

Notice of Meeting of the Williams Drive TIRZ Board of the City of Georgetown, Texas November 7, 2023

The Georgetown Williams Drive TIRZ Board will meet on November 7, 2023 at 4:00 PM at Council and Court Building, Teen Court Conference Room, 510 W 9th Street Georgetown, TX 786262.

The City of Georgetown is committed to compliance with the Americans with Disabilities Act (ADA). If you require assistance in participating at a public meeting due to a disability, as defined under the ADA, reasonable assistance, adaptations, or accommodations will be provided upon request. Please contact the City Secretary's Office, at least three (3) days prior to the scheduled meeting date, at (512) 930-3652 or City Hall at 808 Martin Luther King Jr. Street, Georgetown, TX 78626 for additional information; TTY users route through Relay Texas at 711.

Regular Session

1.A Minutes from August 4th, 2022

Consideration and possible action to approve minutes from the August 9th, 2023 Williams Drive Tax Increment Reinvestment Zone (TIRZ) Board meeting - Josh Schroeder, Board Chair

1.B Reimbursement agreement for the redevelopment of the old McCoy Elementary site

Consideration and possible approval of an Infrastructure Reimbursement Agreement between the City of Georgetown, Georgetown Reinvestment Zone No. 3, and PDC Williams Plaza, Ltd., for the redevelopment of the old McCoy Elementary site -- Nick Woolery, Assistant City Manager

Public Wishing to Address the Board

On a subject that is posted on this agenda: Please fill out a speaker registration form which can be found on the table at the entrance to the meeting room. Clearly print your name and the letter of the item on which you wish to speak and present it to the Board Liaison prior to the start of the meeting. You will be called forward to speak when the Board considers that item. Only persons who have delivered the speaker form prior to the meeting being called to order may speak. Speakers will be allowed up to three minutes to speak. If you wish to speak for six minutes, it is permissible to use another requestor's granted time to speak. No more than six minutes for a speaker may be granted. The requestor granting time to another speaker must also submit a form and be present at the meeting.

On a subject not posted on the agenda: A request must be received by the Advisory Board or Commission Liaison prior to the day the agenda for this meeting is posted. Each speaker will be given three minutes to address the Board or Commission members. No action can be taken.

Adjournment

Certificate of Posting

I, Robyn Densmore, City Secretary for the City of Georgetown, Texas, do hereby certify that this Notice of Meeting was posted at City Hall, 808 Martin Luther King Jr. Street, Georgetown, TX 78626, a place readily accessible to the general public as required by law, on the _____ day of _____, 2023, at _____, and remained so posted for at least 72 continuous hours preceding the scheduled time of said

meeting.

Robyn Densmore, City Secretary

City of Georgetown, Texas
Williams Drive TIRZ Board
November 7, 2023

SUBJECT:

Minutes from August 4th, 2022

SUGGESTED ACTION:

Consideration and possible action to approve minutes from the August 9th, 2023 Williams Drive Tax Increment Reinvestment Zone (TIRZ) Board meeting - Josh Schroeder, Board Chair

ITEM SUMMARY:

FINANCIAL IMPACT:

SUBMITTED BY:

Aaron St Pierre, City Manager's Office

ATTACHMENTS:

[Draft Minutes from 9-8-23.pdf](#)

Minutes of the Williams Drive TIRZ Board City of Georgetown, Texas Wednesday, August 9, 2023

The Georgetown Williams Drive TIRZ Board met on Wednesday, August 9, 2023 at 3:30 PM at City Hall Large Conference Room - 808 Martin Luther King Dr Georgetown, TX 78626.

The City of Georgetown is committed to compliance with the Americans with Disabilities Act (ADA). If you require assistance in participating at a public meeting due to a disability, as defined under the ADA, reasonable assistance, adaptations, or accommodations will be provided upon request. Please contact the City Secretary's Office, at least three (3) days prior to the scheduled meeting date, at (512) 930-3652 or City Hall at 808 Martin Luther King, Jr Street for additional information; TTY users route through Relay Texas at 711.

The following Members were in attendance:

Present were: David Morgan, Josh Schroeder, Shawn Hood, Valerie Covey, Robert Hilton

1. Regular Session

1.A [Minutes from August 4th, 2022](#)

Consideration and possible action to approve minutes from the August 4th, 2021 Williams Drive Tax Increment Reinvestment Zone (TIRZ) Board meeting – Josh Schroeder, Board Chair.

Moved by David Morgan; seconded by Robert Hilton to Approve .

Motion Approved: 4- 0

Voting For: David Morgan, Josh Schroeder, Shawn Hood, Robert Hilton

Voting Against: None

1.B [Approval of Williams Drive Gateway TIRZ final project and financing plan, and amendments to the plan](#)

Resolution approving the Williams Drive Gateway Tax Increment Reinvestment Zone's final project and financing plan, and amendments to the plan -- Nick Woolery, Assistant City Manager

Moved by Josh Schroeder; seconded by Shawn Hood to Approve

Nick Woolery starts presentation of the item.

Josh asked a question: If they were to make some improvement to the area it would go through Economic Development to receive a grant. Nick responded no that it is just the legal way it has to be written for private infrastructure. Josh responded asking if the

TIRZ itself would give the money, and Nick confirmed.

Josh asked what the TIRZ money would exactly help fund. Nick responded that they will see more of this next month with the reimbursement agreement, but he explained it pays out up to \$5 million periodically over time toward the infrastructure that is surpassing that value.

Shawn Hood asked if the rendering is the final site plan. Nick responded that he would confirm but he believes this is the final plan.

Robert Hilton asked a question on the verbiage of how the TIRZ is set up. Nick and David clarified, how it works and brings value to the area.

Josh asked if the developer of the McCoy site is in favor of this. Nick replied that this supports what they are trying to do.

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Motion Approved: 4- 0

Voting For: David Morgan, Robert Hilton, Josh Schroeder, Shawn Hood

Voting Against: None

Public Wishing to Address the Board

On a subject that is posted on this agenda: Please fill out a speaker registration form which can be found on the table at the entrance to the meeting room. Clearly print your name and the letter of the item on which you wish to speak and present it to the Board Liaison prior to the start of the meeting. You will be called forward to speak when the Board considers that item. Only persons who have delivered the speaker form prior to the meeting being called to order may speak. Speakers will be allowed up to three minutes to speak. If you wish to speak for six minutes, it is permissible to use another requestor's granted time to speak. No more than six minutes for a speaker may be granted. The requestor granting time to another speaker must also submit a form and be present at the meeting.

On a subject not posted on the agenda: A request must be received by the Advisory Board or Commission Liaison prior to the day the agenda for this meeting is posted. Each speaker will be given three minutes to address the Board or Commission members. No action can be taken.

Adjournment

Moved by Josh Schroeder; seconded by to .

Motion : 4 - 0

Voting For: David Morgan, Josh Schroeder, Shawn Hood, Robert Hilton

Voting Against: None

Moved by Josh Schroeder; seconded by to Adjourn .

Motion Adjourn: 4 - 0

Voting For: David Morgan, Josh Schroeder, Shawn Hood, Robert Hilton

Voting Against: None

These minutes were approved at the meeting of _____

Chair

Attest

City of Georgetown, Texas
Williams Drive TIRZ Board
November 7, 2023

SUBJECT:

Reimbursement agreement for the redevelopment of the old McCoy Elementary site

SUGGESTED ACTION:

Consideration and possible approval of an Infrastructure Reimbursement Agreement between the City of Georgetown, Georgetown Reinvestment Zone No. 3, and PDC Williams Plaza, Ltd., for the redevelopment of the old McCoy Elementary site -- Nick Woolery, Assistant City Manager

ITEM SUMMARY:

Approval of an Infrastructure Reimbursement Agreement between the City of Georgetown, Georgetown Reinvestment Zone No. 3, and PDC Williams Plaza, Ltd., for the redevelopment of the old McCoy Elementary site -- Nick Woolery, Assistant City Manager

ITEM SUMMARY

The Williams Drive Gateway TIRZ was created in 2006 to spur redevelopment in a gateway area of the community. The TIRZ Project Plan and Financing Plan were recently adopted as final and amended to broaden the opportunities for redevelopment within the zone.

The largest tract of land within the zone is the old McCoy Elementary site, which touches both Williams Drive and Rivery Boulevard. A planned unit development (PUD) zoning has been approved on the site, which includes a combination of wrapped multi-family, retail, pedestrian and landscaping improvements, and a plaza space. To provide the necessary incentives for quality redevelopment of this site that meet the goals of the zone, a reimbursement agreement has been negotiated with the developer to provide for infrastructure costs on the site to be reimbursement by the property tax increment generated from their project. Details of the proposed agreement are listed below:

Developer Commitments:

Construction of all required public and private site infrastructure, including roads, utility lines, drainage facilities and pedestrian facilities

Construction of a plaza space and landscaping improvements along Williams Drive and Rivery Boulevard

Construction of the development project at or above the standards described in the McCoy PUD, including masonry standards for all buildings constructed within the development

Quarterly meetings with the City's Economic Development team to discuss efforts to recruit retailers and restaurateurs unique to the Austin area that do not currently have locations in the City or other retailers and restaurateurs that would add to the mixed-use development goals of the Zone, the Williams Drive Corridor Plan goals or the unique nature of the City

Williams Drive TIRZ Commitments:

Reimbursement of eligible infrastructure investments up to \$5 million

Reimbursements are triggered once 30,000 sq ft of retail space is completed and the plaza space is completed

Reimbursement will be in the form of annual payments from the increment generated at the project site into the TIRZ fund

Annual payments will be made until the maximum reimbursement (\$5 million) is reached or after tax year 2043, whichever is sooner

Georgetown City Council voted to approve the agreement 7-0 at their October 10 City Council Meeting.

FINANCIAL IMPACT:

Only increment generated from the project will be available for reimbursement, so there will not be any additional impact to the TIRZ fund. The City's General Fund will receive 25% of the generated increment in Years 1-10 of the project, 50% of the generated increment in Years 11-20, and 100% of the generated increment after Year 20.

SUBMITTED BY:

Aaron St Pierre, City Manager's Office

ATTACHMENTS:

[Georgetown PDC Williams Plaza Ltd TIRZ No. 3 Reimbursement Agreement \(Final\).pdf](#)

[Williams Drive Gateway TIRZ - Commons at Rivery Infrastructure Reimbursement Agreement \(Presentation\).pdf](#)

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TIF ZONE NO.3 REIMBURSEMENT AGREEMENT

WHEREAS, Company has advised City that a contributing factor that would induce Company to undertake the Project would be an agreement by the City to provide reimbursement from the Zone's tax increment fund to Company to defray Eligible Costs (hereinafter defined); and

WHEREAS, City has determined that allocating Zone tax increment to the reimbursement of Eligible Costs for the Infrastructure (hereinafter defined) will further the objectives of the City, will benefit the City and the City's inhabitants, and will promote local economic development and stimulate business and commercial activity in the City;

WHEREAS, City has determined that the use of the tax increment from the tax increment fund from the Zone for the Reimbursement Payments (hereinafter defined) promotes economic development within the Zone and is an eligible project cost consistent with the Project and Financing Plan;

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other consideration the receipt and sufficiency of which are hereby acknowledged 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, Texas Tax Code, as amended.

"Annual Payment Date" shall mean the date which is thirty (30) days after receipt of a Payment Request following June 1 of each calendar year during the term of this Agreement, except the First Annual Payment Date shall be thirty (30) days after receipt of the Payment Request following June 1 of the calendar year following the Commencement Date.

"Appraisal District" shall mean the Williamson County Appraisal District, or its successor entity.

"Bankruptcy or Insolvency" shall mean the dissolution or termination of a Party's existence as a going business, insolvency, appointment of receiver for any part of such Party's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against

such Party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Board” shall mean the Board of Directors of the Zone.

“Captured Appraised Value” shall mean the total taxable value of all real property taxable by a Taxing Unit and located in the Zone for the year less the Tax Increment Base of the Taxing Unit, as defined in Section 311.012 Tax Code, as amended.

“City” shall mean the City of Georgetown, Texas, acting by and through its City Manager.

“City Tax Increment” shall mean the total amount of City property taxes assessed and collected for the year on the Captured Appraised Value of real property taxable by the City and located in Project Area of the Zone.

“Commencement Date” shall mean the date that Completion of Construction of a minimum of 30,000 square feet of retail and restaurant space and the plaza on the Land have been achieved.

“Commencement of Construction” shall mean: (A) with respect to the Infrastructure that: (i) the plans and specifications have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the respective Infrastructure; and (ii) all necessary permits for the construction of the respective Infrastructure pursuant to the plans and specifications have been issued by all the applicable governmental authorities; and (iii) clearing and/or grading of the Land has commenced; and (B) with respect to the Improvements that: (i) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the respective Improvements; (ii) all necessary permits for the construction of the respective Improvements pursuant to the plans have been issued by all the applicable governmental authorities; and (iii) clearing and/or grading of the Land and construction of vertical elements of the respective Improvements has commenced.

“Company” shall mean PDC Williams Plaza, Ltd., a Texas limited partnership, its successors and permitted assigns.

“Company Affiliate” shall mean any entity that is directly or indirectly controlled by or is under common control with Company.

“Completion of Construction” shall mean: (A) with respect to the respective Infrastructure that: (i) substantial completion of the Infrastructure, or portion thereof, has occurred in accordance with the approved plans and specifications; (ii) City has with respect to the Public Infrastructure conducted the final inspection and accepted the Public Infrastructure, or in the case of the Private Infrastructure City has conducted final

inspection and certificate of completion; and (B) with respect to the Improvements that: (i) substantial completion of the respective Improvements has occurred; and (ii) City has issued a certificate of completion for the shell of the respective Improvements.

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

“Eligible Costs” shall mean the actual costs incurred and paid by Company or on behalf of Company for the engineering design, materials testing, and construction or installation of the Infrastructure, not including costs for legal fees, permit fees, the costs of the Land, interest, finance, the cost of financing, management fees, right-of-way, or easements or other soft costs.

“Expiration Date” shall mean the earlier of: (i) date of payment of the Maximum Reimbursement Amount; and (ii) the date of termination of the Zone.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, terrorism, civil commotion, insurrection, government or de facto governmental action, restrictions or interferences (unless caused by the intentional acts or omissions of the Party), fires, explosions, floods or other inclement weather, strikes, slowdowns or work stoppages, incidence of disease or other illness that reaches outbreak, epidemic, or pandemic proportions or similar causes that results in a reduction of labor force or work stoppage in order to comply with local, state, or national disaster orders, construction delays, shortages or unavailability of supplies, materials or labor, necessary condemnation proceedings, or any other circumstances which are reasonably beyond the control of the Party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstances are similar to any of those enumerated or not, the Party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or performance shall be extended for a period of time equal to the period such Party was delayed, provided the Party whose performance is delayed provides written notice to the other Party not later than fifteen (15) business days after the last day of the month of the occurrence of the event(s) or condition(s) causing the delay or the date the Party whose performance has been delayed becomes aware or should have reasonably known of the event, describing such event(s) and/or condition(s) and the date on which such event(s) and/or condition(s) occurred.

“GEDCO” shall mean the Georgetown Economic Development Corporation, a Type A sales tax corporation.

“GTEC” shall mean Georgetown Transportation Enhancement Corporation, a Type B sales tax corporation.

“Improvements” shall mean 30,000 square feet of retail space to be constructed on the Land.

“Infrastructure” shall mean collectively mean Public Infrastructure and Private Infrastructure.

“Land” shall collectively mean the PDC Land, and the Novak Land described in **Exhibits “A” and “B”**.

“Maximum Reimbursement Amount” shall mean the cumulative payment of the Reimbursement Payments in the amount of the lesser of: (i) Eligible Costs actually incurred and paid by Company, or on behalf of Company, for the Infrastructure as verified by City; or (ii) the sum of Five Million and No/100 Dollars (\$5,000,000.00).

“Novak Land” shall mean the real property described in **Exhibit “B”**.

“Participation Agreement” shall mean an agreement between City and a Taxing Unit for the Taxing Unit to contribute Tax Increment to the Tax Increment Fund.

“Payment Request” shall mean a written request from the Company to City for an annual Reimbursement Payment accompanied by: (i) copies of invoices, bills, receipts and such other information as may be reasonably requested by City to document the costs incurred and paid by Company, or on behalf of Company, for Eligible Costs for the Infrastructure; and (ii) satisfactory written proof that all amounts owing to contractors and subcontractors for the Infrastructure have been paid in full evidenced by the customary affidavits executed by Company and/or its contractors.

“PDC Land” shall mean the real property described in **Exhibit “A”**.

“Private Infrastructure” shall mean private boulevard street and associated sidewalks, streetlights, parking and crosswalks; plaza space and amenities directly related to the plaza; landscaping directly adjacent to public or private streets; and detention ponds and amenities and landscaping directly associated with the detention ponds.

“Project” shall have the meaning assigned by the Recitals.

“Project Area” shall mean that portion of the Land located in the Zone.

“Project and Financing Plan” shall mean the final financing and project plan for the Zone, as amended.

“Public Infrastructure” shall mean public infrastructure consisting of water and sewer lines, public streets, sidewalks and roadways, and drainage facilities.

“Reimbursement Payment(s)” shall mean the annual payment to Company for Eligible Costs for Infrastructure from the City Tax Increment from the Tax Increment Fund beginning with the First Annual Payment Date.

“Related Agreement” shall mean any written agreement (other than this Agreement) by and between: (i) City, GEDCO and/or GTEC and the Company, or a Company Affiliate.

“Tax Increment” shall mean the total amount of property taxes assessed and collected by the Taxing Units for the year on the Captured Appraised Value of real property taxable by the Taxing Units and located in the Zone. The amount of Tax Increment contributed by a Taxing Unit shall be limited to any maximum amount or other terms set forth in the respective Participation Agreement of such Taxing Unit or the ordinance creating Zone, in the case of City.

“Tax Increment Base” shall mean the total taxable value of all real property taxable by a Taxing Unit and located in the Zone for the year in which the Zone was designated (2006).

“Tax Increment Fund” shall mean the fund, in which Tax Increment is deposited by City and any Taxing Unit for the Zone.

“Taxable Value” shall mean the appraised value as certified by the appraisal district, or its successor, for a given year.

“Taxing Unit” shall mean City and any taxing unit that taxes real property within the Zone and enters a Participation Agreement with City to contribute Tax Increment to the Tax Increment Fund.

“Zone” shall mean Reinvestment Zone No. 3, City of Georgetown.

“Zoning” or “PUD” shall mean City of Georgetown Planned Unit Development Zoning Ordinance No. 2022-75 adopted October 11, 2022, as may be amended from time to time, commonly known as McCoy PUD.

“Zone Ordinance” shall mean the Ordinance No. 2006-104, designating the Zone, as amended.

Article II

Term

This Agreement shall begin on the Effective Date and shall continue until the Expiration Date, unless sooner terminated as provided herein.

Article III

Zone Project

3.1 Project Construction.

(a) Construction Schedule. Company shall, subject to events of Force Majeure, cause Commencement of Construction of any phase of the Infrastructure or the Improvements comprising the Project to occur on or before November 1, 2023, and shall, subject to events of Force Majeure, cause Completion of Construction of all Infrastructure on or before November 1, 2028, and Completion of Construction of the Improvements to occur on or before November 1, 2033.

(b) Right-of-Way. Company shall, without additional cost to City and prior to Commencement of Construction of the Project, dedicate, or cause the owner of the necessary property to dedicate, by plat or convey by separate instrument, in form reasonably acceptable to City any right-of-way or easements necessary for the installation, construction, use, maintenance and repair of any Public Infrastructure (“Right-of-Way”).

(c) Project Engineer. Company shall within ninety (90) days after the Effective Date, contract with one or more certified and licensed professional engineers (or firm) to prepare plans and specifications for the design and construction of the Public Infrastructure for the benefit of City. The professional engineer (or firm) selected by Company shall be approved in writing by City prior to any engineering services being provided by the selected engineer (the “Project Engineer”). Company’s contract with the Project Engineer shall provide that the plans and specifications for the Public Infrastructure are being prepared for the benefit of City and that City (its agents and contractors) may publish, reproduce, and use the plans and specifications for the Public Infrastructure. City shall have the sole right to approve or reject Company's selection of a project engineer. The City hereby approves Westwood Professional Services as the Project Engineer.

(d) Plans and Specifications Approval. Company shall cause the Project Engineer to submit the proposed plans and specifications for the Project to City for review and approval. City may require Company to cause the revision and/or modification of the proposed plans and specifications for the Project as often as is reasonably necessary. Company shall cause Project Engineer to revise and/or modify and submit revised or modified plans and specifications for the Public Infrastructure to City, as often as may be reasonably required by City. City shall have thirty (30) days following receipt of the submittal of proposed plans and specifications for the Public Infrastructure (including any revised or modified plans and specifications) to review and approve the proposed plans and specifications for the Project. If City does not approve the proposed plans and specifications for the Public Infrastructure (or revised or modified plans and specifications) within such 30-day period, the proposed plans and specifications shall be deemed disapproved. This process shall be followed until the date City approves proposed plans and specifications for the Public Infrastructure.

(e) Submission of Permit Applications. Prior to Commencement of Construction of the Project, Company shall make, or cause to be made, application for any necessary permits and approvals that are customarily required by City and any applicable governmental authorities to be issued for the construction of the Project.

(f) Compliance. Company shall comply and cause its Contractor to comply with all local and state laws and regulations regarding the design and construction of the Public Infrastructure in accordance with the approved plans and specifications, including but not limited to, any applicable requirement relating to payment, performance, and maintenance bonds.

(g) Project Inspection. City Engineer, or designee shall have the right to inspect the Public Infrastructure to determine whether the Public Infrastructure construction is in accordance with the requirements of the approved plans and specifications, this Agreement as well as City standards, ordinances, and regulations pertaining to the construction of public improvements.

(h) Pre-Construction Conference. Prior to Commencement of Construction of the Project, if required by City, Company shall cause its contractor(s) and the Project Engineer to hold a pre-construction conference with City-designated Engineering Inspector and the applicable private and public utility companies, as necessary.

(i) Bonds. Company shall, if required by City, cause its contractor(s) to provide payment bonds and performance bonds for the construction of the Public Infrastructure to ensure completion thereof pursuant to Chapter 2253, Texas Government Code, as amended. Company shall cause its contractor(s) to provide maintenance bonds for the Public Infrastructure in favor of City in accordance with City requirements and regulations pertaining to maintenance bonds for public improvements.

3.2 Zoning. The Parties acknowledge and understand that the Zoning contains provisions that may or do (i) prohibit, directly or indirectly, the use or installation of a building product or material in the construction, renovation, maintenance, or other alteration of a commercial building otherwise approved for use by a national model code published within the last three code cycles that applies to the construction, renovation, maintenance, or other alteration of a building, or (ii) establishes a standard for a building product, material, or aesthetic method in the construction, renovation, maintenance, or other alteration of a commercial building that is more stringent than a standard for the product, material, or aesthetic method under a national model code published within the last three code cycles that applies to the construction, renovation, maintenance, or other alteration of the building, such that such provision(s) may be void as a matter of law pursuant to Chapter 3000 of the Texas Government Code. Notwithstanding the foregoing, Company agrees to: (i) comply with the Zoning and construct the Improvements in accordance with the materials and elevations required by the Zoning, except that notwithstanding the Zoning the required exterior building materials for all buildings erected on any portion of the Land shall have exterior elevations of concrete, brick, masonry, stone, stucco, metal accents or equivalent finishes; no exterior elevations of any buildings on the Land shall be unfinished; and no metal buildings shall be permitted (the "Required Building Materials") and (ii) to construct the Improvements as required pursuant to this Agreement. Further, during the term of this Agreement, Company agrees: (i) that the Land and no building erected on the Land shall be used for the Prohibited Uses; and (ii) to use building materials for the Improvements consistent and harmonious with the Required Building Materials and the Zoning, (the Zoning as modified by the Required Building Materials) and as required by this Agreement. The provisions of this Section shall be a covenant running with the Land and are fully binding on the Company and each and every

subsequent owner of all or any portion of the Land during, but only during, the term of such Party's ownership thereof (except with respect to defaults that occur during the term of such person's ownership) and shall be binding on all successors and assigns of the Company which acquire any right, title, or interest in or to the Land, or any part thereof.

3.3 Acceptance Procedures. The Public Infrastructure will be conveyed to the City by Company following City acceptance of the Public Infrastructure or component thereof. Company will have no responsibility, financial or otherwise, for the ownership and/or operation of the Public Infrastructure or component thereof after acceptance by the City. City acceptance of the Public Infrastructure or portion thereof shall require:

(i) Submittal of executed Company's affidavit that all payrolls, invoices for materials and equipment, and other liabilities connected with the Public Infrastructure work have been fully paid or otherwise satisfied;

(ii) Submittal of executed Contractor's affidavit that all payrolls, invoices for materials and equipment, and other liabilities connected with the Public Infrastructure work have been fully paid or otherwise satisfied;

(iii) Submittal of Consent of Surety;

(iv) Submittal of one set of reproducible As-Built Record Drawings for the Public Infrastructure;

(v) Delivery of a bill of sale conveying the Public Infrastructure, or portion thereof to City for which the Company has submitted a Payment Request; and

(vi) Delivery of all assignable warranties or assignment of warranties for the Public Infrastructure, or portion thereof for which Company has submitted a Payment Request.

3.4 Access to Work and Inspections. City, and its representatives, shall always have access to the Project work from Commencement of Construction through Completion of Construction. The Company shall take whatever steps reasonably necessary to provide such access when requested. When reasonably requested by City based on substantiated need for confirmation, the Company shall perform or cause to be performed such testing as may be reasonably necessary or reasonably appropriate to ensure suitability of the jobsite or compliance of the Project with the Plans and Specifications.

3.5 Indemnification. CITY AND BOARD SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE, OR INJURY OF ANY KIND OR CHARACTER TO ANY PERSON OR PROPERTY ARISING FROM THE ACTS OR OMISSIONS OF COMPANY OR ITS CONTRACTOR PURSUANT TO THIS AGREEMENT. COMPANY HEREBY WAIVES ALL CLAIMS AGAINST CITY, THE BOARD, THEIR, OFFICERS, AGENTS, AND EMPLOYEES (COLLECTIVELY REFERRED TO IN THIS SECTION AS "CITY") FOR DAMAGE TO ANY PROPERTY OR INJURY TO, OR DEATH OF, ANY PERSON ARISING AT ANY TIME AND

FROM ANY CAUSE OTHER THAN THE SOLE NEGLIGENCE, GROSS NEGLIGENCE, OR WILLFUL MISCONDUCT OF CITY. COMPANY DOES HEREBY INDEMNIFY, DEFEND AND SAVE HARMLESS CITY FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, CLAIMS, SUITS, COSTS (INCLUDING COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION) AND ACTIONS OF ANY KIND BY REASON OF INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO OR LOSS OF PROPERTY ARISING FROM COMPANY'S BREACH OF ANY OF THE TERMS AND CONDITIONS OF THIS AGREEMENT, OR BY REASON OF ANY NEGLIGENT OR WILLFUL ACT OR OMISSION ON THE PART OF COMPANY, ITS OFFICERS, DIRECTORS, SERVANTS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, SUBCONTRACTORS, LICENSEES, SUCCESSORS OR PERMITTED ASSIGNS IN THE PERFORMANCE OF THIS AGREEMENT (EXCEPT WHEN SUCH LIABILITY, CLAIMS, SUITS, COSTS, INJURIES, DEATHS OR DAMAGES ARISE FROM OR ARE ATTRIBUTED TO THE SOLE NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL ACT OF CITY. IN THE EVENT OF JOINT OR CONCURRENT NEGLIGENCE OF BOTH CITY AND COMPANY, THE RESPONSIBILITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND THEIR RESPECTIVE SUCCESSORS AND PERMITTED ASSIGNS AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. THE COMPANY'S OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY COMPANY UNDER THIS AGREEMENT. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

3.6 Project Records and Audits.

(a) Company shall keep, and cause its contractor(s) to keep, a complete and accurate record to document the performance of the Infrastructure work and to expedite any audit that might be conducted by City and/or its authorized representatives. Company shall maintain and cause the contractor(s) to maintain records sufficient to document that the payments provided pursuant to this Agreement were expended only for Eligible Costs for the Infrastructure that were incurred in accordance with all applicable state and local laws, rules, policies, and procedures, and in accordance with this Agreement.

(b) Company shall maintain and cause its contractor(s) to maintain all books, documents, papers, accounting records and other documentation relating to the design and construction of the Infrastructure and the Eligible Costs incurred under this Agreement. Company shall make and cause the contractor(s) to make such materials available to City for review and inspection during the term of this Agreement and for a period of two (2) years from the date of Completion of Construction of the Infrastructure, or until any pending litigation or claims are

resolved, whichever is later. Company shall provide such documentation and records within forty-eight (48) hours after written request from City.

(c) Company shall provide and cause its contractor(s), upon not less than 48 hours' prior written notice, to provide City access to all Infrastructure records during normal business hours that are applicable to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

3.7 Assignment of Warranties. Company agrees to obtain and assign to City the assignable warranties from its contractor(s) and suppliers providing labor and/or materials in connection with the Public Infrastructure. Such warranties shall: (a) be at least standard industry warranties with respect to the Public Infrastructure; and (b) obligate the contractor(s) and suppliers to repair all defects in the Public Infrastructure for a period of two (2) years following Completion of Construction of the Public Infrastructure.

3.8 Casualty. Risk of loss due to casualty shall be borne by Company until Completion of Construction of the Infrastructure. Company shall carry, or cause to be carried as an Eligible Cost, insurance in amounts sufficient to restore any portion of the Infrastructure damaged by casualty to the same condition as existed immediately prior to such casualty. Company will, in any event, restore any portion of the Infrastructure damaged or destroyed by casualty as part of its obligation to construct the Infrastructure and the time granted by City for restoration shall be commensurate to the extent of the damage or destruction.

3.9 Insurance. Company shall obtain and maintain in full force and effect at its expense the policies of insurance and coverage identified in (a) and (d)] below and shall require its contractor(s) to obtain and maintain at their expense each of the policies of insurance and coverage identified in (a) through (e) below. Company shall require any company providing Engineering Services to obtain and maintain at their expense each of the policy of insurance and coverage identified in (f) below.:

(a) Commercial General Liability Policy covering bodily injury, death and property damage, including the property of City, its directors, officers, employees and agents insuring against all claims, demands or actions relating to the Infrastructure work and services provided pursuant to this Agreement with minimum limits on a per project basis of not less than One Million No/100 Dollars (\$1,000,000) combined single limit and Two Million No/100 Dollars (\$2,000,000) aggregate, including products and completed operations coverage. This policy shall be primary to any policy or policies carried by or available to City.

(b) Workers' Compensation/Employer's Liability Insurance Policy in full accordance with the statutory requirements of the State of Texas and shall include bodily injury, occupational illness, or disease coverage with minimum Employer's Liability limits of not less than \$500,000/\$500,000/\$500,000.

(c) Automobile Liability Insurance Policy covering all operations of Company pursuant to this Agreement involving the use of motor vehicles, including all owned, non-owned

and hired vehicles with minimum limits of not less than One Million No/100 Dollars (\$1,000,000) combined single limit for bodily injury, death, and property damage liability.

(d) Excess Liability Insurance Policy with a limit of not less than Five Million No/100 Dollars (\$5,000,000). Such insurance shall be in excess of the commercial general liability insurance, business auto liability insurance and employer's liability insurance. This insurance will apply as primary insurance with respect to any other insurance or self-insurance programs maintained by City and shall be provided on a "following form basis". Continuing commercial umbrella coverage, if any, shall include liability coverage for damage to the Contractor's completed work.

(e) Property/Builders Risk Insurance Policy with "all-risk" coverage on the entire Project construction value with replacement cost basis to include the interest of City, Company, the Contractor in the Infrastructure work, and materials in transit and stored off the Infrastructure site destined for incorporation.

(f) Professional Liability Insurance (if applicable) with limit of not less than Two Million No/100 Dollars (\$2,000,000) for all negligent acts, errors and omissions by the Project Engineer that arise out of the performance of this Agreement.

(g) Waiver of Subrogation Rights. The Commercial General Liability, Worker's Compensation, Business Auto and Excess Liability insurance required pursuant to this Agreement shall provide for waivers of all rights of subrogation against City.

(h) Additional Insured Status. Except for Worker's Compensation Insurance and any Professional Liability Insurance, all insurance required pursuant to this Agreement shall include and name City, its elected officials, officers, and employees as additional insureds. The Additional Insured status for City shall remain in force and effect for a minimum of two (2) years following abandonment or completion of the Infrastructure work and services provided pursuant to this Agreement and the termination of this Agreement.

(i) Certificates of Insurance. Certificates of Insurance and policy endorsements for the required insurance shall be delivered to City prior to the commencement of any work or services under this Agreement and annually for a minimum of two (2) years following the Expiration Date or termination of this Agreement, abandonment, or completion of Infrastructure work. All required policies shall be endorsed to provide City with thirty (30) days advance notice of cancellation or material change in coverage. In the event the companies providing the required insurance are prohibited by law to provide any such specific endorsements regarding cancellation, non-renewal and/or material changes, the Company shall provide at least thirty (30) days prior written notice to City of any cancellation, non-renewal and/or material changes to any of the policies of insurance.

(j) On every date of renewal of the required insurance policies, Company shall deliver to City (and cause the Contractor to deliver to City a Certificate of Insurance and policy endorsements to be issued evidencing the required insurance herein. In addition, Company shall, within ten (10) business days after written request, provide City with Certificates of Insurance and

policy endorsements for the insurance required herein (which request may include copies of such policies). The delivery of the Certificates of Insurance and the policy endorsements (including copies of such insurance policies) to City is a condition precedent to the payment of any amounts due to Company by City.

(k) Carriers. All policies of insurance required to be obtained by Company and its Contractor pursuant to this Agreement shall be maintained with insurance carriers that are satisfactory to City and lawfully authorized to issue insurance in the state of Texas for the types and amounts of insurance required herein. All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least “A-VII” by AM Best or other equivalent rating service. All policies must be written on a primary basis, non-contributory with any other insurance coverage and/or self-insurance maintained by City.

Article IV Reimbursement Payments

4.1 Reimbursement Payments. (a) Subject to the Company’s continued satisfaction of all the terms and conditions of this Agreement and the obligation of Company to repay the Reimbursement Payments pursuant to Article VI, City agrees to reimburse Company for Eligible Costs for the Infrastructure solely from the Reimbursement Payments from the City Tax Increment from the Tax Increment Fund as set forth herein.

(b) City shall make Reimbursement Payments, not to exceed the Maximum Reimbursement Amount, to the Company for Eligible Costs for the Infrastructure on an annual basis within 30 days after receipt of a Payment Request following June 1 of each calendar year (the “Annual Payment Date”) beginning with the First Annual Payment Date.

(c) The amount of each annual Reimbursement Payment shall be the lesser of: (i) the amount of the Eligible Costs then eligible for payment pursuant to paragraph (b) of this Section 4.1 that have not been paid to Company; and (ii) one hundred percent (100%) of the amount of available City Tax Increment Funds from the Project Area after consideration of the Tax Increment Fund Priorities set forth in Section 4.2, below, not to exceed the Maximum Reimbursement Amount. If there are insufficient funds in the Tax Increment Fund from City Tax Increment from the Project Area for an annual Reimbursement Payment, the unreimbursed Eligible Costs are carried forward without interest, to succeeding Annual Payment Dates until reimbursement of the Eligible Costs for the Infrastructure has been made in full not to exceed the Maximum Reimbursement Amount, or termination of this Agreement or the Zone, whichever occurs first.

(d) The Parties agree that the Reimbursement Payments shall be provided solely from funds from the City Tax Increment from the Project Area from the Tax Increment Fund, and only to the extent that such funds are available in the Tax Increment Fund. Company acknowledges and agrees that City is only obligated to reimburse Company for Eligible Costs to the extent that there are available funds from the City Tax Increment from the Project Area from Tax Increment Fund during the term of this Agreement. The obligation of City to pay Company the Eligible Costs is

limited to the extent that there are funds in the Tax Increment Fund available during the term of this Agreement.

(e) Company agrees to look solely to the City Tax Increment from the Project Area from the Tax Increment Fund, not City general or other funds, for payment of the Reimbursement Payments to the extent monies in the Tax Increment Fund are available. Nothing in this Agreement shall be construed to obligate City to provide Reimbursement Payments from any other source of funds or to otherwise require City to pay Company for Eligible Costs in the event there are insufficient funds in the Tax Increment Fund to pay Eligible Costs or in the event the Zone terminates prior to payment in full of the Eligible Costs or payment of the Maximum Reimbursement Amount. Upon the termination of this Agreement or the Expiration Date, any Eligible Costs and Reimbursement Payments under this Agreement that remain un-reimbursed or that remains unpaid, due to lack of availability of City Tax Increment Funds, or due to the failure of Company to satisfy any precondition of reimbursement under this Agreement, shall no longer be considered obligations of the Zone, and any obligation of City to provide Reimbursement Payments to Company for Eligible Costs shall automatically expire and terminate on such date.

4.2 Tax Increment Fund Priorities. (a) Except as otherwise provided herein, the funds deposited in the Tax Increment Fund shall be applied in the following order of priority:

- (i) Amounts pledged or required for payment of outstanding bonds or City debt issued for the Zone projects, if any;
- (ii) Allocation of reasonable administrative costs of the Zone;
- (iii) Allocation of the maintenance of a minimum balance of \$10,000.00 in the Tax Increment Fund; and
- (iv) Reimbursement Payments to the Company.

(b) The use of Tax Increment contributed by any Taxing Unit other than City shall be subject to any rules, regulations, restrictions, and limitations set forth in the respective Participation Agreement for such Taxing Unit.

4.3 Current Revenue. The Reimbursement Payments to be provided herein shall be paid solely from lawful available funds in the Tax Increment Fund. Under no circumstances shall obligations of City and/or the Board hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision.

4.4 Maximum Reimbursement Payments. In no case shall the cumulative payment of the Reimbursement Payments exceed Five Million and No/100 Dollars (\$5,000,000.00).

4.5 Tax Protest.

(a) In the event the Company, Company Affiliate, or any owner or lessee of any real property and/or improvements within the Zone (“Protest Property”) timely and properly protests or contests (including any motion to correct the appraisal roll) the Taxable Value and/or the taxation of the Protest Property, or any portion thereof, with the Appraisal District (“Tax Protest”)

the obligation of City and Board to provide the Reimbursement Payments from the Tax Increment Fund with respect to such Protest Property or portion thereof, for such tax year shall be postponed with regard to the amount of ad valorem taxes that are in dispute (based on the amount or portion of taxable value of the Protest Property in dispute) until a final determination has been made of such Tax Protest. However in the event a Tax Protest results in a final determination that changes the appraised value and/or the Taxable Value of the Protest Property or the amount of ad valorem taxes assessed and due for the Protest Property, or portion thereof, after a Reimbursement Payment has been paid which includes Tax Increment for such Protest Property for such tax year, the Tax Increment Fund will be adjusted accordingly and the Reimbursement Payment with respect to such tax year shall be adjusted (increased or decreased as the case may be) accordingly on the date of payment of the next Annual Payment Date for a Reimbursement Payment, or within thirty (30) business days after such determination in the event no further Reimbursement Payments are due under the Agreement. In the event there are no further Reimbursement Payments due under this Agreement and Tax Increment with respect to such Protest Property is reduced Company, shall within thirty (30) days after written demand from City, reimburse City for such over payment of any such Reimbursement Payments.

(b) Refunds. If City determines that the amount by which such Reimbursement Payment was less than the correct amount to which Company was entitled (together with such records, reports, and other information necessary to support such determination), City shall, within thirty (30) days, pay the adjustment to Company.

4.6 Third Party Ownership. No third-party purchaser of any portion of the Land and/or any improvements located thereon shall be deemed an assignee under this Agreement or be entitled to receive any Reimbursement Payments directly from City hereunder without the execution of an assignment by Company to such third party, approved in writing by City. Nothing herein shall be construed to limit the ability of Company to pledge or collaterally assign rights to funds from Reimbursement Payments following receipt thereof from City. Notwithstanding anything to the contrary, City shall not be required to provide or direct any Reimbursement Payments to any third-party in the absence of an assignment approved by City.

Article V

Conditions to Reimbursement Payments

The obligation of City to pay each Reimbursement Payment shall be conditioned upon the continued compliance with and satisfaction of each of the terms and conditions of this Agreement by Company and each of the conditions set forth in this Article; provided, however, that failure to meet a condition shall not prevent the payment of the Reimbursement Payment, or any installment thereof, prior to the specified deadline for satisfaction of the condition.

5.1 Payment Request. As a condition precedent to the payment of the applicable Reimbursement Payment to Company shall have timely delivered to City the applicable Payment Request.

5.2 Good Standing. Company shall not have an uncured breach or default under this Agreement or any Related Agreement.

5.3 Project Construction. Company has complied with Article III.

5.4 Compliance with the UDC. The Land and any improvements constructed thereon shall comply with the PUD and the UDC standards for non-residential development, as well as design and materials for non-residential development for all building facades.

5.5 Quarterly Meetings. Company management representatives shall, beginning on the Effective Date and continuing thereafter until the sooner of: (i) the date one hundred percent (100%) of the retail spaces in the Project have been issued certificates of occupancy and are occupied; and (ii) the Expiration Date, meet with and report to the City's Economic Development Team (such positions or persons designated by the City Manager) on a calendar quarter basis on efforts to recruit retailers and restaurateurs unique to the Austin area that do not currently have locations in the City or other retailers and restaurateurs that would add to the mixed-use development goals of the Zone, the Williams Drive Corridor Plan goals or the unique nature of the City.

Article VI Termination

6.1 This Agreement shall terminate on the Expiration Date, or may be terminated earlier upon any one of the following:

- (a) By mutual written agreement of the Parties;
- (b) On the date set forth in a written notice from either Party in the event the other Party breaches any of the terms or conditions of this Agreement or a Related Agreement and such breach is not cured within thirty (30) days after written notice thereof;
- (c) On the date set forth in a written notice from City if Company suffers an event of Bankruptcy or Insolvency;
- (d) On the date set forth in a written notice from City, if any Impositions owed to City or the State of Texas by Company shall become delinquent and shall remain delinquent for more than thirty (30) days after written notice of such delinquency from City to Company (provided, however Company retains the right to timely and properly protest and contest any such Impositions); or
- (e) On the date set forth in a written notice by either Party, if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal, or unenforceable.

6.2 Repayment. In the event this Agreement is terminated by City pursuant to Sections 6.1(b), (c), or (d), Company shall immediately refund to City an amount equal to the Reimbursement Payments paid by City to Company as of the date of termination, plus interest at the rate of interest periodically announced by the Wall Street Journal as the prime or base

commercial lending rate, or, if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by City) as its prime or base commercial lending rate, from the Effective Date until paid. The repayment obligation of Company set forth in this section shall survive termination and the Expiration Date.

6.3 Right of Offset. City may, at its option, offset any amounts due and payable under this Agreement against any debt (including Impositions) lawfully due and owing to City and/or GTEC, and/or GEDCO from Company or Company Affiliate, regardless of whether the amount due arises pursuant to the terms of this Agreement, a Related Agreement, or otherwise, and regardless of whether the debt has been reduced to judgment by a court.

Article VII Miscellaneous

7.1 Binding Agreement; Assignment. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties hereto. This Agreement may not be assigned without the prior written consent of City, which consent shall not be unreasonably withheld, denied, or delayed. Company shall have the right to grant a security interest in this Agreement by collaterally assigning Company's rights under this Agreement to any lender which provides financing to the Company for all or part of the Infrastructure. At no time shall City be required to make any payments under this Agreement to any party other than Company.

7.2 Limitation on Liability. It is understood and agreed between the Parties that Company and City, in satisfying the conditions of this Agreement, have acted independently, and assume no responsibilities or liabilities to third parties in connection with these actions.

7.3 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties.

7.4 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.

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

If intended for City or Board, to

David Morgan,
City Manager
City of Georgetown
808 Martin Luther King, Jr. Street
Georgetown, Texas 78626

With a copy to:

Skye Masson, City Attorney
City of Georgetown
808 Martin Luther King Jr. St.
Georgetown, Texas 78626

If intended for Company, to:

Attn: Carter Perrin
PDC Williams Plaza, Ltd. 1360 Post
Oak Boulevard, Suite #1900
Houston, Texas 77056

With a copy to:

Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027
Attn. Jessica Holoubek

7.6 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.

7.7 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.

7.8 Amendment. This Agreement may only be amended by a written agreement executed by all Parties.

7.9 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 shall 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.

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

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

7.12 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

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

7.14 Employment of Undocumented Workers. During the term of this Agreement Company agrees not to knowingly employ any undocumented workers and if convicted of a violation under 8 U.S.C. Section 1324a (f), the Company shall repay the amount of any Reimbursement Payment or other funds received by Company from City from the date of this Agreement to the date of such violation within 120 days after the date Company is notified by City of such violation, plus interest at the rate of 4% compounded annually from the date of violation until paid. Company is not liable for a violation of this section by a subsidiary, affiliate, or franchisee of Company or by a person with whom Company contracts.

7.15 Boycott Israel; Boycott Energy Companies; and of Discrimination against Firearm Entities and Firearm Trade Associations.

- (a) Company verifies that it does not Boycott Israel and agrees that during the term of the Agreement will not Boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended.
- (b) Company verifies that it does not Boycott Energy Companies and agrees that during the term of this Agreement will not Boycott Energy Companies as that term is defined in Texas Government Code Section 809.001, as amended.
- (c) Company verifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association as those terms are defined in Texas Government Code Section 2274.001, as amended; and (ii) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.
- (d) This section does not apply if Company is a sole proprietor, a non-profit entity, or a governmental entity; and only applies if: (i) Company has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Agreement.

7.16 Conditions Precedent. This Agreement is expressly subject to, and the obligations of the Parties are conditioned upon: (i) the approval and adoption of the Project and Financing Plan by the City Council to include the Infrastructure; and (ii) the City Council adoption of an ordinance amending Ordinance No. 2006-104, amending the City percentage of Tax Increment contribution to the Zone, and extending the duration of the Zone.

(Signature page to follow)

EXECUTED on this _____ day of _____, 2021.

CITY OF GEORGETOWN, TEXAS

By: _____
Josh Schroeder, Mayor

APPROVED AS TO FORM:

By: _____
Skye Masson, City Attorney

State of Texas §
County of Williamson §

This instrument was acknowledged before me on the _____ day of _____, 2023, by Josh Schroeder, as Mayor of the City of Georgetown, Texas, a Texas municipal corporation, on behalf of said municipality.

(Notary Seal)

Notary Public, State of Texas

My Commission Expires: _____

EXECUTED on this _____ day of _____, 2023.

**BOARD OF DIRECTORS, REINVESTMENT ZONE NO.
3, CITY OF GEORGETOWN**

By: _____
President

State of Texas §
County of Williamson §

This instrument was acknowledged before me on the _____ day of _____, 2023, by _____, as President of the Board of Directors, Reinvestment Zone No. 3, City of Georgetown, on behalf of said Board.

(Notary Seal)

Notary Public, State of Texas

My Commission Expires: _____

EXECUTED the _____ day of _____, 2023.

**PDC WILLIAMS PLAZA, LTD.,
a Texas limited partnership**

**BY: PDC WILLIAMS PLAZA GP, LLC
a Texas limited liability company
its general partner**

By: _____
Carter Perrin, Partner

**State of Texas §
County of Harris §**

This instrument was acknowledged before me on the _____ day of _____, 2023, by Carter Perrin, as Partner of PDC Williams Plaza GP, LLC, a Texas limited liability company, as general partner of PDC Williams Plaza, Ltd., a Texas limited partnership, on behalf of said limited partnership.

(Notary Seal)

Notary Public, State of Texas

My Commission Expires: _____

Consent to Restrictions on Novak Land

As the record owner of the real property described in Exhibit “B” hereto (the “Novak Land”), Novak GISD Multifamily, LLC (“Novak”), for and in consideration of the design and construction of the Infrastructure and the Project by Company, and City’s agreement to provide the Reimbursement Payments in accordance with this Agreement to Company to offset the costs of the Infrastructure and the Project, all of which Novak understands, acknowledges, and agrees will directly benefit the Novak Land and Novak, does hereby agree and consent to the encumbrance of the Novak Land with the covenants and restrictions set forth in Section 3.2 of this Agreement. Novak further acknowledges and agrees that the provisions of said Section 3.2 shall constitute a covenant running with the Novak Land that is fully binding on and each and every subsequent owner of all or any portion of the Novak Land and shall be fully enforceable by City, not as a zoning regulation, but as a contractual agreement supported by consideration, the receipt and sufficiency of which Novak hereby acknowledges.

SIGNED AND AGREED the _____ day of _____, 2023.

NOVAK GISD MULTIFAMILY, LLC,
a Texas limited liability company

By: _____

Name: _____

Title: _____

State of Texas §
§
County of §

This instrument was acknowledged before me on the _____ day of _____, 2023, by _____ of Novak GISD Multifamily, LLC, a Texas limited liability company, for and on behalf of said company.

Notary Public, State of Texas

(Notary Seal)

My Commission Expires:_____

Exhibit “A”
Legal Description of the PDC Land

PDC Williams Plaza, Ltd. (NW Tract): Lot 1, Block B, Rivery Commercial Subdivision, an addition to the City of Georgetown, Williamson County, Texas, according to the plat thereof recorded as Instrument No. 2023052449, Official Public Records, Williamson County, Texas

PDC Williams Plaza, Ltd. (SE Tract): Lot 1, Block A, Rivery Commercial Subdivision, an addition to the City of Georgetown, Williamson County, Texas, according to the plat thereof recorded as Instrument No. 2023052449, Official Public Records, Williamson County, Texas

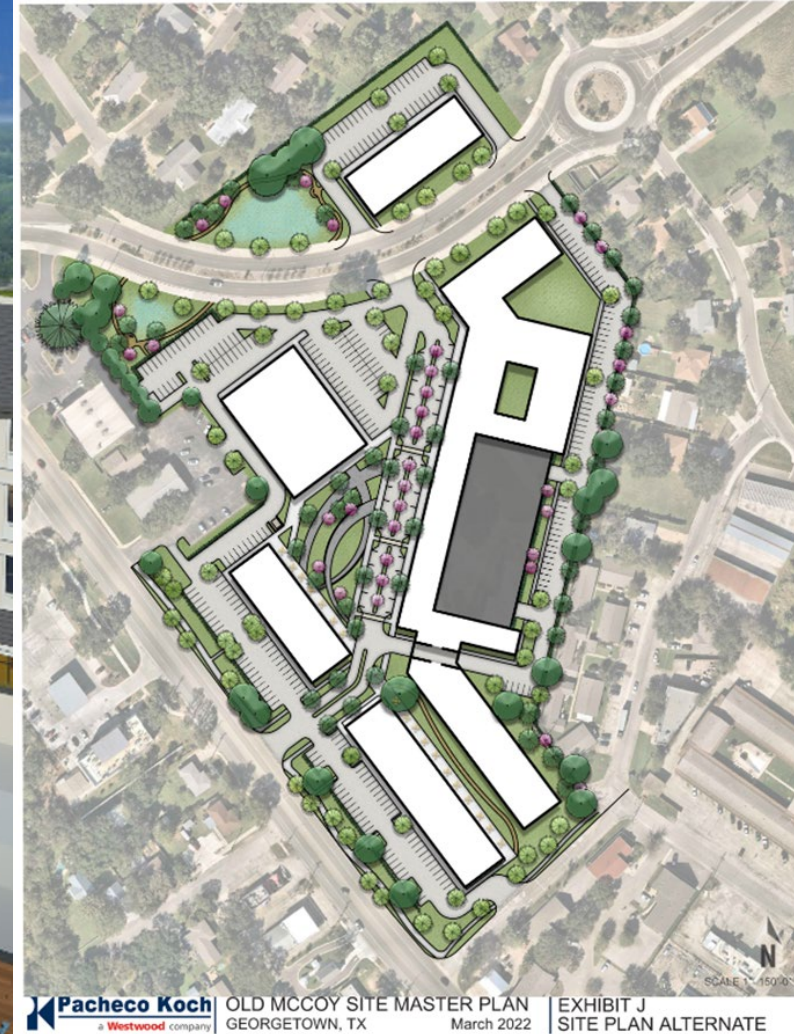
Exhibit “B”
Legal Description of Novak Land

Novak GISD Multifamily, LLC: Lot 2, Block A, Rivery Commercial Subdivision, an addition to the City of Georgetown, Williamson County, Texas, according to the plat thereof recorded as Instrument No. 2023052449, Official Public Records, Williamson County, Texas.

Williams Drive Gateway TIRZ – Commons at Rivery Infrastructure Reimbursement Agreement

Project Background

- Old McCoy Elementary site
- Mixed-use development (C-3 and MF-2) with a PUD approved in August 2022
- Partners Development is developing the project, in partnership with Novak
- PUD lays out specific development standards to ensure project is in alignment with the Williams Driveway Corridor Plan
 - State law does not allow the PUD to include masonry standards
- Intention of the developer is to bring in unique retail and restaurants in alignment with Council feedback



Amendments to TIRZ

- Extend term of TIRZ by 10 years, ending in 2043
- Reduce increment percentage
 - Immediately reduce increment percentage to 75%
 - Reduce increment percentage to 50% in 2033
- Add economic development as an eligible expense, which allows a developer to be reimbursed for private infrastructure that serves to meet the overall goals of the zone
 - Example would be plaza space required to be privately maintained in a PUD, but which serves the goals of the zone and provides a public benefit

Proposed TIRZ Reimbursements

- Developer infrastructure costs to support the project are estimated between \$9-10 million
 - Amenitized access drive, Williams Drive enhancements, Rivery enhancements, utilities, amenitized detention and plaza space
- Goal is to meet/exceed PUD standards and complete the retail portion of the project on an expedited timeline
- Proposed agreement would reimburse developer for eligible infrastructure costs up to \$5 million, triggered upon construction of 30,000 sq. ft. of retail and the plaza
- Agreement includes masonry requirements for the buildings
- Quarterly mtgs with ED staff to review business recruitment

Williams Drive Gateway TIRZ – Commons at Rivery Infrastructure Reimbursement Agreement