Arlington Home Improvement Incentive
Chapter 380 Program Agreement

THIS ARlington HOME IMPROVEMENT INCENTIVE CHAPTER 380 PROGRAM AGREEMENT (hereafter referred to as “Agreement”) is executed on ______________, 20__, by and between __________________, (hereafter referred to as “Property Owner”), and the City of Arlington, Texas, a home-rule city and municipal corporation of Tarrant County, Texas, acting by and through its City Manager or his designee, (hereafter referred to as “City”).

W I T N E S S E T H:

WHEREAS, the Property Owner is the owner of a single-family residential structure located at _____________________________, Arlington, Texas (the “Residence”); and

WHEREAS, Texas Local Government Code Chapter 380 allows the City to provide incentives for the promotion of economic development; and

WHEREAS, the promotion of the redevelopment of existing residential housing stock in the City promotes economic development within the City and is essential for continued economic growth and vitality of the City; and

WHEREAS, it is well established that the availability of quality housing stock encourages the relocation of businesses, attracts new business enterprises, and promotes the expansion of existing business enterprises within the City, which in turn stimulates growth, creates jobs, and increases property and sales tax revenues; and

WHEREAS, the promotion of quality residential housing stock is a major contributing factor to the vitality of the City, which in turns stimulates trade and commerce and reduces unemployment; and

WHEREAS, residential development and redevelopment will attract and encourage business relocation and expansion as businesses will look to the availability of quality residential housing stock to meet the needs of its work force and management; and

WHEREAS, the City has determined that providing an economic development incentive in accordance with this Agreement will further the objectives of the City, will benefit the City and the City’s inhabitants, will promote local economic development, and stimulate business and commercial activity in the City; NOW THEREFORE,
In consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. DEFINITIONS

A. Added Tax Revenue – shall mean the positive difference between the amount of ad valorem taxes paid by the Property Owner to the City for the Residence in the tax year beginning January 1st of the year following the Completion Date and the Base Tax Revenue.

B. Approved Project – shall mean a project for home improvements, modifications, or remodeling of the Residence approved by the City of Arlington’s City Manager (or his designee) as being eligible for an incentive under the Home Improvement Program and identified in the attached Exhibit “A.”

C. Base Tax Revenue – shall mean the amount of ad valorem taxes paid by the Property Owner to the City for the Residence in the tax year beginning January 1st of the year this Agreement is executed.

D. Commencement Date – shall mean the date when:

   (i) the plans for the Approved Project have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for the Approved Project; and

   (ii) all necessary permits for the Approved Project have been issued by all applicable governmental authorities.

E. Completion Date – shall mean the date of the City’s final inspection of the subject Residence following the conclusion of the Approved Project.

F. Effective Date – shall mean the date of execution noted above.

G. Event of Bankruptcy or Insolvency – shall mean insolvency, appointment of receiver for the Property Owner and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the Property Owner and such proceeding is not dismissed within ninety (90) days after the filing thereof.

H. Expiration Date – shall mean the day following the date the City pays the Incentive, if any, to the Property Owner.
I. Home Improvement Program – shall mean the City of Arlington Home Improvement Incentive Program adopted by Resolution No. 10-372 on December 14, 2010.

J. Incentive – shall mean a one-time payment provided by the City to the Property Owner in an amount equal to up to ten (10) times the Added Tax Revenue, provided, however, under no circumstances shall the Incentive paid under this Agreement exceed Five Thousand Dollars ($5,000.00).

K. Residence – shall mean the single-family residential structure, excluding the land, located at _________________________________________________________, Arlington, Texas.

L. Property Owner – shall mean the owner of the Residence.

II. TERM

The term of this Agreement shall begin on the Effective Date and continue until the Expiration Date, unless sooner terminated as provided herein.

III. ECONOMIC DEVELOPMENT INCENTIVE

A. Subject to the Property Owner’s continued compliance with and satisfaction of the terms and conditions of this Agreement as set forth in Article IV, as well as the Property Owner’s obligation to repay the Incentive pursuant to Section V.B., the City agrees to pay the Incentive to the Property Owner on or before April 1st of the second full calendar year following the Completion Date.

B. The Incentive provided for in this Agreement shall be paid solely from lawfully available funds that have been appropriated by the City Council for the Home Improvement Program. Funds available for the Home Improvement Program shall be paid out on a first come first serve basis. Under no circumstances shall the City’s obligation to pay the Incentive be deemed to create any debt within the meaning of any constitutional or statutory provision. None of the City’s obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution or other third party.

IV. INCENTIVE CONDITIONS

The City’s obligation to pay the Incentive to the Property Owner shall be conditioned upon the Property Owner’s continued compliance with and satisfaction of the terms and conditions of this Agreement as set forth in this Article IV.
A. **Inspections.** The Property Owner agrees to submit to periodic inspections of the Residence by the City during the period beginning on the Commencement Date and ending on the Completion Date.

B. **Improvement Costs.** The cost of the Approved Project incurred and paid by the Property Owner shall be at least Twenty Thousand Dollars ($20,000). The Property Owner shall, as a condition precedent to the payment of the Incentive, provide copies of all invoices, receipts, and other documentation as may be reasonably requested by the City to verify that cost incurred for the Approved Project and payment thereof by the Property Owner.

C. **Completion of the Approved Project.** The Property Owner shall cause the Completion Date to occur on or before the second anniversary of the Effective Date.

D. **Payment of Taxes, Fines, Other Monies.** The Property Owner shall timely pay all taxes owed to the City for the Residence as well as any other property owned by the Property Owner and located in the City of Arlington, Texas throughout the term of this Agreement. In addition, the Property Owner shall timely pay all fines or other monies owed to the City of Arlington throughout the term of this Agreement.

E. **Undocumented Workers.** The Property Owner shall not knowingly employ an undocumented worker as that term is defined by Section 2264.01(4) of the Texas Government Code. In accordance with Section 2265.052 of the Texas Government Code, if the Property Owner is convicted of a violation under 8 U.S.D. section 1324a(f), the Property Owner shall repay to the City the full amount of the Incentive plus 10% per annum from the date the Incentive was made. Repayment shall be paid within 120 days after the date the Property Owner receives notice of such from the City.

F. **Compliance with Laws.** The Property Owner shall comply with all City ordinances, state and federal laws in performing its obligations under this Contract. This includes obtaining any and all necessary governmental approvals and permits for the Approved Project.

V. **TERMINATION**

A. This Agreement shall terminate upon the occurrence of any one of the following:

i. mutual agreement of the parties;

ii. the Expiration Date;

iii. by the City, in its sole discretion, in the event the Property Owner breaches any term or condition of this Agreement and such breach is not cured within sixty (60) days after written notice from the City thereof;

(5)
iv. by the City, in its sole discretion, if the Property Owner suffers an Event of Bankruptcy or Insolvency;

v. by the City, in its sole discretion, if the Approved Project does not result in Added Tax Revenue;

vi. if any subsequent Federal or State legislation or any final, non-appealable decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal, or unenforceable; or

vii. by the City, in its sole discretion, in the event that funding allocated by the City Council for purposes of funding the Home Improvement Program is depleted, reprogrammed for other purposes, or otherwise unavailable for the intended purposes of the Home Improvement Program.

B. In the event of termination by the City pursuant to Section V.A.iii. or V.A.iv., the Property Owner shall immediately repay the City an amount equal to the Incentive, if any, paid to the Property Owner prior to termination of this Agreement. The Property Owner’s obligation to repay the Incentive shall survive termination of this Agreement. The City Attorney has the authority, on behalf of the City, to initiate any litigation necessary to pursue repayment of the Incentive pursuant to this Agreement.

VI. MISCELLANEOUS

A. Assignment. This Agreement may not be assigned by the Property Owner without the prior written consent of the City.

B. Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and assigns of the parties hereto.

C. Limitation on Liability. It is understood and agreed between the parties that the Property Owner, in satisfying the conditions of this Agreement, including but not limited to causing the completion of the Approved Project, is acting independently and the City assumes no responsibilities or liabilities to any third parties in connection with these actions.

D. Appraisal. The final taxable value of the Residence shall be determined by the Tarrant Appraisal District. The City makes no representations as to the resulting amount of Added Tax Revenue, if any, from the Approved Project.

E. No Joint Venture. It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the parties.
F. **Authorization.** Each party represents that they have full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

G. **Notices.** All notices called for or required by this Agreement shall be addressed to the following in writing, by certified mail, postage prepaid, or by hand delivery:

Property Owner: ____________________________
____________________________
____________________________
____________________________

City: City of Arlington
Attention:____________________
Mail Stop____________________
P.O. Box 90231
Arlington, Texas  76004-3231

With a copy to: City of Arlington
City Attorney
Mail Stop 63-0300
P.O. Box 90231
Arlington, Texas  76004-3231

H. **Applicable Law.** This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State’s District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

I. **Entire Agreement.** This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the parties that in any manner relates to the subject matter of this Agreement, except as provided in any Exhibits attached hereto.

J. **Amendment.** This Agreement may only be amended by the mutual written agreement of the parties.

K. **Severability.** In the event any one or more of the provisions contained in this Agreement shall be for any reason held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other provisions, and it is the intention of the parties that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid, and enforceable and is as similar to the original provision as possible.

L. **Recitals.** The recitals to this Agreement are incorporated herein.
M. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

N. **Headings.** The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

**PROPERTY OWNER**

BY ___________________________________

Signature

______________________________

Typed or Printed Name

WITNESS:

______________________________

**CITY OF ARLINGTON, TEXAS**

BY ___________________________________

Signature

______________________________

Typed or Printed Name

______________________________

Typed or Printed Title

ATTEST:

______________________________

ALEX BUSKEN, City Secretary
APPROVED AS TO FORM:
TERIS SOLIS, City Attorney

BY_________________________________
BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared ________________________, who is known to me or who was proved to me on the oath of _____________ (name of person identifying the acknowledging person) or who was proved to me through ______________ (description of identity card or other document issued by the federal or state government containing the picture and signature of the acknowledging person) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _______ day of _____________________, 20__.

_________________________  ____________________________________
My Commission Expires   Notary’s Printed Name
Exhibit “A”

Approved Project