

reinvestment zone that are listed in the project plan of the reinvestment zone, which expenditures and monetary obligations constitute project costs as defined by the Act.

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, the Parties agree as follows:

Article I Definitions

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

“Act” shall mean the Tax Increment Financing Act, Chapter 311, Tax Code, as amended.

“Board” shall mean the Board of Directors of TIF Zone Number Five.

“Captured Appraised Value” shall mean the total taxable value of all real property taxable by a Taxing Unit and located in TIF Zone Number Five for the year less the Tax Increment Base of the Taxing Unit.

“City” shall mean the City of Georgetown, Williamson County, Texas.

“County” shall mean Williamson County, Texas.

“Debt Service Tax” shall mean that portion of the tax levied for the payment of debt service.

“Effective Date” shall mean the last date of execution hereof.

“Expiration Date” shall mean the earlier of: (i) the date of termination of TIF Zone Number Five; and (ii) May 1, 2040. ■

“Project Plan” shall mean the project plan and financing plan for TIF Zone Number Five approved by the Board and the City Council for the City, as amended.

“Road and Bridge Tax” shall mean the tax the County levies under Article VIII, Sec. 1a and Article VIII, Sec. 9 of the Texas Constitution.

“Tax Increment” shall mean the total amount of property taxes by a Taxing Unit for the year on the Captured Appraised Value of real property taxable by a Taxing Unit and located in TIF Zone Number Five, but specifically excluding the Debt Service Tax and the Road and Bridge Tax.

“Tax Increment Base” shall mean the total taxable value of all real property taxable by a Taxing Unit and located in the TIF Zone Number Five for the year in which TIF Zone Number Five was designated (2018).

“Tax Increment Fund” shall mean the funds deposited by the City and any Taxing Unit in the tax increment fund for TIF Zone Number Five.

“Taxing Unit” shall mean the City of Georgetown, County of Williamson County, Texas, and any taxing unit that taxes real property within TIF Zone Number Five that enters into an agreement with the City to contribute to the Tax Increment Fund.

“TIF Zone Number Five” shall mean City of Georgetown Tax Increment Financing Zone Number Five.

“Transportation Infrastructure” shall mean public infrastructure consisting of public streets and roads, water, sewer and electric utilities, gas utilities, drainage, trails, open space and related improvements, within TIF Zone Number Five, including: (i) the design, engineering and construction of public streets, roads, streetscape, traffic signals, bridges, parking facilities and other transportation projects; (ii) the design, engineering, construction and installation due to relocations of water, electric and gas and other utilities as required due to road improvements; and (iii) the design, engineering, construction and installation of drainage and related improvements, storm sewers, detention ponds, retention ponds, drainage pipes, culverts, over-sizing of facilities, trails, open space, and urban design elements within TIF Zone Number Five as identified in the Project Plan.

Article II Term

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

Article III TIF Projects

3.1 In consideration of the mutual benefits to be derived from the funding of the TIF Zone Number Five Improvements and in consideration of the increased future tax base generated from this development, County shall contribute an amount equal to fifty percent (50%) of its Tax Increment not to exceed \$30 Million Dollars (“Maximum Contribution Amount”) to the Tax Increment Fund pursuant to the Act and as authorized by the Williamson County Commissioners’ Court Order No. _____ dated _____, 2018. The County shall annually pay its Tax Increment to the Tax Increment Fund beginning with tax year 2019 and continue for a period of twenty (20) years until the Expiration Date, unless sooner terminated as provided herein.

3.2 The County is not obligated to pay the County Tax Increment from any source other than taxes collected on the Captured Appraised Value. As stated in the Definitions above, the Tax

Increment does not include the Debt Service Tax or the county Road and Bridge Tax. Furthermore, the County has no duty or obligation to pay the County Tax Increment from any other County taxes or revenues or until the County Tax Increment in the TIF Zone Number Five is collected. The obligation to pay the County Tax Increment accrues as taxes representing the County Tax Increment are collected by the County, and payment shall be due on May 1 of each year the County participates in the TIF Zone Number Five. No interest or penalty will be charged to the County for any late payment received from the County; provided, however, the penalty and interest received by the County on any delinquent taxes from the County Tax Increment shall be paid to the Tax Increment Fund. Any portion of the taxes representing the County Tax Increment that are paid to the County and subsequently refunded pursuant to a provision of the Texas Tax Code, as amended, shall be offset against future payments to the Tax Increment Fund.

3.3 The obligation of the County to participate in the TIF Zone Number Five is limited to the area described in the Project Plan. The County's participation does not extend to the tax increment on any additional property added to the TIF Zone Number Five unless the County specifically agrees to participate in the additional area.

3.4 Notwithstanding anything to the contrary in City's Ordinance creating the TIF Zone Number Five, pursuant to the provisions of Section 311.009(a) of the Texas Tax Code, as amended, the County shall have the right to appoint and thereafter at all times maintain one (1) member on the Board of Directors of the TIF Zone Number Five. Failure of the County to appoint a person to the Board of Directors of the TIF Zone Number Five shall not be deemed a waiver of the County's right to make an appointment at a later date. The County will make good faith efforts to appoint and maintain a person to serve on the Board.

3.5 Upon termination of the TIF Zone Number Five, and after all obligations of the TIF Zone Number Five and bonded indebtedness have been paid, the City and the Board shall pay to the County, within sixty (60) days after said termination, all monies remaining in the Tax Increment Fund that are attributable to the County Tax Increment paid by the County into the Tax Increment Fund.

3.6 The County's Tax Increment contributed to the Tax Increment Fund shall be applied in the following order of priority: (i) the maintenance of a minimum balance of \$50,000.00 in the Tax Increment Fund; and (ii) for Transportation Infrastructure as approved by the Board and the City Council for the City. The Tax Increment Fund may not be used for projects not included in the Project Plan. The County's Tax Increment may only be used for Transportation Infrastructure.

3.7 City agrees to obtain the prior written approval of the County prior to the expenditure of the County's Tax Increment if at any time the number of residential units increases above the initially approved number of residential units as approved in the City Planned Development Zoning Ordinance for TIF Zone Number Five, which is currently estimated to be no greater than 2,500 residential units.

3.8 The Parties agree that the County Tax Increment may not be used to pay debt service on any bond issued by the County or the City (including the Board of Directors of TIF Zone Number Five with the consent of the City Council for the City) without the prior written approval of the County. The County may terminate this Agreement in the event the City (or the Board of Directors of TIF Zone Number Five with the consent of the City Council for the City) issues any bond backed in whole or part by the County Tax Increment.

Article IV Termination

- 4.1 This Agreement shall terminate upon any one or more of the following:
- (a) by written agreement of the Parties;
 - (b) upon the Expiration Date; and
 - (c) upon County payment of the Maximum Contribution Amount to the Tax Increment Fund; and
 - (d) upon written notice by the County to City for a breach of section 3.7 if such breach is not cured within thirty (30) days after written notice thereof.

Article V Miscellaneous

5.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and assigns of all Parties hereto. This Agreement may not be assigned without the consent of either Party.

5.2 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

5.3 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day received when sent by courier or otherwise hand delivered.

If intended for City, to:

Attn: David Morgan
City Manager
City of Georgetown, Texas
113 E. Eighth Street
Georgetown, Texas 78626
512.930.3741 – telephone

With copy to:

Charlie McNabb
City Attorney
City of Georgetown, Texas
113 E. Eighth Street
Georgetown, Texas 78626
512.930.8170 – telephone

If intended for County, to:

Honorable Dan Gattis, Judge
Williamson County, Texas
710 Main Street
Georgetown, Texas 78626
512.943.1100 – telephone

5.4 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.

5.5 Governing Law. The Agreement shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be in the State District Court of Williamson County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said Court.

5.6 Amendment. This Agreement may be amended by the mutual written agreement of the Parties.

5.7 Legal Construction. In the event any 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 other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

5.8 Recitals. The recitals to this Agreement are incorporated herein.

5.9 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

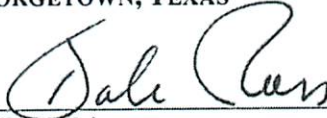
5.10 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

5.11 Approval of Parties. Whenever this Agreement requires or permits the approval or consent to be given by a Party, the Parties agree that such approval or consent shall not be unreasonably withheld, conditioned or delayed.


5.12 Further Assurances. Each Party hereby agrees that it will take all actions and execute all documents necessary to fully carry out the purposes and intent of this Agreement.

EXECUTED on this 11 day of December, 2018.

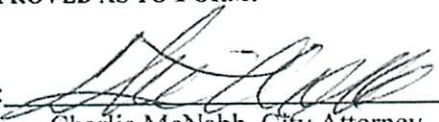
CITY OF GEORGETOWN, TEXAS

By: 
Dale Ross, Mayor

ATTEST:

By: 
Shelley Nowling, City Secretary

APPROVED AS TO FORM:

By: 
Charlie McNabb, City Attorney

EXECUTED on this 19th day of December, 2018.

WILLIAMSON COUNTY, TEXAS

By: 
Honorable Dan Gattis, County Judge

EXECUTED on this 11 day of December, 2018.

CITY OF GEORGETOWN, TEXAS

By: 
Dale Ross, Mayor

ATTEST:

By: 
Shelley Nowling, City Secretary

APPROVED AS TO FORM:

By: 
Charlie McNabb, City Attorney

EXECUTED on this _____ day of _____, 2018.

WILLIAMSON COUNTY, TEXAS

By: _____
Honorable Dan Gattis, County Judge