

STATE OF TEXAS                    §  
  §  
COUNTY OF FORT BEND           §

FIRST AMENDMENT TO  
TAX ABATEMENT AGREEMENT BETWEEN  
FORT BEND COUNTY DRAINAGE DISTRICT AND STAR GESSNER PROPERTIES, LTD

This FIRST AMENDMENT of the Tax Abatement Agreement is made and entered into by and between FORT BEND COUNTY DRAINAGE DISTRICT acting herein by and through its Board of Directors and STAR GESSNER PROPERTIES, LTD., (hereinafter referred to as "Owner").

RECITALS

WHEREAS, on or about February 22, 2011, the Parties entered into a Tax Abatement Agreement, attached hereto as Exhibit "One" and incorporated by reference;

WHEREAS, the Parties now desire to amend a certain portion of the Agreement; and

WHEREAS, both the Original Agreement and this First Amendment are executed as authorized by and in accordance with the Property Redevelopment and Tax Abatement Act, Chapter 312, TEXAS PROPERTY TAX CODE, and the Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones located in Fort Bend County, Texas

NOW THEREFORE, for and in consideration of the mutual benefits to be derived by the parties hereto, District, and Owner agree as follows:

I. Amendments

a. Section 5, Responsibility of Owner for Phase II Improvements ("Phase II Provisions") is amended as follows:

5. Responsibility of Owner for Phase II Improvements ("Phase II Provisions")

In consideration of receiving the Phase II Tax Abatement granted herein, Owner represents and agrees:

a. Construction of Phase II Improvements shall begin no later than January 1, 2018 and be completed on or before December 31, 2018. Owner shall provide Tax Assessor/Collector a certified statement evidencing a minimum of \$3,200,000 in project costs with respect to the design and construction of the Improvements within sixty (60) days after their completion.

b. Section 7, Value and Term of Abatement – Phase II Improvements (“Phase II Provisions) is amended as follows:

- a. This Agreement shall be effective on the date executed by District or Owner, whichever is later. The actual tax abatement period for Phase II Improvements is deferred, with the first year of the abatement period to be 2018. Phase II of this Agreement shall terminate (unless earlier terminated in accordance with the terms hereof) on December 31, ~~2023~~ 2028. In no event shall this agreement extend beyond December 31, ~~2023~~ 2028 for Phase II Provisions. This Agreement shall terminate on the completion of the abatements, unless earlier terminated as provided elsewhere herein. Owner’s obligation upon default to pay to District any taxes abated under this Agreement shall not terminate until the abated taxes are paid.
- b. In each year of the tax abatement period, for Phase II Provisions, the amount of abatement shall be an amount equal to the percentage indicated below of the taxes assessed upon the Phase II Improvements only.
- c. Subject to the limitations imposed by law and conditioned upon the representations outlined in Section 5 herein above, there shall be granted and allowed hereunder a property tax abatement for the following years and in the following amounts on the value of the Phase II Improvements:

Tax Year	Percentage Abatement
2019	50%
2020	50%
2021	50%
2022	50%
2023	50%
2024	50%
2025	50%
2026	50%
2027	50%
2028	50%

c. Section 9, Event of Default - Phase I & Phase II Improvements is amended as follows:

- 9. Event of Default:
  - a. District may declare Owner in default of the Phase I or Phase II Provisions, respectively, of this Agreement if Owner: (1) fails to comply with any obligations under the Phase I or Phase II Provisions of this Agreement for the respective Phase I and Phase II Improvements (excluding, however, paragraphs 4(b) and 5(b) above); (2) allows District ad valorem taxes on the Subject Property, or any property located thereon, to become delinquent even if the delinquent taxes are for a property not subject to an abatement; or (3) vacates any of the improvements subject to the

Agreement before the term of the Abatement then in effect (i.e. either the Phase I or Phase II Abatement) without prior written approval from District.

II. Except as modified herein, any prior executed document remain in full force and effect and has not been modified or amended. In the event of conflict, the contents of this First Amendment shall prevail.

III. Execution

IN TESTIMONY OF WHICH, THIS AMENDMENT shall be effective upon execution of all parties.

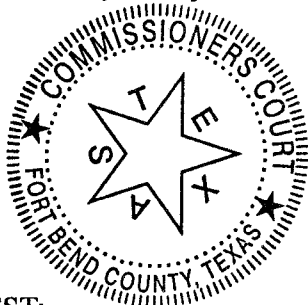
“District”  
FORT BEND COUNTY DRAINAGE DISTRICT

By: *Robert E. Hebert*  
Robert E. Hebert, County Judge

Date: July 28, 2015

ATTEST:

*Laura Richard*  
Laura Richard, County Clerk



ATTEST:

*Naray Henry, buyer*  
Star Precision Fab. LTD

“Owner”

STAR GESSNER PROPERTIES, LTD. A TEXAS LIMITED PARTNERSHIP  
By UA STAR, INC., A TEXAS CORPORATION, GP

By: *[Signature]*  
Name: PARALI UMATHYA

Title: DIRECTOR

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

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

Attachments:

Exhibit One: TAX ABATEMENT AGREEMENT BETWEEN FORT BEND COUNTY DRAINAGE DISTRICT AND STAR GESSNER PROPERTIES, LTD, executed on or about February 21, 2011.

**Exhibit One:**

TAX ABATEMENT AGREEMENT  
BETWEEN FORT BEND COUNTY DRAINAGE DISTRICT AND  
STAR GESSNER PROPERTIES, LTD,  
executed on or about February 21, 2011

STATE OF TEXAS                   §  
  §  
COUNTY OF FORT BEND         §

**TAX ABATEMENT AGREEMENT**  
by and between the  
**FORT BEND COUNTY DRAINAGE DISTRICT**  
and  
**STAR GESSNER PROPERTIES, LTD.**

This Tax Abatement Agreement (hereinafter, "Agreement") is executed by and between the **FORT BEND COUNTY DRAINAGE DISTRICT**, hereinafter referred to as "District," acting by and through its Commissioners Court, and **STAR GESSNER PROPERTIES, LTD.**, a Texas limited partnership, hereinafter referred to as "Owner," of the Real Property located within the City of Missouri City Reinvestment Zone No. 7, established by City of Missouri City Ordinance No. O-10-43, adopted November 1, 2010, attached hereto as Exhibit A and incorporated herein for all purposes.

1.     **Authorization**

- a.     This Agreement is authorized by the Property Redevelopment and Tax Abatement Act, Chapter 312 of the TEXAS TAX CODE as it exists on the effective date of this Agreement, and;
- b.     The Amended Guidelines and Criteria for Granting Tax Abatement in Reinvestment Zones created by Fort Bend County, Texas, which was approved by the Fort Bend County Drainage District on February 1, 2011. District has determined that the request for Tax Abatement presented by Owner conforms with the criteria established in the Guidelines for Tax Abatement.
- c.     No official of District has an interest in the property subject to this Agreement.

2.     **Definitions:**

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

- a.     The "**Certified Appraised Value or Value**" means the value certified as of January 1 of each year of this Agreement regarding the property within City of Missouri City Reinvestment Zone No. 7 by the Fort Bend Central Appraisal District.
- b.     "**Phase I Improvements**" means a building to be used as an office and warehouse, located on the Real Property and containing at least 20,000 square feet of floor space, and any sidewalks, parking lots, roads, outdoor lighting, landscaping and other improvements to serve the building, all as approximately shown in Exhibit B, attached to and incorporated into this Agreement by reference.

- c. **"Phase II Improvements"** means a building to be used as an office and warehouse, located on the Real Property and containing at least 80,000 square feet of floor space, and any sidewalks, parking lots, roads, outdoor lighting, landscaping and other improvements to serve the buildings, all as approximately shown in Exhibit C, attached to and incorporated into this Agreement by reference.
- d. **"Real Property"** means the approximate 10.42 acre tract of real property as described in Ordinance No. O-07-25, which created Reinvestment Zone No. 4 located within City of Missouri City, described in Exhibit "A" attached hereto and incorporated by reference herein for all purposes.
- e. **"Abatement"** means the full or partial exemption from ad valorem taxes of certain property in city of Missouri City Reinvestment Zone No. 7 designated for economic development purposes.
- f. **"Eligible Property"** Abatement may be extended to fixed machinery and equipment, necessary to the operation and administration of the facility. Eligible Property is subject to abatement under the same terms as Improvements only if specifically included in Paragraphs 6(c) and 7(c).
- g. **"Ineligible Property"** means land, existing improvements, tangible personal property that the Fort Bend Central Appraisal District classifies as inventory or supplies, real property used primarily to provide retail sales or services to the public, real property used for residential purposes, tangible personal property classified as furnishings, tangible personal property located in the reinvestment zone prior to the execution date of the tax abatement agreement, real property with a productive life of less than 10 years, or any other property for which abatement is not allowed by state law.
- h. **"Owner"** means **Star Gessner Properties, LTD.**, the Owner of the Real Property subject to this Agreement, or other person or entity to which this Agreement is assigned, with prior written approval of the Fort Bend County Drainage District Board of Directors.
- i. **"District"** means the Fort Bend County Drainage District.
- j. **"CAD"** means Fort Bend Central Appraisal District.

3. **Subject Property**

City of Missouri City Reinvestment Zone No. 7 is an area located in Fort Bend County, Texas, being legally described in Exhibit "A" attached hereto and incorporated herein for all purposes. The Fort Bend Appraisal District has established the base-year values for the subject property as of January 1, 2011.

4. **Responsibility of Owner for Phase I Improvements ("Phase I Provisions")**

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

- a. Construction of Phase I Improvements shall be completed on or before December 31, 2011. Owner shall provide Tax Assessor/Collector a certified statement evidencing a minimum of \$1,040,000 in project costs with respect to the design and construction of the Phase I Improvements within sixty (60) days after their completion.
- b. The certified appraised value of Phase I Improvements on January 1 of each year that taxes are abated under this Agreement's Phase I Provisions must have a minimum value of \$1,040,000. Failure to meet the requirements of this section will invalidate the tax abatement for the year this requirement was not satisfied, unless cured in conformity with this Agreement.
- c. If the requirements of paragraph 4(b) (relating to the value of Phase I Improvements) are not met for the Phase I Improvements for any year subject to this Agreement, the failure will not be a default of this Agreement and Owner may cure such condition and receive an abatement on the assessed value, if Owners pays the District the full taxes on the difference between the assessed value and the required value of paragraph 4(b), as well as all taxes not subject to abatement under this Agreement. For instance, if the certified appraised value of the Improvements is \$40,000,000 in any year and the contractually required amount is \$46,000,000, Owner shall receive an abatement on the assessed value of \$40,000,000, but pay the District a sum equal to the full taxes on \$6,000,000, in addition to all other taxes due.
- d. The requirements of paragraph 4(c) are contractual in nature and are not subject to the TEXAS PROPERTY TAX CODE.
- e. Owner has, as of the effective date of this Agreement, the financial resources to implement the above representations.
- f. Owner will participate in the continuing economic development process in Fort Bend County by becoming a Regular member of the Greater Fort Bend Economic Development Council for a minimum period coinciding with the term of this

Agreement's Phase I Provisions. The fees for Owner's Regular membership are currently and shall remain \$2,000 per annum for the duration of this Agreement's Phase I Provisions. Only one membership is required for both Phase I and Phase II; however, the membership shall commence with the abatement on Phase I and shall continue through the expiration of the abatement on Phase II.

- g. **OWNER SHALL BE RESPONSIBLE FOR NOTIFYING THE CAD OF THE ABATEMENT, INCLUDING FILING WITH THE CAD ANY APPLICATION OR OTHER FORMS NECESSARY TO QUALIFY FOR OR RECEIVE THE ABATEMENT GRANTED.**
- h. **OWNER SHALL BE RESPONSIBLE FOR REQUESTING AN ASSIGNMENT OF THIS AGREEMENT IN THE EVENT THE REAL PROPERTY THE SUBJECT OF THIS AGREEMENT IS SOLD OR ASSIGNED. FAILURE OF OWNER TO NOTIFY THE TAX ASSESSOR-COLLECTOR OF ANY SALE OF THE REAL PROPERTY THE SUBJECT OF THIS AGREEMENT SHALL RESULT IN DEFAULT OF THIS AGREEMENT.**

5. **Responsibility of Owner for Phase II Improvements ("Phase II Provisions")**

In consideration of receiving the Phase II Tax Abatement granted herein, Owner represents and agrees:

- a. Construction of Phase II Improvements shall be completed on or before June 30, 2015, only if Owner is in compliance with the provisions for Phase I. Owner shall provide Tax Assessor/Collector a certified statement evidencing a minimum of \$3,200,000 in project costs with respect to the design and construction of the Improvements within sixty (60) days after their completion.
- b. The certified appraised value of Phase II Improvements on January 1 of each year that taxes are abated under this Agreement's Phase II Provisions must have a minimum value of \$3,200,000. Failure to meet the requirements of this section will invalidate the tax abatement for the year this requirement was not satisfied, unless cured in conformity with this Agreement.
- c. If the requirements of paragraph 5(b) (relating to the value of the Phase II Improvements) are not met for the Phase II Improvements for any year subject to

this Agreement, the failure will not be a default of this Agreement and Owner may cure such condition and receive an abatement on the assessed value, if Owner pays the District the full taxes on the difference between the assessed value and the required value of paragraph 5(b), as well as all taxes not subject to abatement under this Agreement. For instance, if the certified appraised value of the Improvements is \$10,000,000 in any year and the contractually required amount is \$15,000,000, Owner shall receive an abatement on the assessed value of \$10,000,000, but pay the District the full taxes on \$5,000,000, in addition to all other taxes due.

- d. The requirements of paragraph 5(c) are contractual in nature and are not subject to the TEXAS PROPERTY TAX CODE.
- e. Owner has, as of the effective date of this Agreement, the financial resources to implement the above representations.
- f. Owner will participate in the continuing economic development process in Fort Bend County by becoming a trustee member of the Greater Fort Bend Economic Development Council for a minimum period coinciding with the term of this Agreement's Phase II Provisions. The fees for Owner's trustee membership are currently and shall remain \$6,000 per annum for the duration of this Agreement's Phase II Provisions.
- g. **OWNER SHALL BE RESPONSIBLE FOR NOTIFYING THE DISTRICT OF THE ABATEMENT, INCLUDING FILING WITH THE DISTRICT ANY APPLICATION OR OTHER FORMS NECESSARY TO QUALIFY FOR OR RECEIVE THE ABATEMENT GRANTED.**
- h. **OWNER SHALL BE RESPONSIBLE FOR REQUESTING AN ASSIGNMENT OF THIS AGREEMENT IN THE EVENT THE REAL PROPERTY THE SUBJECT OF THIS AGREEMENT IS SOLD OR ASSIGNED. FAILURE OF OWNER TO NOTIFY THE TAX ASSESSOR/COLLECTOR OF ANY SALE OF THE REAL PROPERTY THE SUBJECT OF THIS AGREEMENT SHALL RESULT IN DEFAULT OF THIS AGREEMENT.**

6. **Value and Term of Abatement – Phase I Improvements (“Phase I Provisions”)**

a. This Agreement shall be effective on the date executed by District or Owner, whichever is later. Phase I of this Agreement shall terminate (unless earlier terminated in accordance with the terms hereof) on December 31, 2021. In no event shall this agreement extend beyond December 31, 2021 for Phase I Provisions. This Agreement shall terminate upon the completion of the abatements, unless earlier terminated as provided elsewhere herein. Owner’s obligation upon default to pay to District any taxes abated under this Agreement shall not terminate until the abated taxes are paid.

b. In each year this Agreement is in effect for Phase I Provisions, the amount of abatement shall be an amount equal to the percentage indicated below of the taxes assessed upon the Phase I Improvements only.

c. Subject to the limitations imposed by law and conditioned upon the representations outlined in Section 4 herein above, there shall be granted and allowed hereunder a property tax abatement for the following years and in the following amounts on the Value of the Phase I Improvements:

<u>Tax Year</u>	<u>Percentage Abatement</u>
2012	50%
2013	50%
2014	50%
2015	50%
2016	50%
2017	50%
2018	50%
2019	50%
2020	50%
2021	50%

d. The abatement granted shall not apply to the value of the Real Property, increases, in the value of the Real Property, inventory, Ineligible Property as defined in Paragraph 2(g) above, or Eligible Property as defined in Paragraph 2(f).

e. All Phase I Improvements shall be completed in accordance with applicable laws, ordinances, rules or regulations in effect at the time such Improvements are erected.

f. The CAD's determination of values shall be used to determine the value of the property subject to this Agreement. If Owner protests the District's valuation of the property, the valuation placed on the property after the protest is resolved under State law shall be used.

g. On or before September 1 of each year of this Agreement, Owner shall certify in writing to the District Tax Assessor/Collector Owner is in compliance with each term of this Agreement.

**7. Value and Term of Abatement – Phase II Improvements (“Phase II Provisions)**

a. This Agreement shall be effective on the date executed by District or Owner, whichever is later. Phase II of this Agreement shall terminate (unless earlier terminated in accordance with the terms hereof) on December 31, 2023. In no event shall this agreement extend beyond December 31, 2023 for Phase II Provisions. This Agreement shall terminate on the completion of the abatements, unless earlier terminated as provided elsewhere herein. Owner's obligation upon default to pay to District any taxes abated under this Agreement shall not terminate until the abated taxes are paid.

b. In each year that this Agreement is in effect for Phase II Provisions, the amount of abatement shall be an amount equal to the percentage indicated below of the taxes assessed upon the Phase II Improvements only.

c. Subject to the limitations imposed by law and conditioned upon the representations outlined in Section 5 herein above, there shall be granted and allowed hereunder a property tax abatement for the following years and in the following amounts on the value of the Phase II Improvements:

<u>Tax Year</u>	<u>Percentage Abatement</u>
2014	50%
2015	50%
2016	50%
2017	50%
2018	50%
2019	50%
2020	50%
2021	50%
2022	50%
2023	50%

d. In the event Owner completes the Phase II Improvements prior to December 31, 2014, the tax abatement will commence on January 1 of the tax year immediately following the year construction is completed and extend for ten years thereafter. It shall be the sole responsibility of Owner to notify District in writing within sixty (60) calendar days of the commencement of construction of the Phase II Improvements. Upon the completion of the construction for the Phase II Improvements, Owner shall provide the form attached as Exhibit C to District and District shall forward the completed form to the District, provided all other requirements of this Agreement have been satisfied by Owner as they relate to the Phase II Improvements. District hereby authorizes the Tax Assessor/Collector to complete the form attached as Exhibit C on behalf of District. District shall have no obligation or duty to inquire of Owner as to the status of the Phase II Improvements. The failure of Owner to comply with the requirement of this section shall call for the termination of the tax abatement for the Phase II Improvements for which there is no cure.

e. The abatement granted shall not apply to the value of the Real Property, increases in the value of the Real Property, inventory, Ineligible Property as defined in Paragraph 2(g) above, or Eligible Property as defined in Paragraph 2(f).

f. All Phase II Improvements shall be completed in accordance with applicable laws, ordinances, rules or regulations in effect at the time such Improvements are erected.

g. The CAD's determination of values shall be used to determine the value of the property subject to this Agreement. If Owner protests the District's valuation of the property, the valuation placed on the property after the protest is resolved under State law shall be used.

h. On or before September 1 of each year of this Agreement, Owner shall certify in writing to the District Tax Assessor/Collector that Owner is in compliance with each term of this Agreement.

8. **Taxability – Phase I & Phase II Improvements and Inventory**

During the period that this tax abatement is effective, taxes shall be payable as follows:

- a. The Value of Real Property, Eligible Property, and Ineligible Property shall be fully taxable, including inventory;
- b. The Value of existing Improvements shall be determined in the base year by the CAD.

9. **Event of Default - Phase I & Phase II Improvements**

- a. District may declare Owner in default of the Phase I or Phase II Provisions, respectively, of this Agreement if Owner: (1) fails to comply with any obligations under the Phase I or Phase II Provisions of this Agreement for the respective Phase I and Phase II Improvements (excluding, however, paragraphs 4(b) and 5(b) above); (2) allows District ad valorem taxes on the Subject Property, or any property located thereon, to become delinquent; or (3) vacates any of the improvements subject to the Agreement before the term of the Abatement then in effect (i.e. either the Phase I or Phase II Abatement) without prior written approval from District.
- b. District shall notify Owner of any default in writing specifying the default. The Owner shall have thirty (30) days from the date of the notice to cure any default. If Owner fails to cure the default, District may terminate this Agreement by written notice.
- c. If this Agreement is terminated by District due to Owner's default, Owner agrees that it is liable for and will pay to District within thirty (30) days of the termination of this Agreement:
  - i. The amount of all property taxes abated under this Agreement;
  - ii. Interest on the abated amount at the rate provided for in the TEXAS TAX CODE for delinquent taxes; and
  - iii. Penalties on the amount abated in the year of default, at the rate provided for in the TEXAS TAX CODE for delinquent taxes.
- d. District shall have a lien against Owner and the Real Property and Improvements for the taxes and interest owed because of the recapture of taxes under this paragraph during the time period beginning on the date such payment obligation accrues and continuing until the date paid.

10. **Administration and Inspection - Phase I & Phase II Improvements**

- a. This Agreement shall be administered on behalf of District by the Fort Bend County Tax Assessor/Collector or her designee. Owner shall allow employees or other representatives of District, who have been designated by the Tax Assessor/Collector for the specific purpose of ensuring compliance with this Agreement, to have access to the reinvestment

zone during the term of the Agreement. All inspections shall be made only after twenty-four (24) hours prior notice and will be conducted in such a manner as not to unreasonably interfere with the construction and/or operation of the facility. A representative of Owner may accompany the inspector at Owner's sole discretion.

b. Upon completion of the contemplated construction, District shall annually evaluate the facility to ensure compliance with the terms and provisions of this Agreement and shall report possible defaults to Owner.

c. The Chief Appraiser of the CAD shall annually determine (1) the taxable value under the terms of this abatement of the Real Property, Improvements, and other property otherwise located at or about Owner's premises subject to this Agreement and (2) the full taxable value without abatement of the Real Property, Improvements, and other property otherwise located at or about Owner's premises. The Chief Appraiser shall record both abatement taxable value and full taxable value in the appraisal records. In the event termination of this Agreement results in the recapture of abated taxes, the full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes.

d. Owner shall furnish the Chief Appraiser annually such information requested by the Chief Appraiser and as provided for under Chapter 22 of the TEXAS TAX CODE as may be necessary for the administration of the abatement. Such information shall also be provided to District Tax Assessor/Collector in preparation of its annual evaluation for compliance with the terms and provisions of this Agreement, including Owner's payroll records. However, Owner shall provide Chief Appraiser and District Tax Assessor/Collector with only those payroll records necessary to determine Owner's compliance with this agreement (i.e. number of employees is appropriate: payroll dollars, taxes, benefits, bonuses are not appropriate) and only to the extent allowed by federal, state, and local laws.

11. **Assignment**

a. This Agreement may not be assigned without prior written consent of District. No assignment shall be effective or approved if either District has declared a default hereunder which has not been cured or the new Owner/assignee is delinquent in the payment of ad valorem taxes owed to District. Approval shall not be unreasonably withheld.

b. Any and all assignments shall contain the same terms and conditions as set out in this Agreement and shall be granted for the remaining term of the original tax abatement agreement only.

12. **Indemnity**

It is understood and agreed between the parties that Owner, in performing its obligations hereunder, is acting independently, and District assumes no responsibilities or liabilities in connection therewith to third parties. **OWNER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS DISTRICT AND THE CENTRAL APPRAISAL DISTRICT FROM ANY AND ALL CLAIMS, SUITS, AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER ARISING OUT OF ANY OBLIGATIONS HEREUNDER EXCEPT THAT THE INDEMNITY AND DUTY TO DEFEND SHALL NOT APPLY TO THAT PORTION OF LIABILITIES RESULTING FROM THE INTENTIONAL CONDUCT OR NEGLIGENCE OF DISTRICT OR TAXING UNITS, THEIR RESPECTIVE OFFICERS, AGENTS OR EMPLOYEES. OWNER'S INDEMNIFICATION OBLIGATIONS INCLUDE THE PAYMENT OF REASONABLE ATTORNEY'S FEES AND EXPENSES INCURRED IN THE DEFENSE OF ANY SUCH CLAIMS, SUITS, AND CAUSES OF ACTION WHICH ARE NOT DUE TO DISTRICT'S OR TAXING UNIT'S, OR THEIR REPRESENTATIVES, INTENTIONAL CONDUCT OR NEGLIGENCE. OWNER SHALL BE RESPONSIBLE FOR ALL FEES INCURRED BY DISTRICT IN THE DEFENSE OF ANY SUCH CLAIMS, SUITS, OR CAUSES OF ACTION SO LONG AS DEFENSE COUNSEL AND COURSES OF ACTION ARE DETERMINED SOLELY BY OWNER. NOTHING IN THIS AGREEMENT SHALL BE INTERPRETED TO PROHIBIT DISTRICT FROM INCURRING REPRESENTATION OF ANY SUCH CLAIM, SUIT OR CAUSE OF ACTION AND OWNER SHALL NOT BE RESPONSIBLE FOR ANY SUCH COSTS AND OR FEES SO INCURRED.**

13. **Force Majeure**

If by reason of force majeure Owner is unable to perform any obligation of this Agreement, it shall give notice of the force majeure to District in writing within ten (10) calendar days after Owner first becomes aware of the occurrence relied upon. By doing so, the obligation of Owner to the extent and for the period of time affected by the force majeure, shall be suspended. Owner shall endeavor to remove or overcome the inability with all reasonable effort.

For purposes of this provision, "force majeure" shall mean acts of God, landslides, lightning, earthquakes, hurricanes, storms, floods, or other natural occurrences; strikes, lockouts, insurrections, riots, wars or other civil or industrial disturbances; orders of any kind of the federal or state government or of any civil or military authority; explosions, fires, breakage or accidents to machinery, lines, or equipment, or the failure of the system or water supply system; or any other cause not reasonably within the control of Owner.

14. **Commissioners Court Approval**

This Agreement is conditioned entirely upon the approval of the Commissioners Court by the affirmative vote of a majority of the members present at a duly scheduled meeting of the Commissioner's Court.

15. **Compliance with State and Local Regulations**

(a) This Agreement shall not be construed to alter or affect the obligations of Owner to comply with any city ordinance or federal or state law or regulation.

(b) Owner and Owner's successors, executors, administrators, assigns, branches, divisions and departments certify that they do not and will not knowingly employ any undocumented workers. Owner shall repay the total amount of the public benefit (tax abatement) received, with interest at the rate and according to the terms of this Agreement, if Owner is convicted of a violation under 8 U.S.C. Section 1324a (f). Repayment will be due no later than the 120th day after the date District notifies Owner of the violation as provided in Section 9 of this Agreement.

16. **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.

17. **Miscellaneous**

a. This Agreement shall be construed under and in accord with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Fort Bend County, Texas.

b. In the event of one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained

herein. The Phase I Provisions and the Phase II Provisions of this Agreement are severable from each other.

c. The waiver by either party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach.

d. Any amendments of this Agreement shall be of no effect unless in writing and signed by both parties hereto.

e. If there is a conflict between this Agreement and Exhibit B, the provisions of this Agreement shall prevail.

18. Notices

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 deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, in a United States Post Office, addressed to Owner, District, or Tax Assessor 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. Unless otherwise provided in this Agreement, all notices shall be delivered to Owner, District, or Tax Assessor at the following addresses:

To the **Tax Assessor/Collector:** The Honorable Patsy Schultz  
Fort Bend County Tax Assessor-Collector  
500 Liberty, Suite 101  
Richmond, Texas 77469

To **Owner:** Star Gessner Properties, LTD.  
~~55 Hanna's Way~~ 15618 OYSTER COVE DR  
Sugar Land, Texas 77478  
Attn: Pyarali Umatiya

To **District:** Fort Bend County Drainage District  
301 Jackson, Suite 719  
Richmond, Texas 77469  
Attention: County Judge

**Copy District:** Fort Bend County Attorney  
301 Jackson, Suite 728  
Richmond, Texas 77469

Either party may designate a different address by giving the other party ten (10) days written notice thereof. **Failure of Owner to provide District Tax Assessor/Collector thirty (30) days notice of a change of address may result in termination of this Agreement.**

**19. Entire Agreement; Ordinance and Economic Impact Statement**

This Agreement contains the entire Agreement among the parties and supersedes all other negotiations and agreements, whether written or oral. The terms and provisions of this Agreement (without its exhibits) shall control and prevail over the terms and provisions of Exhibit A, Exhibit B, and Exhibit C in case of conflict or ambiguity. Attached hereto are:

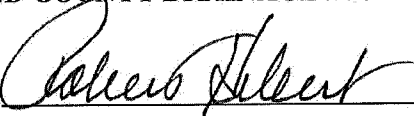
- a. Exhibit A -- Ordinance No. O-10-43 Designating Reinvestment Zone No. 7;
- b. Exhibit B -- Phase I Preliminary Design for Improvements;
- c. Exhibit C -- Tax Abatement Schedule Form for Phase II Improvements.

*EXECUTION PAGE TO FOLLOW*

20. Execution

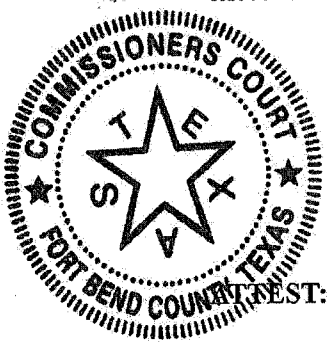
IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by District, and Owner as of the dates below stated. Owner warrants and represents that the individuals executing this agreement on behalf of Star Gessner Properties, LTD. have full authority to execute this Agreement and bind Star Gessner Properties,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

FORT BEND COUNTY DRAINAGE DISTRICT

By: 

Robert E. Hebert, County Judge

Date: 2-22-2011




ATTEST: 

Dianne Wilson, County Clerk

Owner:

**STAR GESSNER PROPERTIES, LTD.**  
a Texas limited partnership,  
by UA Star, Inc., a Texas corporation,  
its general partner

By: 

Pyarali Umatiya, Director

Date: 02-21-11

ATTEST: , attorney

**Attachments:**

- Exhibit A – Ordinance No. o-10-43 Designating Reinvestment Zone No. 7
- Exhibit B – Phase I Preliminary Design for Improvements;
- Exhibit C – Tax Abatement Schedule Form for Phase II Improvements.

Exhibit A

ORDINANCE NO. D-10-43

AN ORDINANCE OF THE CITY OF MISSOURI CITY, TEXAS, CREATING REINVESTMENT ZONE NO. 7 SITUATED WEST OF SOUTH GESSNER ROAD AND NORTH OF PIKE ROAD IN THE CITY OF MISSOURI CITY, TEXAS; MAKING RELATED FINDINGS; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City Council of the City of Missouri City has passed and approved Guidelines and Criteria for Granting Tax Abatement in Reinvestment Zones Created in Missouri City, Texas; and

WHEREAS, pursuant to the Guidelines, the City has received a request for creation of a reinvestment zone and tax abatement; and

WHEREAS, after proper notice, the City 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. 7; and

WHEREAS, written notice of the hearing was given to all taxing entities where the proposed zone is to be located; and

WHEREAS, the City Council has determined, based on evidence presented, that the improvements sought to be located in proposed Reinvestment Zone No. 7 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. 7 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 be a benefit to the property located therein and that will contribute to the economic development of the City of Missouri City; now therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MISSOURI CITY, TEXAS:

Section 1. That the facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct, and are made a part of this Ordinance for all purposes.

Section 2. That Reinvestment Zone No. 7 is hereby created for the purpose of encouraging economic development through tax abatement. A

description of the Zone is attached hereto as Exhibit "A" and is made a part hereto for all purposes.

Section 3. This designation shall be effective for five (5) years from the date of final passage of this Ordinance and may be renewed for periods not to exceed five years.

Section 4. All ordinances or parts of ordinances in conflict herewith are repealed to the extent of such conflict only.

Section 5. 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 Missouri City, 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, or whether there be one or more parts.

PASSED and APPROVED on first reading this 18th day of October, 2010.

PASSED, APPROVED and ADOPTED on second and final reading this 15th day of November, 2010.



Allen Owen, Mayor

ATTEST:

APPROVED AS TO FORM:



Patricia Fogarty, City Secretary



Caroline Kelley, City Attorney

EXHIBIT "A"

LEGAL DESCRIPTION  
10.2403 ACRES

A TRACT OR PARCEL CONTAINING 10.2403 ACRES (446,069 SQUARE FEET) OF LAND IN THE B.B.B.&C. R.R. CO. SURVEY, ABSTRACT NO. 115, AND THE B.B.B.&C. R.R. CO. SURVEY, ABSTRACT NO. 117, BEING ALL OF RESERVE "A" OF THE FINAL PLAT OF GESSNER ROAD COMMERCE PARK, SECTION ONE, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN SLIDE NO. 1071/A OF THE FORT BEND COUNTY PLAT RECORDS, AND ALL OF SOUTH GESSNER ROAD INDUSTRIAL PARK, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN FILM CODE NO. 20070206 OF THE FORT BEND COUNTY PLAT RECORDS, SAID 10.2403 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2 INCH IRON PIPE FOUND IN THE NORTHWESTERLY LINE OF SOUTH GESSNER ROAD (100 FOOT RIGHT OF WAY), AT THE COMMON SOUTHEASTERLY CORNER OF RESERVE "A" AND RESERVE "B" OF SAID FINAL PLAT OF GESSNER ROAD COMMERCE PARK, SECTION ONE;

THENCE SOUTH 45 DEGREES 00 MINUTES 00 SECONDS WEST, ALONG THE NORTHWESTERLY LINE OF SOUTH GESSNER ROAD A DISTANCE OF 8.84 FEET TO A 1/2 INCH IRON PIPE FOUND AT THE BEGINNING OF A TANGENT CURVE TO THE LEFT;

THENCE CONTINUING IN SOUTHWESTERLY DIRECTION WITH THE NORTHWESTERLY LINE OF SOUTH GESSNER ROAD ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 1684.45 FEET, A LENGTH OF 983.32 FEET, AN INTERIOR ANGLE OF 33 DEGREES 50 MINUTES 56 SECONDS, AND A CHORD BEARING SOUTH 28 DEGREES 04 MINUTES 32 SECONDS WEST, 989.08 FEET TO THE SOUTHEAST CORNER, FROM WHICH A 5/8 INCH IRON ROD FOUND BEARS SOUTH 44 DEGREES 41 MINUTES WEST, 0.45 FEET.

THENCE NORTH 80 DEGREES 34 MINUTES 15 SECONDS WEST, ALONG THE SOUTHERLY LINE OF SAID SOUTH GESSNER ROAD INDUSTRIAL PARK A DISTANCE OF 193.93 FEET TO A 5/8 INCH IRON ROD SET FOR ANGLE POINT;

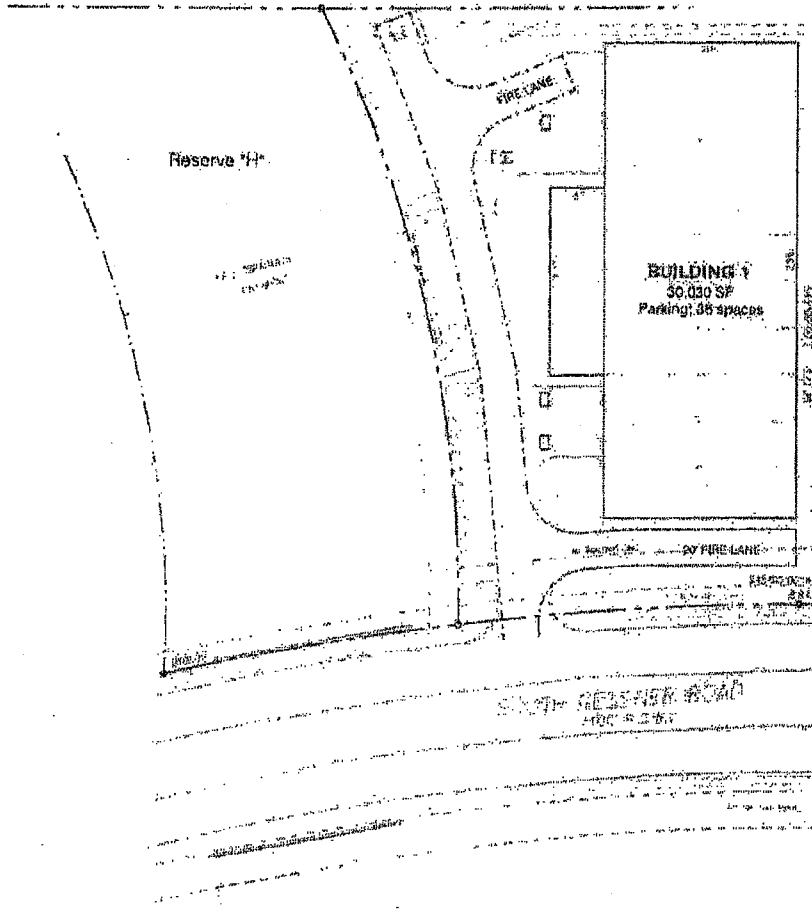
THENCE NORTH 44 DEGREES 21 MINUTES 22 SECONDS WEST, CONTINUING ALONG THE SOUTH LINE OF SAID SOUTH GESSNER ROAD INDUSTRIAL PARK A DISTANCE OF 454.42 FEET TO A BOD NAIL SET FOR THE WEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 45 DEGREES 38 MINUTES 38 SECONDS EAST, ALONG THE NORTHWEST LINE OF SAID SOUTH GESSNER ROAD INDUSTRIAL PARK A DISTANCE OF 171.54 FEET TO A 1/2 INCH IRON PIPE FOUND AT THE COMMON NORTHWESTERLY CORNER OF RESERVE "A" OF SAID FINAL PLAT OF GESSNER ROAD COMMERCE PARK, SECTION ONE, AND SOUTH GESSNER ROAD INDUSTRIAL PARK; FROM WHICH A 1/2 INCH IRON ROD FOUND BEARS SOUTH 81 DEGREES 02 MINUTES WEST, 2.72 FEET;

THENCE NORTH 45 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG THE NORTHWEST LINE OF SAID RESERVE "A" OF THE FINAL PLAT OF GESSNER ROAD COMMERCE PARK, SECTION ONE A DISTANCE OF 272.36 FEET TO A 5/8 INCH IRON ROD SET FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 45 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG THE NORTHEAST LINE OF SAID RESERVE "A" OF THE FINAL PLAT OF GESSNER ROAD COMMERCE PARK, SECTION ONE A DISTANCE OF 321.26 FEET TO THE POINT OF BEGINNING AND CONTAINING 10.2403 ACRES OF LAND, MORE OR LESS.

Exhibit B



**STAR PRECISION FABRICATING LIMITED**  
South Cassin Road Industrial Park Missouri City, Texas

Exhibit C

Pursuant to Section 7(d) of the Tax Abatement Agreement between the Fort Bend County Drainage District and Star Gessner Properties, Ltd., approved by Board of Directors on February 22, 2011, ("the Agreement"), the Fort Bend Central Appraisal District is hereby notified that the Phase II Improvements, as defined in the Agreement, will be subject to a tax abatement in the following amounts and according to the following schedule, adjusted from the schedule contained in the Agreement:

Tax Year:	Percentage of Abatement
_____	50%
_____	50%
_____	50%
_____	50%
_____	50%
_____	50%
_____	50%
_____	50%
_____	50%
_____	50%

Approved:

Fort Bend County Drainage District:

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

\_\_\_\_\_  
Patsy Schultz, Tax Assessor/Collector

Approved as to form:

\_\_\_\_\_  
Assistant County Attorney

Cc: GFBEDC

Recorded in the Minutes of the Fort Bend County Drainage District

Date of meeting: \_\_\_\_\_

Agenda Item: \_\_\_\_\_