

## **AMENDED TAX INCREMENT FINANCING AGREEMENT**

This AMENDED TAX INCREMENT FINANCING AGREEMENT ("Agreement") is made and entered into and effective as of the 8th day of August, 2006 (the "Effective Date"), by and between WILLIAMSON COUNTY (the "County") and the CITY OF LEANDER, ( the "City"), political subdivisions of the State of Texas, with respect to the creation of, and the level of participation in, the Reinvestment Zone Number One, City of Leander, Texas (the "Zone"). The City and the County are sometimes referred to jointly herein as the "Parties".

### **WITNESSETH:**

**WHEREAS**, after compliance with the procedures and giving all notices and presentations required by V.T.C.A, Tax Code, Chapter 311, Tax Increment Financing Act (the "Act"), on September 7, 2006, the City created the Zone by adopting Ordinance No. 06-029-00;

**WHEREAS**, Section 311.013(f) of the Act provides that the County may enter into an agreement with the governing body which created the Zone, to participate in the payments of tax increments for certain project costs as agreed upon by the County and said governing body; and

**WHEREAS**, said agreement may include conditions for payment of that tax increment into a tax increment fund and must specify the portion of said tax increment to be paid into said fund, along with the term of said payments,

**WHEREAS**, by majority vote of the Commissioners Court of the County, on the 8th day of August, 2006, the County agreed to participate in the Zone effective as of said date, and desires to enter into an agreement with the City to amend and delineate the terms on which the County agreed to participate in the Zone;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the undersigned Parties agree as follows:

## **I. FINDINGS**

1. **Recitals.** The recitals set forth above are incorporated herein for all purposes and are found by the Commissioners Court of the County and the City Council of the City to be true and correct statements of fact. It is further found and determined that the City and the County have authorized and approved this Agreement by ordinance, resolution or order adopted by their respective governing bodies, and that, upon this Agreement being executed by both Parties, this Agreement will be in full force and effect as of the Effective Date.

2. **Zone.** The City created the Zone and requested that the County participate by depositing fifty percent (50%) of the County ad valorem tax received on tax increments within the Zone into a tax increment fund which is to be utilized for purposes as allowed in Section 311.011 of the Act and as recommended by the board of directors of the Zone and as approved by the City.

3. **Tax Increments.** The annual tax increments shall equal the real property taxes levied by the City and the County for that year on the captured appraised value (the "Tax Increment"). The Captured Appraised Value is the appraised value of real property in the Zone for a tax year less the tax increment base. The Tax Increment Base of the City and the County for the Zone is the total appraised value of all real property taxable by the City and the County located in the Zone, as determined as of January 1, 2006 (the "Tax Increment Base").

## **II. COUNTY OBLIGATIONS AND RESERVATION OF RIGHTS**

1. **General.** The County agrees to participate in the Zone as provided in this Article II.
2. **Percentage of Tax Increments.** The County will participate in the Zone to the extent of fifty percent (50%) of the Tax Increment, which is 50% of the County's ad valorem taxes on the incremental increase in the value of the real property within the Zone, which is the Captured Appraised Value, and the City will participate in the same manner. The annual Tax Increment shall equal the property taxes

levied by the City and the County in the Zone for each tax year on the Captured Appraised Value.

3. **Payments of Tax Increments.** The applicable percentage of the City and County Tax Increments shall be paid into a tax increment fund established for the Zone by the City (Tax Increment Fund) in compliance with section 311.013 of the Act.

4. **Tax Increment Fund Projects.** The Tax Increment Payments deposited into the Tax Increment Fund are intended to be utilized solely for the reasonable expenses incurred in the administration of the Zone and the design and construction of infrastructure projects and improvements listed in the Project Plan, as amended from time to time (the "Tax Increment Projects"). All Tax Increment projects shall only be those public improvements listed in Section 311.008(b)(4)(B) of the Texas Tax Code. A copy of the original Project Plan is attached as Exhibit "A". The Act authorizes the amendment of the Project Plan by majority vote of both the Zone Board of Directors and the City Council of the City. Notwithstanding the Act, the County's agreement to participate in the Zone is subject to the following limitations on the amendment of the Project Plan, to-wit:

(a) The estimated dollar amounts of the Projects listed on Exhibit "A" are based on estimated construction costs in 2005. The authorized budget and expenditures for the Projects listed on Exhibit "A" will be the actual costs incurred for designing, bidding, contracting, constructing and inspecting the Projects listed on Exhibit "A".

(b) The Project Plan may be amended from time to time to add or delete Projects; provided the total estimated or realized cost of constructing all of the Projects listed on the revised Project Plan does not exceed the total estimated and realized cost of constructing all of the Projects listed on Exhibit "A" by more than twenty percent (20%). For the purpose of determining, from time to time, the actual and projected cost of the Projects listed on Exhibit "A", the cost of each such Project that has not been constructed shall be estimated and determined by increasing the 2005 estimated cost of the Project by amounts equal to intervening increases in the Engineering News Record Construction Cost Index (the

"Cost Index"), and, if a Project has been constructed, by using the actual cost and expense incurred to obtain completion and acceptance of the Project. If the total cost of constructing all of the Projects listed in the Project Plan exceeds the 2005 estimated costs, as such estimated costs are increased by the actual construction costs and the projected increased costs based on the Cost Index, by more than twenty percent (20%), a majority vote of the Commissioners Court is required to approve such increases.

(c) If through an enhanced level of investment, a portion of a new project will result in increased land values, equal to or greater than the value projected by the Zone Base Plan attached hereto and incorporated herein as Exhibit "B", then the applicable portion of the new project may be considered for reimbursement as an additional Tax Increment Project not included in the initial Project Plan. No Commissioners Court approval is necessary if the increased value is supported by a report from an independent third party professional. No reimbursement shall be paid for or with respect to the new project unless and until the actual valuation as determined by the Williamson County Appraisal district exceeds the valuation listed in the Zone Base Plan.

5. **Zone Board of Directors.** The County shall be allowed to appoint one of the five members of the board of directors of the Zone. In addition, the County shall be entitled to nominate one additional member of the five member board of directors. If the County does not appoint a director the City may make the appointment. The City will not unreasonably refuse to appoint a member nominated by vote of the Commissioners Court.

### **III.**

#### **Term of Agreement and Renewal**

**Term of Agreement.** The term of this Agreement shall begin as of the Effective Date and extend until December 31, 2031 or at such other date as the Zone may be terminated by operation of law.

### **IV.**

#### **General and Miscellaneous**

1. **Prior Written Agreements.** This Agreement is without regard to any and all prior written

contracts or agreements between the City and Williamson County regarding any other subject or matter, and does not modify, amend, ratify, confirm or renew any such other prior contract or agreement between the Parties.

2. **Other Services.** Nothing in this Agreement shall be deemed to create, by implication or otherwise, any duty or responsibility of either of the Parties to undertake or not to undertake any other, or to provide or to not provide any service, except as specifically set forth in this Agreement or in a separate written instrument executed by both Parties. The County shall not be obligated to fund any additional monies other than as stated herein.

3. **Governmental Immunity.** Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to either of the Parties nor to create any legal rights or claim on behalf of any third party. Neither the City nor Williamson County waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.

4. **Amendments and Modifications.** Unless otherwise specified herein, this Agreement may not be amended or modified except in writing executed by both the City and Williamson County, and authorized by their respective governing bodies.

5. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligation of the Parties shall be construed and enforced in accordance therewith. The Parties acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, to give effect to the intent of this Agreement and be deemed to be validated and enforceable.

6. **Gender, Number and Headings.** Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires. The headings and section numbers are for convenience only and shall not be considered in interpreting or construing this Agreement.

7. **Previously Approved Development and Reimbursement Agreements.** Notwithstanding any term, provision or condition of this Agreement to the contrary, nothing in this Agreement shall be deemed to amend, modify or affect any term provision or condition, or to otherwise lessen the obligations of the Zone with respect to, the following agreements heretofore approved and executed by the Zone, to-wit:

(a) the Development and Reimbursement Agreement for the Villages of Messina; and

(b) the Development and Reimbursement Agreement for the Leander Crossing.

8. **Execution in Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed as of the Effective Date, when both Parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

**IN WITNESS WHEREOF,** the Parties have executed and attested this Agreement by their officers thereunto duly authorized.

**WILLIAMSON COUNTY**

By: 

DAN A. GATTIS, County Judge  
Williamson County, Texas

**CITY OF LEANDER**

By: 

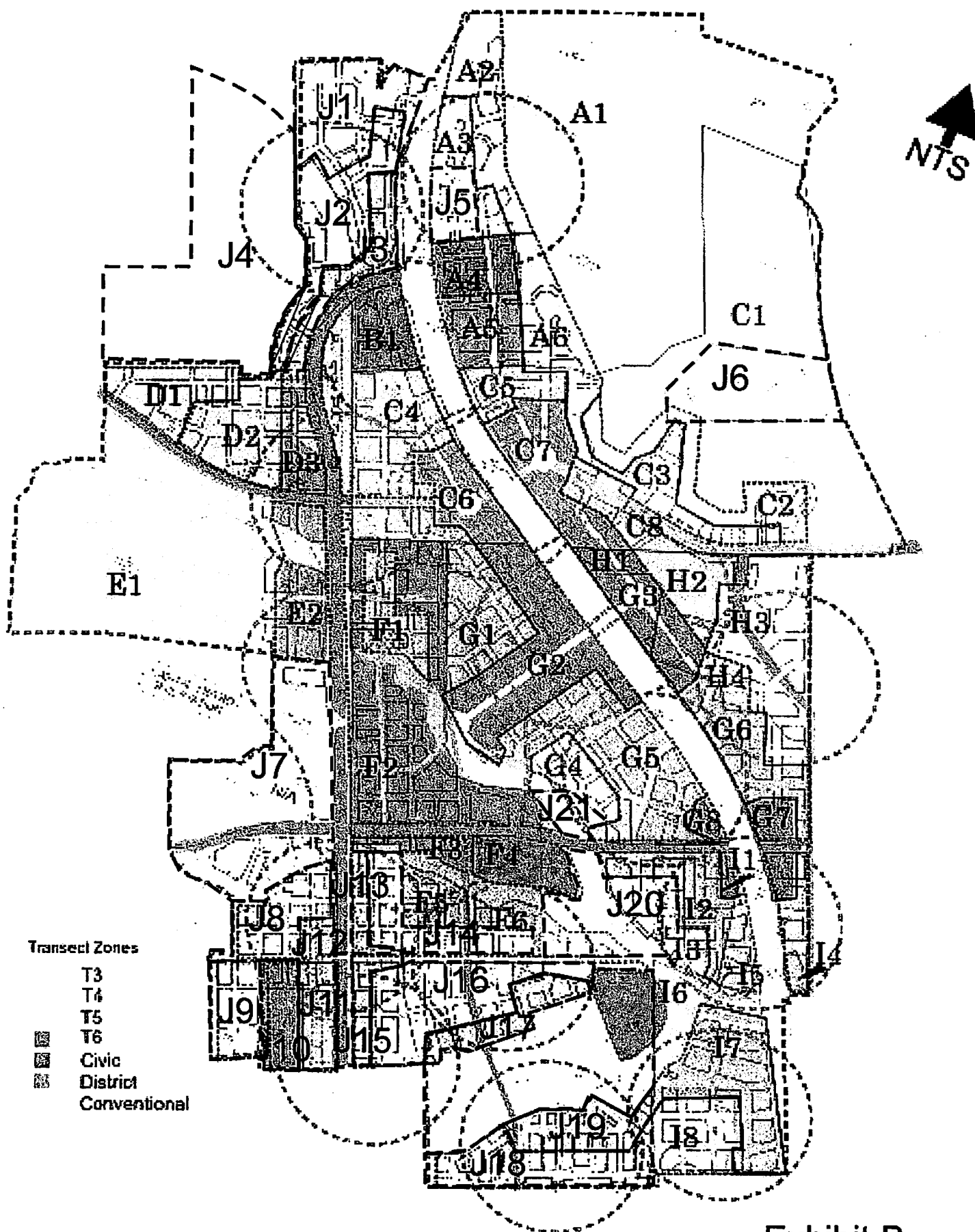
JOHN COWMAN, Mayor

# Leander-Williamson Co. Inter-local Agreement

## Leander TOD Zoning and Projected Values

Current Zoning and Projected Values (June 2008)

Item	Map Reference	Owner	Parcel	Transect Zone	Size In Acres	Original TIRZ Potential (Base) Built Value	Adjusted Value With Proposed Changes	Change from Base year Value	Comments
1		WY Atlantis	A1	Conv.	252.2	\$202,393,771	\$202,393,771	\$0	31.5 acres out of 109 total in F-2
			A2	T-3	31.3	\$37,641,475	\$37,641,475	\$0	
			A3	T-4	9.0	\$11,233,847	\$11,233,847	\$0	
			A4	District	17.0	\$0	\$0	\$0	
			A5	T-5	19.3	\$28,939,471	\$28,939,471	\$0	
			A6	T-4	25.1	\$31,284,261	\$31,284,261	\$0	
		Owner (2)	B1	T-5	17.8	\$26,690,550	\$26,690,550	\$0	
		Owner (3)	C1	Conv.	98.4	\$78,957,284	\$78,957,284	\$0	
			C2	T-3	29.1	\$34,991,799	\$34,991,799	\$0	
			C3	T-4	27.7	\$34,562,051	\$34,562,051	\$0	
			C4	T-5	50.5	\$75,603,958	\$75,603,958	\$0	
			C5	T-5	13.6	\$20,432,321	\$20,432,321	\$0	
			C6	T-6	21.6	\$35,364,553	\$35,364,553	\$0	
			C7	T-6	32.4	\$53,186,463	\$53,186,463	\$0	
			C8	T-5	14.5	\$21,724,181	\$21,724,181	\$0	
		Owner (4)	D1	T-3	27.0	\$32,536,939	\$32,536,939	\$0	
			D2	T-4	29.2	\$36,491,187	\$36,491,187	\$0	
			D3	T-5	15.0	\$22,469,504	\$22,469,504	\$0	
		Owner (5)	E1	Conv.	181.0	\$145,235,886	\$145,235,886	\$0	
			E2	T-5	29.6	\$44,341,098	\$44,341,098	\$0	
		Owner (6)	F-1	T-4	17.9	\$22,337,106	\$22,337,106	\$0	
			F-2	T-5	77.5	\$116,122,320	\$116,122,320	\$0	
		Hughes Interests	F-2a	T-5	31.5	\$47,182,211	\$57,960,000	\$10,777,789	
			F-3	T-5	8.3	\$12,455,382	\$12,455,382	\$0	
			F-4	District	17.5	\$0	\$0	\$0	
			F-5	T-4	12.6	\$15,665,417	\$15,665,417	\$0	
			F-6	T-4	8.1	\$10,126,910	\$10,126,910	\$0	
		Owner (7)	G-1	T-5	32.1	\$48,084,972	\$48,084,972	\$0	
			G-2	T-6	57.6	\$94,552,018	\$94,552,018	\$0	
			G-3	T-6	11.3	\$18,531,604	\$18,531,604	\$0	
			G-4	T-4	14.6	\$18,210,530	\$18,210,530	\$0	
			G-5	T-5	67.7	\$101,401,985	\$101,401,985	\$0	
			G-6	T-5	25.6	\$38,329,730	\$38,329,730	\$0	
			G-7	T-6	7.2	\$11,753,419	\$11,753,419	\$0	
			G-8	T-6	3.9	\$6,336,765	\$6,336,765	\$0	
		Owner (8)	H-1	T-6	14.3	\$23,441,134	\$23,441,134	\$0	
			H-2	T-5	17.9	\$26,828,409	\$26,828,409	\$0	
			H-3	T-4	46.4	\$57,899,940	\$57,899,940	\$0	
			H-4	T-5	6.9	\$10,276,659	\$10,276,659	\$0	
		Owner (9)	I-1	T-6	3.3	\$5,371,266	\$5,371,266	\$0	
			I-2	T-5	15.3	\$22,874,808	\$22,874,808	\$0	
			I-3	T-4	4.6	\$5,786,151	\$5,786,151	\$0	
			I-4	T-5	5.0	\$7,516,285	\$7,516,285	\$0	
			I-5	T-5	10.1	\$15,129,062	\$15,129,062	\$0	
			I-6	T-4	20.6	\$25,713,371	\$25,713,371	\$0	
			I-7	T-5	44.6	\$66,782,987	\$66,782,987	\$0	
			I-8	T-4	25.1	\$31,269,001	\$31,269,001	\$0	
Owner (10)	J-1	T-3	38.1	\$45,802,692	\$45,802,692	\$0			
	J-2	T-4	38.4	\$47,872,190	\$47,872,190	\$0			
	J-3	T-5	18.4	\$27,634,733	\$27,634,733	\$0			
	J-4	n.a.	109.7	\$0	\$0	\$0			
	J-5	T-4	11.7	\$14,646,680	\$14,646,680	\$0			
	J-6	Conv.	39.6	\$31,782,809	\$31,782,809	\$0			
	J-7	n.a.	95.3	\$0	\$0	\$0			
	J-8	T-4	24.8	\$30,974,649	\$30,974,649	\$0			
	J-9	T-3	18.8	\$22,651,584	\$22,651,584	\$0			
	J-10	District	14.6	\$0	\$0	\$0			
	J-11	T-5	15.0	\$22,472,496	\$22,472,496	\$0			
	J-12	T-5	4.5	\$6,803,151	\$6,803,151	\$0			
	J-13	T-5	7.0	\$10,431,053	\$10,431,053	\$0			
	J-14	T-4	24.2	\$30,162,962	\$30,162,962	\$0			
	J-15	T-5	8.9	\$13,324,943	\$13,324,943	\$0			
	J-16	T-4	43.9	\$54,746,308	\$54,746,308	\$0			
	J-17	T-5	17.4	\$26,011,796	\$26,011,796	\$0			
	J-18	T-4	32.5	\$40,578,538	\$40,578,538	\$0			
	J-19	T-5	20.6	\$30,875,412	\$30,875,412	\$0			
	J-20	T-4	38.5	\$48,003,466	\$48,003,466	\$0			
	J-21	T-4	6.9	\$8,586,511	\$8,586,511	\$0			
Total					2177.4	\$2,347,422,014	\$2,358,199,803	\$10,777,789	





Example

Leander-Williamson Co. Inter-local Agreement

Leander TOD Zoning Modification Evaluation Sheet

Parcel Description:	Location	Acres	TIRZ Total
	Part of F2	31.5	2,177.4
Current Transect Zone:	T-5		
Proposed Transect Zone:	T-6		
Current Build-out Value:	\$47,182,211		\$2,347,422,014
Percent of District Total (A):	2.01%		
Proposed Build-out Value:	\$57,960,000		\$2,358,199,803
Percent of District Total (B):	2.46%		
Difference (B - A):	\$10,777,789		\$10,777,789
	22.84%		0.46%
Cummulative Impact on TOD:	\$10,777,789		\$10,777,789
	22.84%		0.46%

14-Jul-08

value analysis