

AGENDA

NOTICE OF MEETING

The Canyon Economic Development Corporation Regular Meeting will take place Thursday May 21, 2026 at 11:30 AM in the Conference Room at 1605 4th Avenue in Canyon Texas, to discuss the following agenda items.

1. Call to Order
2. Consider and Take Appropriate Action on Minutes of April 2026 Meeting.
3. Consider and Take Appropriate Action on April 2026 Financials.
4. Public Comments.
5. Operational Updates.
6. Consider and take appropriate action on an SBAP funding agreement with Got Donuts for façade improvements at 601 23rd St. Canyon, Tx.
7. Consider and take appropriate action on an SBAP funding agreement with Bouncing Buffalo for sound deadening materials at 1615 4th Ave. Canyon, Tx.
8. Consider and take appropriate action on a project funding agreement for MPO matching funds assistance pertaining to downtown revitalization.
9. Executive Session Pursuant to Texas Government Codes §551.087 Regarding Economic Development Projects, §551.071 Consultation with Attorney and §551. 072 Deliberation Regarding Real Property.
10. Consider and Take Appropriate Action on items discussed in Executive Session.
11. Adjourn.

Michael Kitten

Michael Kitten, CEDC Director

I certify that the above Notice of Meeting was posted on the bulletin board of the Civic Complex of the City of Canyon, Texas on Friday, May 15, 2026.

Gretchen Mercer

Gretchen Mercer, City Clerk

Minutes – CEDC – April 16, 2026

**The Canyon Economic Development Corporation Regular Meeting took place
in the CEDC Conference Room**

1. The meeting was called to order at 11:31 am by Robyn Cranmer. Member's present were Robyn Cranmer, Thompson Mayberry, Jed Welch, Andy Hicks, Gary Hinders, Matt West. Member not in attendance was Keith Brown. Also in attendance were Michael Kitten, Executive Director, Cari Littau and Joe Price.
2. The minutes of the March 24, 2026 meeting were reviewed. Gary Hinders made a motion to approve the minutes as written. Thompson Mayberry presented a second. Motion passed by unanimous vote.
3. The March 2026 Financials were reviewed. Jed Welch made a motion to approve the Financials as written. Matt West presented a second. Motion passed by unanimous vote.
4. Public Comments/Presentations. No one signed in to speak.
5. Michael Kitten, Executive Director, gave an Operational update on the repairs for property damages and the final costs associated with those repairs. He gave an update on his recent travel to Odessa to meet with Site Selectors and gave a report on Impact Data Software, which he is hoping to get soon.
6. Joe Price presented an update and timeline on the Downtown Revitalization Project and other MPO projects happening in the near future.
7. We entered a public hearing at 12:30 pm to consider an agreement between the Canyon EDC and the Canyon Chamber of Commerce for sponsorship of the July 4th Fireworks Celebration in an amount not to exceed \$15,000. No one was present for Public Hearing. Public Hearing was closed at 12:30 pm.
8. Andy Hicks made a motion to approved amendment No.2 to the Project Funding Agreement with Pondaseta Brewing Co., LLC., in relation to the operating timeline. Gary Hinders presented a second. Motion passed by unanimous vote.
9. The Board adjourned into Executive Session at 12:35 pm pursuant to Texas Govt. Code §551.087 Regarding Economic Development Projects, §551.071 Consultation with Attorney and §551.072 Deliberation Regarding Real Property.
10. The Board came out of Executive Session at 12:54 pm and no action was taken.
11. Meeting was adjourned at 12:54 pm.

Respectfully submitted,
Robyn Cranmer, Board Chair

Canyon Economic Development Corporation

FINANCIALS

Canyon Economic Development Corporation

Balance Sheet

As of Apr 30, 2026

	TOTAL
<hr/>	
Assets	
Current Assets	
Bank Accounts	
HSB Cash in Bank 2778	970,535.60
HSB Marketing & Promotions 1818	318,679.56
Total for Bank Accounts	\$1,289,215.16
Total for Current Assets	\$1,289,215.16
Fixed Assets	
1600 Block Properties	\$0.00
1603 4th Ave Property	215,819.57
1605 4th Ave Property	254,115.61
1607 4th Ave Property	81,242.95
Total for 1600 Block Properties	\$551,178.13
4304 Furniture & Fixtures	39,135.23
Accumulated Depreciation	-101,443.34
Leasehold Improvements	3,940.67
Office Equipment	12,713.71
Property-1312 Hwy 60 (Taylor Fr	79,004.77
Property-202 N13th St (Taylor B	169,270.53
Property Acquisitions	
Blake Property 305 15th Street	151,994.21
Total for Property Acquisitions	\$151,994.21
Property- El Patio Purchase '23	\$0.00
Property - 203 N 15th (Stewart Title)	240,264.10
Total for Property- El Patio Purchase '23	\$240,264.10
Property Purchase - 101 N 15th St	76,924.22
Web Site	13,631.45
Total for Fixed Assets	\$1,236,613.68
Other Assets	
Lease Receivable -LT	69,136.22
Non-Restricted Funds -CCF	
CCF/AAF - Available	26,371.59
Total for Non-Restricted Funds -CCF	\$26,371.59
Tax Sales Receivable	226,218.64
Total for Other Assets	\$321,726.45
Total for Assets	\$2,847,555.29

Canyon Economic Development Corporation

Balance Sheet

As of Apr 30, 2026

	TOTAL
Liabilities and Equity	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Deferred Insurance Proceeds	57,200.18
Due to Other Government	22,829.87
Total for Other Current Liabilities	\$80,030.05
Total for Current Liabilities	\$80,030.05
Long-term Liabilities	
Deferred Lease Revenue	58,227.76
N/P - Southside Bank A (259135)	149,821.15
Total for Long-term Liabilities	\$208,048.91
Total for Liabilities	\$288,078.96
Equity	
Unrestricted Net Assets	2,259,864.07
Net Income	299,612.26
Total for Equity	\$2,559,476.33
Total for Liabilities and Equity	\$2,847,555.29

Canyon Economic Development Corporation

Balance Sheet Comparison

As of Apr 30, 2026

	TOTAL	
	AS OF APR 30, 2026	AS OF APR 30, 2025 (PY)
Assets		
Current Assets		
Bank Accounts		
HSB Cash in Bank 2778	970,535.60	582,828.55
HSB Marketing & Promotions 1818	318,679.56	318,011.87
Total for Bank Accounts	\$1,289,215.16	\$900,840.42
Total for Current Assets	\$1,289,215.16	\$900,840.42
Fixed Assets		
1600 Block Properties	\$0.00	\$0.00
1603 4th Ave Property	215,819.57	215,819.57
1605 4th Ave Property	254,115.61	254,115.61
1607 4th Ave Property	81,242.95	81,242.95
Total for 1600 Block Properties	\$551,178.13	\$551,178.13
4304 Furniture & Fixtures	39,135.23	39,135.23
Accumulated Depreciation	-101,443.34	-82,578.43
Leasehold Improvements	3,940.67	3,940.67
Office Equipment	12,713.71	12,713.71
Property Acquisitions		
Blake Property 305 15th Street	151,994.21	150,652.04
Total for Property Acquisitions	\$151,994.21	\$150,652.04
Property Purchase - 101 N 15th St	76,924.22	75,639.22
Property- El Patio Purchase '23	\$0.00	\$0.00
Property - 203 N 15th (Stewart Title)	240,264.10	227,589.50
Total for Property- El Patio Purchase '23	\$240,264.10	\$227,589.50
Property-1312 Hwy 60 (Taylor Fr	79,004.77	78,704.20
Property-202 N13th St (Taylor B	169,270.53	169,270.53
Web Site	13,631.45	13,631.45
Total for Fixed Assets	\$1,236,613.68	\$1,239,876.25
Other Assets		
Lease Receivable -LT	69,136.22	62,728.94
Non-Restricted Funds -CCF		
CCF/AAF - Available	26,371.59	23,501.99
Total for Non-Restricted Funds -CCF	\$26,371.59	\$23,501.99
Tax Sales Receivable	226,218.64	204,165.23
Total for Other Assets	\$321,726.45	\$290,396.16
Total for Assets	\$2,847,555.29	\$2,431,112.83

Canyon Economic Development Corporation

Balance Sheet Comparison

As of Apr 30, 2026

	TOTAL	
	AS OF APR 30, 2026	AS OF APR 30, 2025 (PY)
Liabilities and Equity		
Liabilities		
Current Liabilities		
Other Current Liabilities		
Deferred Insurance Proceeds	57,200.18	
Due to Other Government	22,829.87	19,815.06
Total for Other Current Liabilities	\$80,030.05	\$19,815.06
Total for Current Liabilities	\$80,030.05	\$19,815.06
Long-term Liabilities		
Deferred Lease Revenue	58,227.76	61,397.06
N/P - Southside Bank A (259135)	149,821.15	134,737.90
N/P - Southside Bank B (259136)	0.00	51,767.72
Total for Long-term Liabilities	\$208,048.91	\$247,902.68
Total for Liabilities	\$288,078.96	\$267,717.74
Equity		
Net Income	299,612.26	187,848.50
Unrestricted Net Assets	2,259,864.07	1,975,546.59
Total for Equity	\$2,559,476.33	\$2,163,395.09
Total for Liabilities and Equity	\$2,847,555.29	\$2,431,112.83

Canyon Economic Development Corporation

Profit and Loss

April 2026

	TOTAL
Income	
Interest Income	4,049.41
Rent Income	5,100.00
SalesTax Revenue	96,418.78
Total for Income	\$105,568.19
Gross Profit	\$105,568.19
Expenses	
1000 Salaries	
1101 Regular	22,009.43
Total for 1000 Salaries	\$22,009.43
2101 Office Supplies	289.45
2205 Food	127.43
2215 Other Operating Supplies	790.00
3220 Travel Expense	
3220.2 Airport Parking	54.13
3220.5 Food/Beverage	66.62
3220.6 Lodging	586.95
Total for 3220 Travel Expense	\$707.70
3301 Advertising	85.92
4020 Lease or Rent	247.50
4030 Legal Services	3,665.00
4050 Utilities	178.75
4051 Utilities-Water	93.76
4060 Website Development	650.00
5010 Marketing & Promotions	532.86
6010 Projects	
2021 MASS Hotels, LLC	10,825.00
Total for 6010 Projects	\$10,825.00
Total for Expenses	\$40,202.80
Net Operating Income	\$65,365.39
Net Other Income	
Net Income	\$65,365.39

Canyon Economic Development Corporation

Profit and Loss Comparison

October 1, 2025-April 30, 2026

	TOTAL	
	OCT 1 2025 - APR 30 2026	OCT 1 2024 - APR 30 2025 (PY)
Income		
BCD Reimbursement	15,389.80	48,649.84
Interest Income	25,629.65	16,628.91
Investment Earnings-CCF		-237.72
Rent Income	34,200.00	25,800.00
SalesTax Revenue	752,944.36	710,209.76
Total for Income	\$828,163.81	\$801,050.79
Gross Profit		
	\$828,163.81	\$801,050.79
Expenses		
1000 Salaries		
1101 Regular	179,227.87	118,930.60
Total for 1000 Salaries	\$179,227.87	\$118,930.60
2101 Office Supplies		
2205 Food	1,833.25	1,824.26
2215 Other Operating Supplies	1,206.44	3,611.00
3204 Postage & Freight	790.00	
3220 Travel Expense	77.08	29.20
3220.1 Air Fare	1,661.86	546.10
3220.2 Airport Parking	162.39	
3220.3 Cab Fare	117.22	374.15
3220.5 Food/Beverage	231.14	673.71
3220.6 Lodging	3,266.43	5,285.78
3220.7 Mileage Reimbursement		106.18
3220.8 Travel - Tips & Parking		13.49
Total for 3220 Travel Expense	\$5,439.04	\$6,999.41
3301 Advertising		
3901 Dues, Membership, Tuition	85.92	420.08
3917 Other Contractual	1,412.00	5,920.57
4010 Accounting Service	3,735.84	31,726.27
4015 Accounting Service, Audit		430.00
4020 Lease or Rent	4,300.00	4,200.00
4030 Legal Services	272.50	
4050 Utilities	36,970.00	4,043.55
Electric	\$1,024.04	\$1,817.46
	526.00	
Total for 4050 Utilities	\$1,550.04	\$1,817.46
4051 Utilities-Water		
4060 Website Development	646.86	613.27
5000 Business Coaching	969.80	
5010 Marketing & Promotions	12,756.00	12,723.60
Visit Canyon	\$85,558.34	\$106,887.96
Total for 5010 Marketing & Promotions	\$105,958.34	\$164,875.80
5020 Workshops	20,400.00	57,987.84
	4,125.00	1,281.63

Canyon Economic Development Corporation

Profit and Loss Comparison

October 1, 2025-April 30, 2026

	TOTAL	
	OCT 1 2025 - APR 30 2026	OCT 1 2024 - APR 30 2025 (PY)
6010 Projects		
2021 MASS Hotels, LLC	36,451.00	35,047.58
2023 Creek House Expansion		22,107.00
2024 SBAP Lavender Lane		5,000.00
2026 SBAP Best Thai Restaurant	10,000.00	
Canyon Physical Therapy 2023		2,176.00
HTEAO 2022		62,820.00
PDCO Expansion 2023	33,085.00	1,274.00
Pondaseta Brewing Co., LLC	72,869.00	8,316.36
SBAP- The Cake Company	10,000.00	
Tabletop Tavern SBAP 2024		7,548.00
The Acai Bar 2025		14,416.00
The Crew Entertainment 2024	50,000.00	
The Ranch House Cafe SBAP		8,706.00
Tireworks 2024		30,110.00
WaterLine expansion 15th St		49,600.00
Total for 6010 Projects	\$212,405.00	\$247,120.94
Insurance	-1,406.46	21,996.16
Interest Expense	2,865.19	3,585.55
Miscellaneous Expense		70.36
Repairs & Maintenance	2,939.92	
Sponsorships	6,522.31	
Total for Expenses	\$584,681.94	\$632,219.71
Net Operating Income	\$243,481.87	\$168,831.08
Other Income		
Gain(Loss) on Sale of Assets		19,064.45
Insurance Proceeds	56,130.39	
Total for Other Income	\$56,130.39	\$19,064.45
Other Expenses		
6030 Investment Expenses-CCF		47.03
Total for Other Expenses		\$47.03
Net Other Income	\$56,130.39	\$19,017.42
Net Income	\$299,612.26	\$187,848.50

Canyon Economic Development Corporation

General Ledger

April 2026

DISTRIBUTION ACCOUNT	TRANSACTION DATE	TRANSACTION TYPE	NUM	NAME	DESCRIPTION	SPLIT	AMOUNT	BALANCE
HSB Cash in Bank 2778								
Beginning Balance								913,955.76
HSB Cash in Bank 2778	04/02/2026	Check	draft	Atmos Energy.	Monthly Gas Bill - Auto Draft Service thru 3/18/26	4050 Utilities	-48.93	913,906.83
HSB Cash in Bank 2778	04/07/2026	Deposit			April rent - Creations by MikEE \$1250 April rent - PDCO/All Who Wander \$1000 April rent - Stewart Title \$2100		4,350.00	918,256.83
HSB Cash in Bank 2778	04/13/2026	Deposit			90% Sales Tax Revenue into Operating Account	SalesTax Revenue	86,776.90	1,005,033.73
HSB Cash in Bank 2778	04/15/2026	Check	4141	City of Canyon .	reimburse City for February - March 2026 JPMorgan CC purchases Cari Littau = \$1402.38 Michael Kitten = \$0.00 Audry Miller = \$0.00		-1,402.38	1,003,631.35
HSB Cash in Bank 2778	04/15/2026	Check	4142	Hester McGlasson & Cox	Invoices 3073 Furman Family Partnership case - \$2515 Fireworks - \$250 EDC General - \$900		-3,665.00	999,966.35
HSB Cash in Bank 2778	04/15/2026	Check	4143	Plainview Herald	1 yr subscription to Canyon News Public Info Notice Re: Fireworks		-137.92	999,828.43
HSB Cash in Bank 2778	04/15/2026	Check	4144	City of Canyon	Salary reimbursement April 2026 = \$5695.06 (AM) April 2026 = \$5289.56 (CL) April 2026 = \$11024.81 (MK)		-22,009.43	977,819.00
HSB Cash in Bank 2778	04/15/2026	Check	4145	MASS Hotels, LLC	1st Qtr TWC 2026	Projects:2021 MASS Hotels, LLC	-10,825.00	966,994.00
HSB Cash in Bank 2778	04/15/2026	Check	draft	City of Canyon.	Monthly Water Bill - Auto Draft Service thru 3/22/2026	4051 Utilities-Water	-93.76	966,900.24
HSB Cash in Bank 2778	04/17/2026	Check	draft	Xcel Energy	Monthly Electric bill at Taylor Property 1312 Hwy 60 service thru 3/30/26	Property-1312 Hwy 60 (Taylor Fr	-30.91	966,869.33
HSB Cash in Bank 2778	04/20/2026	Check	draft	Xcel Energy	Monthly Electric bill CEDC Office Service thru 3/31/26	4050 Utilities	-129.82	966,739.51
HSB Cash in Bank 2778	04/27/2026	Deposit		FirstBank Southwest	Rent - FBSW May 2026	Rent Income	750.00	967,489.51
HSB Cash in Bank 2778	04/30/2026	Deposit			Interest Earned	Interest Income	3,046.09	970,535.60
Total for HSB Cash in Bank 2778							\$56,579.84	
HSB Marketing & Promotions 1818								
Beginning Balance								309,924.92
HSB Marketing & Promotions 1818	04/13/2026	Deposit			10% Sales Tax Revenue into Marketing Account	SalesTax Revenue	9,641.88	319,566.80
HSB Marketing & Promotions 1818	04/15/2026	Check	1305	Canyon Outdoor Advertising	Invoice 78667 Outdoor Billboards - Visit Canyon for April 2026 TO BE REIMBURSED BY BCD	5010 Marketing & Promotions	-350.00	319,216.80
HSB Marketing & Promotions 1818	04/15/2026	Check	1306	J.P.O.S Inc	Inv 32517 EDC Note pads with logo	5010 Marketing & Promotions	-143.00	319,073.80
HSB Marketing & Promotions 1818	04/15/2026	Check	1307	City of Canyon .	reimburse City for February - March 2026 JPMorgan CC purchases Cari Littau = \$689.86 Michael Kitten = \$707.70 Audry Miller = \$0.00		-1,397.56	317,676.24
HSB Marketing & Promotions 1818	04/30/2026	Deposit			Interest Earned	Interest Income	1,003.32	318,679.56
Total for HSB Marketing & Promotions 1818							\$8,754.64	

4B Sales Tax Revenue

Month	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
October	\$57,871	\$58,880	\$63,421	\$73,702	\$82,699	\$107,246	\$96,395	\$97,767	\$104,516
November	\$73,738	\$74,441	\$69,618	\$90,264	\$96,185	\$107,571	\$107,770	\$108,056	\$121,703
December	\$55,187	\$65,349	\$68,092	\$74,422	\$84,717	\$96,624	\$88,995	\$95,745	\$106,778
January	\$56,455	\$60,641	\$66,580	\$80,291	\$79,719	\$94,830	\$83,188	\$93,597	\$99,311
February	\$80,207	\$73,800	\$83,609	\$94,804	\$101,855	\$114,984	\$111,509	\$132,770	\$137,278
March	\$55,178	\$75,620	\$61,132	\$91,121	\$102,024	\$81,163	\$82,427	\$80,227	\$86,939
April	\$65,190	\$57,421	\$59,334	\$63,983	\$73,643	\$86,489	\$86,789	\$102,047	\$96,419
May	\$82,781	\$69,016	\$74,069	\$98,639	\$129,073	\$106,000	\$100,744	\$108,557	\$121,387
June	\$54,490	\$59,755	\$68,002	\$78,180	\$82,159	\$86,328	\$92,167	\$95,541	
July	\$57,588	\$62,108	\$69,009	\$75,850	\$94,347	\$90,125	\$93,836	\$100,672	
August	\$66,188	\$70,447	\$109,993	\$96,489	\$109,931	\$97,043	\$106,166	\$110,035	
September	\$57,737	\$61,428	\$75,278	\$76,772	\$86,767	\$88,751	\$100,918	\$92,459	
Total:	\$762,611	\$788,905	\$868,137	\$994,517	\$1,123,119	\$1,157,154	\$1,150,905	\$1,217,474	\$874,331

8/12/2025

	Start Date	Total Project	Project Cash	Project TWC	Amount Cash still owed	Amount of TWC still available	Total Liability	COMPLETE	Expected for 2026	Funded in 2026
Lonestar	08/19/15	\$ 850,000	\$ 850,000	\$ -	\$ 170,000	\$ -	\$ 170,000		\$85,000	
PPHM	03/25/19	\$ 250,000	\$ 250,000		\$ 100,000	\$ -	\$ 100,000		\$0	
Hampton	06/21/21	\$ 486,000	\$ 250,000	\$ 236,000	\$ -	\$ 90,039	\$ 90,039		\$35,000	\$ 36,451
PDCO #2	04/06/23	\$ 127,000	\$ 85,000	\$ 42,000	\$ -	\$ 1,069	\$ 1,069		\$15,000	\$ 33,085
Pondesta	04/06/23	\$ 200,000	\$ 150,000	\$ 50,000	\$ 25,000	\$ -	\$ 25,000		\$25,000	\$ 25,000
Pondesta #2	07/20/23	\$ 50,000			\$ 25,000		\$ 25,000		\$25,000	\$ 25,000
Nester - Creek House	07/20/23	\$ 100,000	\$ 75,000	\$ 25,000	\$ 17,500	\$ -	\$ 17,500		\$17,500	
Lumberyard	02/21/24	\$ 450,000	\$ 450,000	\$ -	\$ -	\$ -	\$ -		\$100,000	\$ 100,000
Crew Entertainment	02/21/24	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ -	Yes	\$30,000	\$ 50,000
Tireworks	06/17/24	\$ 60,000	\$ 30,000	\$ 30,000	\$ -	\$ 30,000	\$ 30,000		\$30,000	
Acai Bar	11/08/24	\$ 15,000	\$ 15,000		\$ 584		\$ 584		\$584	
Big Tex Burritos	12/18/24	\$ 50,000	\$ 50,000		\$ 50,000		\$ 50,000		\$50,000	
Pondaseta Amendment	04/15/25	\$ 78,000		\$ 78,000		\$ -	\$ -	Yes	\$72,869	\$ 72,869
Canyon Chamber - Fireworks		\$ 15,000			\$ 15,000		\$ 15,000		\$15,000	
		\$ 2,781,000			Total Projects - Funding		\$ 524,192		\$504,953	\$ 342,405
The Cake Company - SBAP	08/21/24	\$ 10,000	\$ 10,000		\$ -		\$ -	Yes	\$10,000	\$ 10,000
Best Thai - SBAP	09/18/24	\$ 10,000	\$ 10,000		\$ -		\$ -	Yes	\$10,000	\$ 10,000
Cavalier - SBAP	10/18/24	\$ 10,000	\$ 10,000		\$ 799		\$ 799		\$10,000	\$ 9,201
									Total	\$ 29,201

PUBLIC COMMENT

UPDATES

OPERATIONAL UPDATE

May 21, 2026

Budget

Six Site Selector Meetings

Vista

Binswanger

Cresa

Newmark

Ryan

MOHR Partners

FBSW Grand Opening

Action Coach/Coffee & Conversation /Growth Club

TMCA June 5th

Main Street/Exciting News

ACTION ITEM

CANYON ECONOMIC DEVELOPMENT CORPORATION
SMALL BUSINESS ASSISTANCE PROGRAM (SBAP)

This agreement is made by and between the CANYON ECONOMIC DEVELOPMENT CORPORATION (“CEDC”), a Texas non-profit corporation duly organized and existing pursuant to the TEXAS DEVELOPMENT CORPORATION ACT and the Second Party.

SECOND PARTY: SYANDBOKOAK, LLC, a Texas limited liability company dba GOT DONUTS

FINANCIAL INCENTIVE AMOUNT; ACTUAL EXPENSE NOT TO EXCEED: \$5,632.84

PURPOSE FOR FINANCIAL INCENTIVE: Upgrade façade and front of building at the business location 601 23rd St. in Canyon. Payable in arrears.

EFFECTIVE DATE: _____

CANYON ECONOMIC DEVELOPMENT CORPORATION:

SYANDBOKOAK, LLC:

By: _____
ROBYN CRANMER, President

By: _____
SY KOAK, Member/Manager

1605 4th Ave
Canyon, Texas 79015

601 23rd St.
Canyon, TX 79015

THIS AGREEMENT IS SUBJECT TO THE FOLLOWING TERMS & CONDITIONS.

TERMS & CONDITIONS

- A. The purpose of this agreement is to facilitate the proper use of funds held and administered by the CEDC, a tax supported non-profit corporation whose primary income is from sales tax collected within the City of Canyon and dedicated to economic development.
- B. All payments will be made by CEDC upon proof of purchase or the expenditure by Second Party of its portion of the cost.
- C. Second Party will remain in business continuously in Canyon for a period of three (3) years from the date of initial funding by CEDC engaged in a retail business which collects and remits sales tax on retail sales to the public. ***Retail business means a business that collects sales tax and remits sales tax as defined in the North American Industry Classification System (NAICS) which is incorporated by reference.***
- D. Should any part of the financial incentives provided by CEDC be used by Second Party to purchase furniture, fixtures or equipment, CEDC shall have a lien pursuant to Chapter 9 of the TEXAS BUSINESS AND COMMERCE CODE on all such property which shall attach at the moment of purchase and shall extend to proceeds and after acquired property. CEDC as secured party may at any time file a financing statement to perfect its security interest in the collateral to secure the obligations of Second Party hereunder. The duration of the Article 9 lien filing shall not exceed three (3) years from the effective date.
 - 1) All other terms and provisions of this agreement, notwithstanding the obligations of the parties hereto are expressly made contingent upon the following:
 - a) approval of the financial incentives by the CEDC Board.
 - b) compliance with the requirements of the TEXAS DEVELOPMENT CORPORATION ACT; and,
 - c) should Second Party fails to qualify for funding of financial incentives within 12 months from the date this agreement is signed by Second Party (the effective date) this agreement, at the option of CEDC may be terminated by written notice.
 - 2) Second Party makes the following covenants and warranties to CEDC:
 - a) Second Party is authorized to do business in Texas, is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this agreement.
 - b) The execution of this agreement has been duly authorized by the governing body of Second Party, and all necessary corporate approvals have been obtained. Second Party's designated agent or officer executing this agreement is duly authorized and empowered to execute this agreement and bind Second Party to the covenants, warranties and other terms of this agreement. Second Party's execution of this agreement and the performance thereof is not contrary to any law, rule, regulation, or provisions of Second Party's organizational documents or any contract, instrument, or agreement to which Second Party is a party or by which it may be bound at the time this agreement is executed. The necessary evidence of authority for the agent whose signature that appears below will be provided to CEDC upon request.
 - c) No litigation or governmental proceeding is pending or to the knowledge of Second Party is contemplated or threatened against Second Party or affecting its operations or business that may result in any material or adverse change in Second Party's business, properties, or operations. To Second Party's knowledge, no additional consent, approval, or authorization of a governmental entity or other authority is required in connection with the execution and performance of this agreement or the transactions contemplated hereby.
 - d) To Second Party's knowledge no certificate or statement delivered by Second Party to CEDC in connection with this agreement or any transaction contemplated by this agreement contains any untrue statement or fails to state the facts necessary to keep the statements contained therein from being misleading or false.
 - e) There are no bankruptcy proceedings or other legal proceedings currently pending or contemplated affecting the Second Party. The Second Party has not been informed of any intent to initiate involuntary bankruptcy proceedings against Second Party.

- f) To its knowledge Second Party has acquired and maintained all necessary rights, licenses, permits, and authority to carry on its business in Texas and to perform the terms of this agreement and will continue to use its best efforts to maintain all necessary rights, licenses, and permits in current status and good standing.
 - g) The funds provided by CEDC shall be utilized solely for the purpose stated in this agreement and for no other purpose.
 - h) Second Party shall pay all taxes and assessments due and owing to all taxing authorities having jurisdiction over Second Party's property and business operations. In addition, Second Party shall timely pay all employment, income, franchise, and other taxes due and owing by Second Party to all local, state, and federal entities.
 - i) Upon written request of CEDC Second Party shall notify CEDC in writing of substantial changes in the management of Second Party.
 - j) The Second Party agrees that with regard to all activities arising out of this agreement, the Second Party shall fully comply with all local state and federal law.
- 3) The CEDC, under the following circumstances and at the sole discretion of its board of directors, may suspend the obligations under this agreement or may terminate this agreement without liability to the CEDC upon:
- a) The filing of bankruptcy proceedings or the appointment of a receiver of Second Party or any part of its assets or property and failure of such bankruptcy or receivership to be discharged within sixty (60) days of filing.
 - b) The adjudication of Second Party as a bankrupt.
 - c) A change in ownership of Second Party which constitutes a material change in the nature of Second Party's business and operations.
- 4) Should Second Party fail to timely, fully, and completely comply with any one or more of the requirements, obligations, duties, terms, and conditions or warranties of this agreement such failure shall constitute an act of default by Second Party and, if not fully and completely cured within ten (10) days after written notice by CEDC to Second Party, the CEDC may terminate this agreement and pursue any legal remedies existing under the law.
- 5) In the event of unforeseeable delays, in the performance of this agreement by Second Party, or force majeure, and upon a reasonable showing by Second Party that it has immediately and in good faith commenced and is diligently and continuously pursuing the correction, removal, or abatement of such delays by using its best efforts, CEDC may consent and excuse any such delay. The failure by Second Party to pursue compliance continuously and diligently shall constitute an act of default.
- 6) Second Party specifically agrees that CEDC shall only be liable to Second Party for the amount of money actually budgeted and committed to the project described in this agreement. CEDC shall not be liable or held responsible for any other direct or indirect costs, attorney's fees, court costs, actual or consequential damages, direct or indirect, for any act of default by CEDC under the terms of this agreement. It is further stipulated and agreed that CEDC shall only be required to pay the amount of the project cost out of its sales tax revenues held and administered pursuant to the Development Corporation Act for the fiscal year in which the funding under this agreement is due together with unencumbered funds then on hand and from no other source. It is specifically agreed however, that in the event actual total sales tax revenues collected by CEDC for any year during which this agreement is to be performed should be less than the total amount of all grants to all contracting parties for that year, then in that event, CEDC shall fund projects in the order the grants were awarded after payment of CEDC's usual administrative cost and expenses. All contracting parties shall receive only their share of the available sales tax revenue for that year, less CEDC's customary and usual administrative costs and expenses and CEDC shall not be liable to any contracting party for any deficiency for that time or in the future. In the event of such revenue shortfall, CEDC will provide written notice to all contracting parties affected by the revenue shortfall along with such documentation as will allow the contracting party to ascertain their share of the funding to be provided.

- 7) This agreement incorporates the entire agreement of the parties hereto and supersedes any oral or written previous and contemporaneous agreements between the parties relating to the matters covered by this agreement. Except as otherwise provided herein, this agreement cannot be modified or amended without a written agreement of the parties.
- 8) No term or provision of this agreement or an act of the CEDC in the performance of this agreement shall be construed as making or constituting Second Party or its employees, or agents, partners of the CEDC or employees of the CEDC. This contract shall not benefit any third party not a direct party to this agreement.
- 9) The termination of this agreement as provided herein may be upon mutual agreement of the parties or pursuant to the provisions hereof relating to default. The termination of this agreement either by mutual agreement or by notice served by the CEDC shall extinguish all rights, duties, and obligations of the CEDC and Second Party except as provided herein.
- 10) This agreement may be executed in a number of identical counterparts, each of which shall be deemed an original upon execution and shall constitute the same instrument.
- 11) This agreement is made pursuant to the laws of the State of Texas and shall be governed and interpreted under the laws of the State of Texas without regard to any conflict of laws provision. Venue in any litigation arising out of the execution or performance of this agreement shall be in the court of appropriate jurisdiction in Randall County, Texas and in no other Venue. Second Party, by signing this agreement, consents to and waives any objections to *in personam* jurisdiction in Randall County, Texas.
- 12) In the event one or more of the provisions contained in this agreement should, for any reason, be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this agreement. This agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.
- 13) This agreement is subject to all legal requirements contained in the Municipal Charter of the City of Canyon and Code and Ordinances of the City of Canyon and all other applicable state and federal laws and regulations. Second Party agrees that, in compliance with this agreement, it will promptly comply with all applicable laws, regulations, orders, and rules of the state, city, and other governmental entities.
- 14) This agreement shall be binding upon the parties hereto, their successors, and (where permitted) assigns. This agreement may not be assigned by either party without the specific prior written consent of the other, which consent shall not be unreasonably withheld or conditioned. Provided however, that in the event Second Party transfers all or substantially all its assets to another entity or merges with another entity to the extent that the underlying purpose of this agreement cannot, in the sole discretion of the CEDC's board of directors, be accomplished, the CEDC shall have the option to suspend its performance under this agreement or terminate this agreement.
- 15) Second Party represents that no member of the board of directors of the CEDC or member of the governing body of the City of Canyon will be compensated in any manner with respect to directly or indirectly bringing the parties together for the purpose of this agreement or participation in the negotiation or formation of this agreement. No finder's fee or other origination fee of any type will be paid or will become payable to any member of the governing body of the City of Canyon, or the governing body of the CEDC with regard to the formation or performance of this agreement.
- 16) All notices from one party to the other party required or permitted by this agreement shall be delivered personally, sent by certified mail postage prepaid addressed to the party at the address shown on the signature page or by email address provided by that party. All notices shall be deemed given on the date so delivered or deposited in the mail unless otherwise provided. Either party may change its address by sending written notice of such change to the other party in the manner provided by this agreement.
- 17) All representations, warranties, covenants, and agreements of the Second Party pertaining to the transaction contemplated by this agreement shall survive the closing and shall constitute continuing obligations.

EXHIBIT A

PERSONAL GUARANTY
(OPTIONAL)

The undersigned shall be personally liable for faithful performance of the contract obligations to Canyon Economic Development Corporation under the foregoing agreement and shall, in the event of default by the company, repay, upon demand, all or any part of the financial incentives stated in the Small Business Assistance Program agreement.

DATE: _____

SY KOAK

601 23rd St.
Canyon, TX 79015

ACTION ITEM

CANYON ECONOMIC DEVELOPMENT CORPORATION
SMALL BUSINESS ASSISTANCE PROGRAM (SBAP)

This agreement is made by and between the CANYON ECONOMIC DEVELOPMENT CORPORATION (“CEDC”), a Texas non-profit corporation duly organized and existing pursuant to the TEXAS DEVELOPMENT CORPORATION ACT and the Second Party.

SECOND PARTY: PARTY AMARILLO, LLC, a Texas limited liability company dba BOUNCING BUFFALO

FINANCIAL INCENTIVE AMOUNT; ACTUAL EXPENSE NOT TO EXCEED: \$10,000

PURPOSE FOR FINANCIAL INCENTIVE: Sound proofing material for indoor entertainment business – Exhibit A. Payable in arrears.

EFFECTIVE DATE: _____

CANYON ECONOMIC DEVELOPMENT CORPORATION:

PARTY AMARILLO, LLC:

By: _____
ROBYN CRANMER, President

By: _____
KAYLA VAUGHT, Member

1605 4th Ave.
Canyon, TX 79015

By: _____
JOHN VAUGHT, Member

23250 Hix Dr.
Canyon, TX 79015

THIS AGREEMENT IS SUBJECT TO THE FOLLOWING TERMS & CONDITIONS.

TERMS & CONDITIONS

- A. The purpose of this agreement is to facilitate the proper use of funds held and administered by the CEDC, a tax supported non-profit corporation whose primary income is from sales tax collected within the City of Canyon and dedicated to economic development.
- B. All payments will be made by CEDC upon proof of purchase or the expenditure by Second Party of its portion of the cost.
- C. Second Party will remain in business continuously in Canyon for a period of three (3) years from the date of initial funding by CEDC engaged in a retail business which collects and remits sales tax on retail sales to the public. ***Retail business means a business that collects sales tax and remits sales tax as defined in the North American Industry Classification System (NAICS) which is incorporated by reference.***
- D. **Should any part of the financial incentives provided by CEDC be used by Second Party to purchase furniture, fixtures or equipment, CEDC shall have a lien pursuant to Chapter 9 of the TEXAS BUSINESS AND COMMERCE CODE on all such property which shall attach at the moment of purchase and shall extend to proceeds and after acquired property. CEDC as secured party may at any time file a financing statement to perfect its security interest in the collateral to secure the obligations of Second Party hereunder. The duration of the Article 9 lien filing shall not exceed three (3) years from the effective date.**
 - 1) All other terms and provisions of this agreement, notwithstanding the obligations of the parties hereto are expressly made contingent upon the following:
 - a) approval of the financial incentives by the CEDC Board.
 - b) compliance with the requirements of the TEXAS DEVELOPMENT CORPORATION ACT; and,
 - c) should Second Party fails to qualify for funding of financial incentives within 12 months from the date this agreement is signed by Second Party (the effective date) this agreement, at the option of CEDC may be terminated by written notice.
 - 2) Second Party makes the following covenants and warranties to CEDC:
 - a) Second Party is authorized to do business in Texas, is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this agreement.
 - b) The execution of this agreement has been duly authorized by the governing body of Second Party, and all necessary corporate approvals have been obtained. Second Party's designated agent or officer executing this agreement is duly authorized and empowered to execute this agreement and bind Second Party to the covenants, warranties and other terms of this agreement. Second Party's execution of this agreement and the performance thereof is not contrary to any law, rule, regulation, or provisions of Second Party's organizational documents or any contract, instrument, or agreement to which Second Party is a party or by which it may be bound at the time this agreement is executed. The necessary evidence of authority for the agent whose signature that appears below will be provided to CEDC upon request.
 - c) No litigation or governmental proceeding is pending or to the knowledge of Second Party is contemplated or threatened against Second Party or affecting its operations or business that may result in any material or adverse change in Second Party's business, properties, or operations. To Second Party's knowledge, no additional consent, approval, or authorization of a governmental entity or other authority is required in connection with the execution and performance of this agreement or the transactions contemplated hereby.

- d) To Second Party's knowledge no certificate or statement delivered by Second Party to CEDC in connection with this agreement or any transaction contemplated by this agreement contains any untrue statement or fails to state the facts necessary to keep the statements contained therein from being misleading or false.
 - e) There are no bankruptcy proceedings or other legal proceedings currently pending or contemplated affecting the Second Party. The Second Party has not been informed of any intent to initiate involuntary bankruptcy proceedings against Second Party.
 - f) To its knowledge Second Party has acquired and maintained all necessary rights, licenses, permits, and authority to carry on its business in Texas and to perform the terms of this agreement and will continue to use its best efforts to maintain all necessary rights, licenses, and permits in current status and good standing.
 - g) The funds provided by CEDC shall be utilized solely for the purpose stated in this agreement and for no other purpose.
 - h) Second Party shall pay all taxes and assessments due and owing to all taxing authorities having jurisdiction over Second Party's property and business operations. In addition, Second Party shall timely pay all employment, income, franchise, and other taxes due and owing by Second Party to all local, state, and federal entities.
 - i) Upon written request of CEDC Second Party shall notify CEDC in writing of substantial changes in the management of Second Party.
 - j) The Second Party agrees that with regard to all activities arising out of this agreement, the Second Party shall fully comply with all local state and federal law.
- 3) The CEDC, under the following circumstances and at the sole discretion of its board of directors, may suspend the obligations under this agreement or may terminate this agreement without liability to the CEDC upon:
- a) The filing of bankruptcy proceedings or the appointment of a receiver of Second Party or any part of its assets or property and failure of such bankruptcy or receivership to be discharged within sixty (60) days of filing.
 - b) The adjudication of Second Party as a bankrupt.
 - c) A change in ownership of Second Party which constitutes a material change in the nature of Second Party's business and operations.
- 4) Should Second Party fail to timely, fully, and completely comply with any one or more of the requirements, obligations, duties, terms, and conditions or warranties of this agreement such failure shall constitute an act of default by Second Party and, if not fully and completely cured within ten (10) days after written notice by CEDC to Second Party, the CEDC may terminate this agreement and pursue any legal remedies existing under the law.
- 5) In the event of unforeseeable delays, in the performance of this agreement by Second Party, or force majeure, and upon a reasonable showing by Second Party that it has immediately and in good faith commenced and is diligently and continuously pursuing the correction, removal, or abatement of such delays by using its best efforts, CEDC may consent and excuse any such delay. The failure by Second Party to pursue compliance continuously and diligently shall constitute an act of default.
- 6) Second Party specifically agrees that CEDC shall only be liable to Second Party for the amount of money actually budgeted and committed to the project described in this agreement. CEDC shall not be liable or held responsible for any other direct or indirect costs, attorney's fees, court costs, actual or consequential damages, direct or indirect, for any act of default by CEDC under

the terms of this agreement. It is further stipulated and agreed that CEDC shall only be required to pay the amount of the project cost out of its sales tax revenues held and administered pursuant to the Development Corporation Act for the fiscal year in which the funding under this agreement is due together with unencumbered funds then on hand and from no other source. It is specifically agreed however, that in the event actual total sales tax revenues collected by CEDC for any year during which this agreement is to be performed should be less than the total amount of all grants to all contracting parties for that year, then in that event, CEDC shall fund projects in the order the grants were awarded after payment of CEDC's usual administrative cost and expenses. All contracting parties shall receive only their share of the available sales tax revenue for that year, less CEDC's customary and usual administrative costs and expenses and CEDC shall not be liable to any contracting party for any deficiency for that time or in the future. In the event of such revenue shortfall, CEDC will provide written notice to all contracting parties affected by the revenue shortfall along with such documentation as will allow the contracting party to ascertain their share of the funding to be provided.

- 7) This agreement incorporates the entire agreement of the parties hereto and supersedes any oral or written previous and contemporaneous agreements between the parties relating to the matters covered by this agreement. Except as otherwise provided herein, this agreement cannot be modified or amended without a written agreement of the parties.
- 8) No term or provision of this agreement or an act of the CEDC in the performance of this agreement shall be construed as making or constituting Second Party or its employees, or agents, partners of the CEDC or employees of the CEDC. This contract shall not benefit any third party not a direct party to this agreement.
- 9) The termination of this agreement as provided herein may be upon mutual agreement of the parties or pursuant to the provisions hereof relating to default. The termination of this agreement either by mutual agreement or by notice served by the CEDC shall extinguish all rights, duties, and obligations of the CEDC and Second Party except as provided herein.
- 10) This agreement may be executed in a number of identical counterparts, each of which shall be deemed an original upon execution and shall constitute the same instrument.
- 11) This agreement is made pursuant to the laws of the State of Texas and shall be governed and interpreted under the laws of the State of Texas without regard to any conflict of laws provision. Venue in any litigation arising out of the execution or performance of this agreement shall be in the court of appropriate jurisdiction in Randall County, Texas and in no other Venue. Second Party, by signing this agreement, consents to and waives any objections to *in personam* jurisdiction in Randall County, Texas.
- 12) In the event one or more of the provisions contained in this agreement should, for any reason, be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this agreement. This agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.
- 13) This agreement is subject to all legal requirements contained in the Municipal Charter of the City of Canyon and Code and Ordinances of the City of Canyon and all other applicable state and federal laws and regulations. Second Party agrees that, in compliance with this agreement, it will promptly comply with all applicable laws, regulations, orders, and rules of the state, city, and other governmental entities.
- 14) This agreement shall be binding upon the parties hereto, their successors, and (where permitted) assigns. This agreement may not be assigned by either party without the specific prior written consent of the other, which consent shall not be unreasonably withheld or conditioned. Provided however, that in the event Second Party transfers all or substantially all its assets to another

entity or merges with another entity to the extent that the underlying purpose of this agreement cannot, in the sole discretion of the CEDC's board of directors, be accomplished, the CEDC shall have the option to suspend its performance under this agreement or terminate this agreement.

- 15) Second Party represents that no member of the board of directors of the CEDC or member of the governing body of the City of Canyon will be compensated in any manner with respect to directly or indirectly bringing the parties together for the purpose of this agreement or participation in the negotiation or formation of this agreement. No finder's fee or other origination fee of any type will be paid or will become payable to any member of the governing body of the City of Canyon, or the governing body of the CEDC with regard to the formation or performance of this agreement.
- 16) All notices from one party to the other party required or permitted by this agreement shall be delivered personally, sent by certified mail postage prepaid addressed to the party at the address shown on the signature page or by email address provided by that party. All notices shall be deemed given on the date so delivered or deposited in the mail unless otherwise provided. Either party may change its address by sending written notice of such change to the other party in the manner provided by this agreement.
- 17) All representations, warranties, covenants, and agreements of the Second Party pertaining to the transaction contemplated by this agreement shall survive the closing and shall constitute continuing obligations.

EXHIBIT A

**Bouncing Buffalo
1615 4th Ave, Canyon TX
Building Improvements**

Description	Vendor	Cost Per Unit	Qty	Total Cost	
Noise Reduction Wall Panels	Amazon	\$160.99	55	\$8,854.45	
Noise Reduction Ceiling Tiles	Amarzon	\$62.99	15	\$944.85	
Spray Foam 1" Closed cell with 6" open cell *open cell for noise reduction	TXEco Foam			\$10,087.07	
TOTAL				\$19,886.37	
These Numbers are based on the cheapest/best quality quote. Quotes are in attached email					

PERSONAL GUARANTY
(OPTIONAL)

The undersigned shall be personally liable for faithful performance of the contract obligations to Canyon Economic Development Corporation under the foregoing agreement and shall, in the event of default by the company, repay, upon demand, all or any part of the financial incentives stated in the Small Business Assistance Program agreement.

DATE: _____

KAYLA VAUGHT

23250 Hix Dr.
Canyon, TX 79015

DATE: _____

JOHN VAUGHT

23250 Hix Dr.
Canyon, TX 79015

ACTION ITEM

CANYON ECONOMIC DEVELOPMENT CORPORATION
PROJECT FUNDING AGREEMENT

MPO PROJECT

This agreement is made by and between the CANYON ECONOMIC DEVELOPMENT CORPORATION (“CEDC”), a Texas non-profit corporation duly organized and existing pursuant to the TEXAS DEVELOPMENT CORPORATION ACT and the CITY OF CANYON, (hereinafter referred to as “Second Party.”)

1. The purpose of this agreement is to facilitate the proper use of funds held and administered by the CEDC, a tax supported non-profit corporation whose primary income is from sales tax collected within the City of Canyon and dedicated to economic development. The sales tax supporting CEDC is authorized as a local option under Chapter 504 and 505 TEX. LOC. GOV'T CODE, formerly TEX. REV. CIV. STAT. ART. 5190.6 §4B, the primary purpose of which is the developing, stabilizing, diversifying, and expanding the economy through the retention, recruitment, expansion and employment opportunities of the citizens of Canyon and the surrounding area and to enhance the quality of life of the citizens of Canyon and the surrounding area.
2. The project and performance requirements to be implemented by means of this agreement are described as follows:
 - a. The City will participate in the downtown revitalization project to be funded by the Metropolitan Planning Organization (“MPO”) which includes the City of Amarillo, City of Canyon, Randall County, Potter County and the Texas Department of Transportation.
 - b. The objective of the MPO project shall be the improvement of the Canyon downtown retail district according to plans approved by the voting members of the MPO Policy Committee.
3. CEDC shall provide the following incentives in accordance with the plans approved by the MPO Policy Committee:
 - a. Program matching funds in a total sum which shall not exceed \$250,000.00 as provided in Paragraphs 3(b) and 3(c) below.
 - b. Funding for the MPO project shall be paid as follows:
 - i. \$50,000.00 during FY 25-26 with \$50,000.00 annual payments in the next four (4) fiscal years as matching funds are required.
 - c. All other terms and provisions of this agreement notwithstanding the obligations of the parties hereto are expressly made contingent upon the following:
 - i. approval of the financial incentives by the CEDC Board;
 - ii. approval of the financial incentives by the Canyon City Commission;

- iii. compliance with the requirements of the TEXAS DEVELOPMENT CORPORATION ACT; and,
 - iv. that all obligations of CEDC hereunder shall terminate if Second Party fails to qualify for funding of financial incentives within 12 months from the date this agreement is signed by Second Party (the effective date).
4. City's withdrawal from or termination of the MPO project shall entitle the CEDC to suspend further funding and, at its option, to terminate this agreement by written notice to the City.
5. To its knowledge Second Party has acquired and maintained all necessary rights, licenses, permits, and authority to carry on its business in Texas and to perform the terms of this agreement and will continue to use its best efforts to maintain all necessary rights, licenses, and permits in current status and good standing.
6. The funds provided by CEDC shall be utilized solely for the purpose of the project as stated in this agreement and within the scope of the project as stated in this agreement and for no other purpose.
7. Second Party shall timely and fully perform and comply with all terms and conditions of this agreement unless lawfully terminated with approval of the City Commission and MPO Policy Committee.
8. In the event of unforeseeable delays, in the performance of this agreement by Second Party, or force majeure, and upon a reasonable showing by Second Party that it has immediately and in good faith commenced and is diligently and continuously pursuing the correction, removal, or abatement of such delays by using its best efforts, CEDC may consent and excuse any such delay. The failure by Second Party to pursue compliance continuously and diligently shall constitute an act of default.
9. Any delay by the CEDC in providing notice of default to Second Party, shall in no event be deemed or constitute a waiver of such default by CEDC or waiver of any of its rights and remedies available under this agreement or at law or in equity.
10. Any waiver provided by CEDC to Second Party of an act of default shall not be deemed to constitute a continuing waiver or a waiver of any other existing or future act of default by Second Party even if the act or default is of the same or a similar nature.
11. Second Party specifically agrees that CEDC shall only be liable to Second Party for the amount of money actually budgeted and committed to the project described in this agreement. CEDC shall not be liable or held responsible for any other direct or indirect costs, attorney's fees, court costs, actual or consequential damages, direct or indirect, for any act of default by CEDC under the terms of this agreement. It is further stipulated and agreed that CEDC shall only be required to pay the amount of the project cost out of its sales tax revenues held and administered pursuant to the Development Corporation Act for the fiscal year in which the funding under this agreement is due together with unencumbered funds then on hand and from no other source. It is specifically agreed however, that in the event actual total sales tax revenues collected by CEDC for any year

during which this agreement is to be performed should be less than the total amount of all grants to all contracting parties for that year, then in that event, CEDC shall fund projects in the order the grants were awarded after payment of CEDC's usual administrative cost and expenses. All contracting parties shall receive only their share of the available sales tax revenue for that year, less CEDC's customary and usual administrative costs and expenses and CEDC shall not be liable to any contracting party for any deficiency for that time or in the future. In the event of such revenue shortfall, CEDC will provide written notice to all contracting parties affected by the revenue shortfall along with such documentation as will allow the contracting party to ascertain their share of the funding to be provided.

12. This agreement incorporates the entire agreement of the parties hereto and supersedes any oral or written previous and contemporaneous agreements between the parties relating to the matters covered by this agreement. Except as otherwise provided herein, this agreement cannot be modified or amended without a written agreement of the parties.
13. The termination of this agreement as provided herein may be upon mutual agreement of the parties or pursuant to the provisions hereof relating to default. The termination of this agreement either by mutual agreement or by notice served by the CEDC shall extinguish all rights, duties, and obligations of the CEDC and Second Party except as provided herein.
14. This agreement may be executed in a number of identical counterparts, each of which shall be deemed an original upon execution and shall constitute the same instrument.
15. This agreement is made pursuant to the laws of the State of Texas and shall be governed and interpreted under the laws of the State of Texas without regard to any conflict of laws provision. Venue in any litigation arising out of the execution or performance of this agreement shall be in the court of appropriate jurisdiction in Randall County, Texas and in no other Venue.
16. In the event one or more of the provisions contained in this agreement should, for any reason, be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this agreement. This agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.
17. This agreement is subject to all legal requirements contained in the Municipal Charter of the City of Canyon and Code and Ordinances of the City of Canyon and all other applicable state and federal laws and regulations. Second Party agrees that, in compliance with this agreement, it will promptly comply with all applicable laws, regulations, orders, and rules of the state, city, and other governmental entities.
18. All notices from one party to the other party required or permitted by this agreement shall be delivered personally or sent by certified mail postage prepaid addressed to the party at the address shown on the signature page. All notices shall be deemed given on the date so delivered or deposited in the mail unless otherwise provided. Either party may change its

address by sending written notice of such change to the other party in the manner provided by this agreement.

19. All representations, warranties, covenants, and agreements of the Second Party pertaining to the transaction contemplated by this agreement shall survive the closing and shall constitute continuing obligations.

Effective Date: _____

CANYON ECONOMIC DEVELOPMENT
CORPORATION

Second Party:
CITY OF CANYON

By: _____

Robyn Cranmer
CEDC President
1605 4th Ave
Canyon, TX 79015

By: _____

Joseph H. Price, CPM
City Manager
301 16th St.
Canyon, TX 79015

EXECUTIVE SESSION