name: Biotics Research Corporation	
Contact Person: Denis DeLuca	Title: President
Current Address: 6801 Biotics Research Dr. Rosenberg, TX 77471	
Office #: (281) 344-0909	Mobile #: (713) 818-0902
Fax #: (281) 344-0725	Website: www.bioticsresearch.com
Email Address: drdeluca@bioticsresearch.com	
The Company's Primary SIC Code:	

3. Type of project (check all that apply):
 - ☒ Existing business in Rosenberg
 - ☐ New business to Rosenberg
 - ☐ Expansion of existing facility
 - ☒ Construction of new facility
 - ☐ Company will lease facility
 - ☒ Company will own facility
 - ☒ Corporate/Regional Headquarters Global Headquarters
4. If the company will lease the facility, who will be the owner?

5. **Location of proposed site(s) in Rosenberg (street address, name of Business Park or other development, city, or name of area if unincorporated):** Rosenberg Business Park

6. **Scope of project:**

Size of new facility/expansion:	80,000 - 90,000 sq. ft
Size of existing facility (if applicable):	approximately 80,000 sq. ft
Size of lease space in existing facility (if applicable):	5,000 lease on Ave. G
Number of acres at facility site:	current location 6 acres - new build. will be on 8 acres
Type of Construction (tilt wall, metal, concrete, etc.):	Tilt wall

7. **Please give detailed breakdown of operations within the proposed facility (i.e., 20% office; 25% distribution; 15% metal fabrication; 40% warehouse, etc.):**

1/3 office and 2/3 Air conditioned Shipping Warehouse, and Operations

8. **Targeted start of construction:**

Q2 2020

9. **Targeted start of operations:**

14 months after breaking ground

10. **Market value (taxable assets) of the firm's property that would be located at the facility in Rosenberg (new property to Rosenberg):**

Land	Existing Improvements	Construction Costs of Building Improvements	Furniture & Fixtures	Equipment	Inventory	Total
\$ 1,250,000	\$	\$ 7.5 - 9mil	\$200,000 estimate	\$ 500,000 estimate	\$ 5,263,600 current (this will dramatically increase)	\$

11. **Employment information:**

Current Number of Employees	Number of new jobs to Rosenberg	Number of existing jobs to be retained (if company currently located in Rosenberg)	Total Number of Jobs
150 in Rosenberg office 175 total	we just keep hiring	150 plus new hires, all in Rosenberg	

Will the jobs in Rosenberg be filled by persons residing or projected to reside within the municipal limits of the City or its extra territorial jurisdiction (ETJ)? We try to hire local if we can

12. **Average salary (before benefits):** \$27,000.00

Rosenberg Economic Development
2110 Fourth Street • P.O. Box 32 • Rosenberg, Texas 77471 • www.ci.rosenberg.tx.us
Main (832) 595-3330 • Fax (832) 595-3331

13. Amount of initial, annual local payroll to be created (before benefits):

\$4,600,000 and will increase with New Hires

14. The firm's estimated annual amount of taxable sales (that generate sales taxes) if the site will be located within the city limits of Rosenberg:

Current Amount of Taxable Sales	Projected Amount of Taxable Sales after Improvements
\$ 0.00	\$ 0.00

No sales tax on our products

15. Please provide wastewater information, including activities, facilities, plant processes, products, services, chemicals, materials, and hazardous substances that may be used or that may result from the activities to be conducted within the proposed improvements:

The new facility will be offices & air conditioned warehouse, shipping, and operations. The waste is that of an office. Manufacturing will stay in the current location.

Company Name - Biotics Research Corporation
Rosenberg, Fort Bend County

Please answer the following, provide the following documentation, sign the certification, and return these items to the Rosenberg Economic Development Department. The Rosenberg Development Corporation and the City of Rosenberg (if applicable) will use this information, in conjunction with previously submitted information to create an economic impact statement for consideration by the taxing entities (Rosenberg Development Corporation and City of Rosenberg) for economic incentives.

Please provide the additional information as an addendum to the EIS Questionnaire:

- A. Site Plans & Legal Description of the Property:** City Council and Commissioners Court will **not** place a value-added tax abatement request on their agenda without first having a copy of the project site plan, **including a metes and bounds** description of the site to be designated as the reinvestment zone.
- B. Proposed Improvements Detail Sheet:** Please specify what improvements are planned and provide a time frame with projected start and completion dates for the improvements. Q2 2020 - Complete /4 months
- C. Five year projection of additional planned improvements and employment.**

Employment			Improvements		
Year	# of New Jobs		Year	Description	Estimated Value
1			1		\$
2			2		\$
3			3		\$
4			4		\$
5			5		\$

C. continuation:

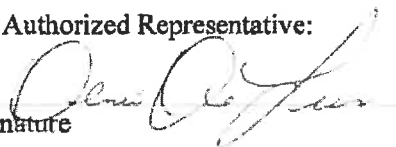
80-90,000 sq. ft with room to add an additional 120,000 sq. ft. We will keep our existing team and will add at both locations. We had 38 when we moved here and we have 175 now with 150 in Rosenberg. We will keep our existing jobs and increase the number. For instance, we have seven Customer Service Reps. The new location is being built for 24. Accounting has four positions today and we are building for eight. Increasing Marketing, IT, HR, and we will add additional positions. We are building for additional Executives, Tech Support, Warehouse Staff, and a new Inside Sales Dept. Seminar/ Classroom for 60. When we came to Rosenberg, we had 38 and now we have 175 with 130 in Rosenberg and we have never stopped hiring.

CERTIFICATION: *(Name of Company)* does hereby certify that:

1. All statements and representations made herein are accurate to the best of their knowledge and agree to comply with these terms.
2. The information contained in this application is confidential between the applicant and the City of Rosenberg; thus in the event this application is rejected and/or the request for tax abatement is denied, the City of Rosenberg shall promptly return this application and not keep a copy thereof for any reason. If the request for tax abatement is granted and the City of Rosenberg enters into a tax abatement agreement with the applicant, this application and all related documents will be filed with the City Secretary and available for public inspection under the Texas Open Government Code. Rosenberg pledges itself to respect and honor the right of any person to maintain the confidentiality of any information or documents that are submitted to Rosenberg to the extent permitted by the laws of the State of Texas and, thus, deems any rejected or declined application to be working papers and not official document of the City or any other political entities created by or under the authority of the City of Rosenberg.

By Authorized Representative:

Signature



Date

1-7-2020

Printed Name: Denis DeLuca

Title: President

Company: Biotics Research Corporation

EXHIBIT 3:
TAX ABATEMENT ANNUAL
COMPLIANCE CERTIFICATE

FORT BEND COUNTY TAX ABATEMENT **ANNUAL COMPLIANCE CERTIFICATE**

Due by September 1 of current tax year

Current Tax Year 2021

This certification is being made on behalf of the OWNER / LESSEE (circle one)
Each must prepare a separate report

Per the terms of the tax abatement agreement between Fort Bend County, Fort Bend County Drainage District and

Owner Biotics Research Corporation and

Lessee (if applicable) _____

dated May 25, 2021 we are in compliance
with the following terms of the agreement:

1. Construction of the improvements was completed on: Estimated Completion 2022
2. Certified statement regarding project costs was provided to the Fort Bend County Director of Finance & Investments on: upon completion (date)
3. Certificate of Occupancy was provided to the Fort Bend County Director of Finance & Investments on: upon completion (date)
4. Certified appraised value of the improvements as of January 1 _____ (current tax year) was \$ _____ which meets the required minimum value requirement of \$ _____. TBD at completion
5. Certified appraised value of the eligible property (if included in abatement agreement) as of January 1 _____ (current tax year) was \$ _____ which meets the required minimum value requirement of \$ _____. TBD at completion
6. Total number of employees employed at the improvement for current tax year is _____ which meets the required minimum value requirement of _____.
Will be 155 as of 1-01-23

7. Owner / lessee (circle one) filed the annual Application(s) for Property Tax Abatement Exemption (Form 50-116) with Fort Bend Central Appraisal District on

_____ (date).

8. If there are additional requirements under the specific abatement ~~agreement~~(s) by and between Fort Bend County, Fort Bend County Drainage District, Owner / Lessee noted above, please list requirement(s) and certify compliance here:

None

At this time, Owner / Lessee (circle one) wishes to designate a different mailing address for notices under the terms of this abatement agreement.

NEW NOTIFICATION ADDRESS:

To Owner / Lessee :
(circle one)

Biotics Research Corporation
Attn: Denis Deluca
6801 Biotics Research Dr.
Rosenberg, TX 77471

Please indicate the basis for your authority to represent the property owner in filing this certificate:

☒ Officer of the company ☐ General Partner of the company

☐ Attorney for property owner

☐ Agent for tax matters appointed under Tax Code Section 1.111 (copy of completed Form 50-162 filed with Fort Bend Central Appraisal District)

I Denis Deluca, swear or affirm the following:
(print name)

- To the best of Company's knowledge and belief, each fact contained in this certificate is true and correct, and that Company is in compliance with the terms of the Agreement.
- Company understands that this Certificate is being relied upon by the County/ District in connection with the tax abatement provided for in the Agreement.
- Company understands the consequences for noncompliance with the abatement agreement.
- The undersigned signatory has the legal and express authority to sign this Certificate on behalf of Company.

Signature of Authorized Representative: Denis Deluca

Title of Authorized Representative: President

Phone Number: 800-231-5777

Email Address: drdeluca@biotiesresearch.com

Mailing Address: 10801 Bioties Research Dr.
Rosenberg, TX 77471

SWORN TO and SUBSCRIBED before me on this the 25 day
of May A.D. 2021

NOTARY PUBLIC

Cecilia Saucedo
STATE OF Texas, COUNTY OF Fort Bend
MY COMMISSION EXPIRES February 14, 2023

