WILLIAMSON COUNTY REIMBURSEMENT AGREEMENT FOR
CONSTRUCTION OF A PORTION OF SAN GABRIEL PARKWAY

This Reimbursement Agreement for the County’s construction of a portion of the San Gabriel Parkway ("Agreement") is made, entered into and effective as of ___________, 20__, (the “Effective Date”) by and between Reinvestment Zone Number One, City of Leander, Texas, a legal entity created by the City pursuant to Chapter 311, Texas Tax Code ("TIRZ #1"), the City of Leander, Texas (the “City”), and Williamson County, Texas ("County"). TIRZ#1, the City, and the County are sometimes referred to herein as the “Parties.”

RECITALS

WHEREAS, the TIRZ #1 developed a capital improvements plan and budget for streets, roads, water and wastewater facilities, and other capital improvements necessary and useful for the economic development of TIRZ#1 (the “Financing Plan”);

WHEREAS, the City and County each allocated fifty percent (50%) of their ad valorem taxes received on the tax increments within TIRZ #1 to be deposited with the TIRZ #1 into the Tax Increment Fund, to enable the TIRZ to fund and obtain the construction and development of various Project provided for in the Financing Plan; and

WHEREAS, portions of San Gabriel Parkway (the “Project”) within the TIRZ were constructed by the County as described in Section 1.01. The County now requests the costs for the Project be reimbursed by TIRZ #1 with the ad valorem taxes collected on the tax increment (the “Tax Increment Payments”);

NOW, THEREFORE, for and in consideration of the above stated premises and the terms, conditions and covenants set forth herein, the Parties hereby contract, covenant and agree as follows:

ARTICLE 1.
PURPOSES, TERM AND CONSIDERATION

1.01. Project Defined. The Project consisted of the construction by the County of San Gabriel Parkway from US Hwy 183 to its intersection with the western boundary of TIRZ #1, located within the TIRZ #1. The total cost of construction for the Project was over $4,700,000.00. All invoices paid by the County are available upon request.

1.02. Compliance With Regulations. The Project was designed and constructed in compliance with the applicable County and City roadway construction standards.
1.03. **Benefits.** TIRZ #1, the City and the County have benefited from the enhancement of land values in properties within TIRZ #1 resulting from the construction of the Project. This has resulted in increased tax revenues to the City, the TIRZ #1 and the County as well as new opportunities for economic development of the area.

1.04. **Reimbursement and Withholding.** The County is entitled to a reimbursement of $4,700,000 (the “Reimbursable Amount”) for costs incurred by the County for the construction of the Project. Beginning in 2019 and continuing each year thereafter, until the earlier to occur of (a) the termination of the TIRZ #1 or (b) until such time as the Reimbursable Amount is paid in full to the County, on or before April 30th each year, the TIRZ #1 will pay the County sixty-five percent (65%) of the balance remaining in the Tax Increment Fund that year after the deduction of payment of the Priority TIRZ Reimbursements (defined in Section 2.02 below) owing for that year are paid (the “Annual County Reimbursement”); provided that for 2019, the Annual County Reimbursement shall be paid within forty-five days of the Effective Date of this Agreement. The Annual County Reimbursement will be accompanied by documentation supporting the calculation of the said reimbursement. The application and payment of funds to pay the Reimbursable Amount shall, however, be subject to the limitations set forth in Section 2.02, below. The Parties contemplate the sequence of events to be as follows: a) the City and County will pay their respective Tax Increment Payments for the year into the Tax Increment Fund; b) the Priority TIRZ Reimbursements will be paid; and c) the Annual County Reimbursement will be calculated and paid by April 30.

1.05. **Consideration.** The benefits to the Parties set forth above, plus the mutual promises expressed herein, are good and valuable consideration for this Agreement, the sufficiency of which is hereby acknowledged by the Parties.

1.06. **Term.** The term of this Agreement shall be for the life of TIRZ #1 unless terminated sooner upon the County’s receipt of all the Reimbursable Amount due hereunder.

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**ARTICLE 2.**

**SUBJECT TO WITHHOLDING AND REIMBURSEMENT**

2.01 **Eligible Withholding and Reimbursable Amount.** The only costs, amounts, or expenses of any kind eligible for reimbursement under this Agreement (unless and until amended) are those costs that constitute the Reimbursable Amount.

2.02 **Priority TIRZ Reimbursements.** The obligations of TIRZ #1 to pay the annual reimbursements provided in Section 1.04, shall be limited each year to the Tax Increment Receipts and other TIRZ #1 revenues remaining available to TIRZ #1 after
payment of the TIRZ reimbursements owed to the entities identified as Priority Project #’s 1-7 on Exhibit A, attached hereto and incorporated herein for all purposes (the “Priority TIRZ Reimbursements”), and deduction of any remaining Zone Administrative Expenses (which are the administrative expenses approved in the TIRZ budget) budgeted for that year.

2.03 Assignment of Priority TIRZ Reimbursements. The Priority TIRZ Reimbursements may be assigned but not otherwise increased in any manner without the consent of the Williamson County Commissioners Court.

ARTICLE 3. DEFAULT

3.01. Default Cure. Notwithstanding anything herein to the contrary, no party (which, for purposes of this Article 5, is the Parties, the City, and the Board) shall be deemed to be in default hereunder until the passage of thirty (30) business days after receipt by such party of notice of default from the other party (“Cure Period”). Upon the passage of the Cure Period without cure of the default, such party shall be deemed to have defaulted for purposes of this Agreement; provided that, if the nature of the default is such that it cannot reasonably be cured within the Cure Period, the party receiving the notice of default may during such Cure Period give the other party written notice that it has commenced cure within the Cure Period and will diligently and continuously prosecute the cure to completion as reasonably soon as possible, and such written notice together with diligent and continuous prosecution of the cure shall extend the Cure Period for up to an additional ninety (90) calendar days so long as the cure is being diligently and continuously pursued during such time; and provided further that, if the cure cannot be reasonably accomplished within the additional ninety (90) calendar day period but the applicable facts, circumstances and progress establish that a cure will be obtained within a reasonable period of time following the expiration of the ninety (90) calendar day period, the time for cure will be extended for an additional period of time as mutually agreed by the Parties (such agreement not to be unreasonably withheld); provided, further, that if a default is not cured within the applicable Cure Period, or, as applicable, written notice having been given and cure being commenced and diligently and continuously prosecuted, within the additional ninety (90) calendar days after the giving of the written notice, or, as otherwise applicable, within the time mutually agreed by the Parties due to the defaulting party not being able to obtain a cure within the additional ninety (90) calendar days after the defaulting party gives written notice that it is commencing cure, then the non-defaulting party may pursue the remedies set forth in this Agreement.

3.02. Remedies Cumulative. The remedies described in this Section are in addition to and not in replacement of any other remedies at law or in equity that a party may have as a result of any breach.
ARTICLE 4.
FORCE MAJEURE

4.01. Force Majeure. The term “force majeure” as employed herein shall mean and refer to acts of God; strikes, lockouts, or other industrial disturbances: acts of public enemies, orders of any kind of the government of the United States, including, but not limited to, the State of Texas, Williamson County or the City of Leander, or any civil or military authority; insurrections; riots; epidemic; landslides; lightning, earthquakes; fires, hurricanes; storms, floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accidents to pipelines; or other causes not reasonably within the control of the Party claiming such inability. The term “force majeure” will specifically include an attack by terrorists within the United States that results in a disruption of the financial markets for a period of more than one (1) week.

4.02. Notice of Force Majeure. If, by reason of force majeure, any Party hereto shall be rendered wholly or partially unable to carry out its obligations under this Agreement, then such Party shall give written notice of the full particulars of such force majeure to the other Party within thirty (30) days after the occurrence thereof.

4.03. Suspension. The obligations of the Party giving such notice, to the extent affected by the force majeure, shall be suspended during the continuance of the inability claimed, except as herein provided, but for no longer period, and the Party shall endeavor to remove or overcome such inability with all reasonable dispatch.

4.04. Settlement of Strikes. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the Party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require that the settlement be unfavorable in the judgment of the Party having the difficulty.

ARTICLE 5.
MISCELLANEOUS

5.01. Written Notice. Any notice to be given hereunder by any Party to another Party shall be in writing and may be affected by personal delivery or by sending said notices by registered or certified mail, return receipt requested, to the address set forth below. Notice shall be deemed given when deposited with the United States Postal...
Service with sufficient postage affixed.

Any notice mailed to the Authority, the Board, or the City shall be addressed:

City of Leander
Attn: City Manager
P. O. Box 319
105 N. Brushy Street
Leander, Texas 78646-0319
Facsimile (512) 528-2831

Any notice mailed to TIRZ #1 shall be addressed:

Reinvestment Zone Number One, City of Leander, Texas
Attn: City Secretary
P. O. Box 319
105 N. Brushy Street
Leander, Texas 78646-0319
Facsimile (512) 528-2831

Any notice to the County shall be addressed:

Williamson County Judge
710 Main St., Suite 101
Georgetown, Texas 78626

Any Party may change the address for notice to it by giving notice of such change in accordance with the provisions of this section.

5.02. Entire Agreement. This Agreement, together with any exhibits attached hereto, constitutes the entire agreement between the Parties, and may not be amended except by a writing that is signed by the Parties, dated subsequent to the date hereof, and approved by the City Council, the Board of the TIRZ #1, and the County.
5.03. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be performable in Williamson County, Texas. Venue shall lie exclusively in Williamson County, Texas.

5.04. **Time of the Essence.** It is acknowledged and agreed by the Parties that time is of the essence in the performance of this Agreement.

5.05. **Waiver and Release.** The Parties acknowledge above that the mutual promises and obligations of the Parties expressed herein are good, valuable and sufficient consideration for this Agreement. The Parties further acknowledge that all the Parties voluntarily elected the benefits and obligations of this Agreement.

5.06. **Successors and Assigns.** This Agreement shall be binding upon the Parties, their successors and assigns.

**ARTICLE 6.**

**GOVERNMENTAL POWERS AND IMMUNITY**

6.01. **No Waiver of Powers or Immunity.** By its execution of this Agreement, the County, the Authority, TIRZ #1 and the City do not waive or surrender any of their respective governmental powers, immunities, or rights. Nothing in this section shall waive any claims, defenses or immunities that the County, the City, TIRZ #1 or the Authority may have with respect to suits filed by persons or entities other than a Party to this Agreement.

EXECUTED in multiple originals and effective as of the Effective Date set forth above.
Attest: ____________________________

City Secretary

City of Leander

By: ____________________________

Name: __________________________

Title: Mayor

Reinvestment Zone Number One,
City of Leander, Texas

By: ____________________________

Name: __________________________

Title: President

Williamson County

By: ____________________________

Name: __________________________

Title: __________________________

Attest: ____________________________

Nancy Rister, County Clerk