

## DEVELOPMENT AGREEMENT

This Development Agreement (the “Agreement”) is entered into by and between the City of Corpus Christi, Texas, a Texas home-rule municipality (hereinafter, “City”); and The London Proper, LLC, a Texas limited liability company its successors, affiliates and assigns, and MPM Development, LP, its successors, affiliates and assigns, a Texas limited partnership (collectively, the “Developers”). Together the City, and Developers may be collectively referred to as the “Parties,” and individually as a “Party.”

### WITNESSETH:

**WHEREAS**, certain terms used in these Recitals are defined in Section 2 of this Agreement; and

**WHEREAS**, the City recognizes the importance of its continued role in economic development within the region and desires to encourage development to benefit its inhabitants and the surrounding area by promoting job growth, increasing housing availability and enhancing the standard of living; and

**WHEREAS**, the Developers own approximately **521.959** acres of real property located in Nueces County, Texas, with said property being more particularly described by metes and bounds contained in **Exhibit A** and depicted in the Concept Plan in **Exhibit B**, each attached hereto and made a part hereof (the "Property"); and

**WHEREAS**, the Property is located in the City’s extraterritorial jurisdiction as defined by Chapter 42, TEX. LOC. GOV’T CODE (the “ETJ”), and as a contingency to this development agreement, the Property is to be annexed into the City, resulting in all Property being located wholly within the municipal limits of the City and not within the corporate limits or ETJ of any other municipality; and

**WHEREAS**, the Developers intend to develop the Property as a mixed-use development, with residential, entertainment, commercial, retail, and multifamily elements in accordance with the Concept Plan set forth in **Exhibit B**, which development is expected to occur over a number of years in phases; and

**WHEREAS**, to accomplish the high-quality development of the Property envisioned by the Parties and to provide financing for costs that are eligible for reimbursement under Chapter 311 of the Texas Tax Code, as amended (the “TIRZ Act”), the City Council passed and approved Ordinance No. 033830, which created Reinvestment Zone Number Seven, City of Corpus Christi (the "TIRZ" or “Zone”), in accordance with the TIRZ Act; over the Property; and

**WHEREAS**, the TIRZ is divided into separate subzones, with the Property being located in and coterminous with the boundaries of Subzone B (“Subzone B”) of the TIRZ; and

**WHEREAS**, Developers intend to begin development of the Property upon the execution of this Agreement and the approval of preliminary plat(s) consistent with the Concept Plan, if not already approved; and

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**WHEREAS**, the Developers intend and request for voluntary annexation of the Property to occur in conjunction with and subject to the City entering into this Agreement; and

**WHEREAS**, the Developers intend for this Agreement to serve as a conditional petition for annexation of the Property into the corporate limits of the City; and

**WHEREAS**, the City has adopted a Project and Financing Plan under the TIRZ Act including Subzone B which allows for such tax increment revenues generated from Subzone B to reimburse Developers for eligible Project Costs; and

**WHEREAS**, in accordance with the TIRZ Act, the City's Administrative Costs associated with the TIRZ, being up to an annual amount not to exceed one-hundred thousand and no/100 (\$100,000.00) dollars, will be paid partially from the Subzone B Fund; and

**WHEREAS**, for any given tax year during the term of the TIRZ, the City has pledged to contribute fifty (50%) percent of its Tax Increment collected from real property located within Subzone B by earmarking and depositing such monies into a separate Subzone B Fund established by the City in connection with the TIRZ in the manner and for such use(s) as more fully set forth herein (the "City's Subzone B Payment"); and

**WHEREAS**, to the extent permitted under the TIRZ Act, it is the intent of the Parties that funds derived from the City's Subzone B Payments and deposited into the Subzone B Fund by the City and County shall be used to reimburse Developers for eligible Project Costs expended in developing the Property in accordance with the Concept Plan, except as otherwise expressly provided herein; and

**WHEREAS**, pursuant to and in accordance with TEX. TAX CODE § 311.010(b), the City may enter into agreements that they each may consider necessary or convenient for implementation of the project plan and to achieve the purposes of the TIRZ, including an agreement to dedicate, pledge, or otherwise provide for the use of the revenue in the Subzone B Fund to pay project costs to the extent permitted under Chapter 311 and agreed to by the City in this development agreement; and

**WHEREAS**, the County has entered into an interlocal agreement with the City to dedicate and contribute forty-five (45%) percent of its Tax Increment collected from real property located within Subzone B by earmarking and depositing such monies into the Subzone B Fund for such use(s) as more fully set forth herein to be used in a manner consistent with the interlocal agreement and the Final TIRZ Project Plan and Finance Plan; and

**WHEREAS**, the Parties intend that this Agreement constitutes a development agreement under TEX. LOC. GOV'T CODE § 212.172; and

**NOW, THEREFORE**, in consideration of the foregoing premises, the mutual covenants contained herein, and for such other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

## **I. RECITALS**

The above facts, understandings, and agreements of the Parties contained in the Recitals to this Agreement are hereby fully incorporated herein by reference for all intents and purposes and made an enforceable part of this Agreement between the Parties.

## II. DEFINITIONS

Unless the context requires otherwise, the following terms, as used in this Agreement, shall have the meanings hereinafter set forth:

2.1 **Administrative Costs** shall mean those annual administrative costs of the TIRZ as set forth in the Final TIRZ Project Plan and Financing Plan.

2.2 **Agreement** means this Development Agreement.

2.3 **Annexation Petition** means the conditional petition for voluntary annexation of the Property into the corporate limits of the City in accordance with the terms of the Annexation Petition contained as part of this Agreement and in compliance with Subchapter C-3, Chapter 43, Texas Local Government Code.

2.4 **Authorized Improvements** shall mean those public improvements identified in the Project Plan and Financing Plan, the costs of which are recognized under Chapter 311 as eligible, allowable Project Costs, and identified specifically in **Exhibit D**.

2.5 **Available Tax Increment** shall mean in any given year the amount of ad valorem property taxes levied and collected on the Captured Appraised Value of real property located in Subzone B for deposit in the Subzone B Fund under this Agreement (50% for City and 45% for the County). Unless otherwise specified in a separate written agreement with a Participating Taxing Entity, including the City, the Available Tax Increment for a given year is inclusive of any rollback taxes collected from real property within Subzone B by the Participating Taxing Entity for the term of the TIRZ.

2.6 **Captured Appraised Value** means the captured appraised value of real property within the Zone as of January 1st of any year less the Tax Increment Base of Zone, as defined by TEX. TAX CODE § 311.012(b).

2.7 **City** means the City of Corpus Christi, Texas a home rule municipality located in Nueces County, Texas.

2.8 **City Council** means the City Council of the City of Corpus Christi, Texas.

2.9 **City Manager** means the City Manager of the City of Corpus Christi, Texas, or a person designated to act on behalf of that individual.

2.10 **City Regulations** means (i) Code of Ordinances, City of Corpus Christi, Texas, the City's Unified Development Code ("UDC"), the City's subdivision regulations, and the City's engineering design standards in effect as of the Effective Date, and (ii) all International Code Council-sanctioned and National codes, as amended and as adopted by the City, including but not limited to the International Building, Construction, Electrical, Energy Conservation, Fire, Fuel

Gas, Mechanical, Plumbing, Residential and similar standard codes, and other policies and regulations duly adopted by the City Council and in effect as of submittal of the preliminary plat for a phase of the Development.

2.11 **Concept Plan** means the Concept Plan agreed to by the Parties as depicted in **Exhibit B** attached hereto.

2.12 **County** means Nueces County, Texas.

2.13 **Developers** means The London Proper, LLC, a Texas limited liability company and its successors, affiliates, and assigns, and MPM Development, LP, a Texas limited partnership and its successors, affiliates, and assigns, collectively responsible for developing all or any portion of the Property in accordance with this Agreement.

2.14 **Development** means the development on the Property that is the subject of this Agreement.

2.15 **Development Standards** means those development standards applicable to the Property as set forth in the City Regulations for property located in the ETJ.

2.16 **Effective Date** means the date on which the last of the Parties has executed this Agreement, subject to the provisions of Section 13.1.

2.17 **Extraterritorial Jurisdiction or ETJ** means the extraterritorial jurisdiction of the City, as that term is defined in Chapter 42, Texas Local Government Code.

2.18 **Final TIRZ Project and Finance Plan** means the final project and finance plan for the TIRZ, as amended from time to time, consistent with the TIRZ Act and this Agreement, with such Final TIRZ Project and Finance Plan being further broken into Subzones of which the boundary of the Property is coterminous with Subzone B.

2.19 **Force Majeure** means, and shall include without limitation, acts of God, strikes, lockouts, or other industrial disturbances, acts of a public enemy, acts or orders of any kind of the Government of the United States or the State of Texas, or any civil or military authority, insurrection, riots, epidemics, pandemics, quarantine, viral outbreaks, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply, or other acts, events, causes, or circumstances not within the reasonable control of the Party claiming such inability and that could not have been avoided by such Party with the exercise of good faith, due diligence, and reasonable care.

2.20 **Future Land Uses** means those uses identified in the Concept Plan attached hereto as **Exhibit B**.

2.21 **HOA** means any homeowners association created for the Development and/or maintenance of the Property.

2.22 **Impact Fees** means those fees as defined in Chapter 395 of the Texas Local Government Code, as adopted by the City.

2.23 **Landowner** means the Developers and any additional owners of the Property.

2.24 **Notice** means any notice required or contemplated by this Agreement (or otherwise given in connection with this Agreement).

2.25 **Participating Taxing Entity** means a taxing unit participating in the TIRZ, which under this Agreement, specifically includes the City.

2.26 **Parties** means, collectively, the Developers and the City; Party, individually, means either the Developers or the City.

2.27 **Project** means the Development of the Property as generally depicted in the Concept Plan.

2.28 **Project Costs** include the eligible, allowed costs to be reimbursed to developer, as described in **Exhibit D** and incorporated by reference.

2.29 **Project Plan and Finance Plan** or **Project Plan and Financing Plan** or **Project and Financing Plan** or **Final Project Plan and Finance Plan** means the project plan and financing plan for the TIRZ adopted by the City, as may be amended from time to time, a copy of which is attached hereto as **Exhibit C**.

2.30 **Property** means the real property described by metes and bounds on **Exhibit A** and depicted on **Exhibit B** and containing approximately 521.959 acres located in Nueces County, Texas.

2.31 **Real Property Records of Nueces County** means the official land recordings of the Nueces County Clerk's Office.

2.32 **Subzone B** means Subzone B of the TIRZ, which is coterminous with the boundaries of the Property.

2.33 **Subzone B Fund** means the fund(s) or subaccount set up by the City to receive the TIRZ monies directly attributable to the Subzone B in accordance with the TIRZ Documents and applicable state law.

2.34 **Tax Increment** means, in the case of the City, the total amount of ad valorem taxes levied and collected by that Participating Taxing Entity on the Captured Appraised Value of taxable real property in Subzone B for the life of the TIRZ; and in the case of the County, for a period of twenty (20) years.

2.35 **Tax Increment Base** means the total appraised value for a Participating Taxing Entity of all Property located within Subzone B of the Zone as of January 1, 2026, the year in which the Zone was designated as a reinvestment zone.

2.36 **Tax Increment Payment** means the required annual or semi-annual deposit of Available Tax Increment by a Participating Taxing Entity into the Subzone B Fund.

2.37 **TIRZ or Zone** means Reinvestment Zone Number Seven, City of Corpus Christi, created by the City pursuant to the TIRZ Act to implement tax increment financing.

2.38 **TIRZ Act** means the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended.

2.39 **TIRZ Board** means the Board of Directors for the TIRZ responsible for making recommendations to the City concerning administration of the TIRZ.

2.40 **TIRZ Documents** means (a) the TIRZ Project and Finance Plan; (b) the TIRZ Ordinance; and (c) this Agreement.

2.41 **TIRZ Fund(s)** means the fund(s) set up by the City to receive the TIRZ monies in accordance with the TIRZ Documents and applicable state law.

2.42 **TIRZ Ordinance** means Ordinance No. 033830, approved and adopted by the City Council establishing the TIRZ pursuant to the TIRZ Act, and any subsequent ordinance(s) effectuating amendments thereto, over all or any portion of the Property.

### III. THE PROJECT

3.1 **The Project.** The Project shall consist of those improvements and services respectively described in the Concept Plan and the Project Plan and Financing Plan, to the extent applicable, with such improvements and services to be provided for the benefit of the Zone.

3.2 **Authorized Improvements.** The Project Costs associated with the Authorized Improvements described in the Project Plan and Financing Plan and attached at **Exhibit C**, as may be amended, incurred and/or advanced by Developers shall be reimbursed from Available Tax Increment funds deposited in the Subzone B Fund by Participating Taxing Entities, pursuant to the terms of this Agreement.

3.3 **Contracting for Construction of Authorized Improvements.** With the exception of Administration Costs described under this Agreement, all other Subzone B Project Costs, identified in the Project Plan and Financing Plan and attached as **Exhibit C**, are to be developed and/or contracted for by Developers, with such Project Costs attached in **Exhibit D** being eligible for reimbursement to Developers with Subzone B Funds, subject to City Council approval under the terms of this Agreement.

3.4 **Financing.** The Project Costs associated with the Authorized Improvements for which Developers are responsible shall be financed through the use of Developers' own capital or through: (1) commercial or private construction loans/lines of credit secured solely by Developers; (2) entities, individuals, or political subdivisions (including the City) who may secure an assignment or partial assignment of reimbursement from Developers; (3) through available funds received from Subzone B of the TIRZ; and (4) Assessments levied in connection with a public improvement district(s) created on parts or all of the Property within Subzone B. Notwithstanding

anything contained herein to the contrary, nothing in this Agreement shall be construed to prevent or preclude the City from issuing bonds on behalf of the TIRZ or a potential public improvement district(s), provided such issuance(s) is/are in compliance with all applicable State law. Developers may use any or part of the Property owned or controlled by Developers as collateral for a construction loan or loans as required for the financing of the Project. Further, Developers, without the consent of the City, may use the rights of reimbursement provided for in this Agreement as collateral for any loan or obligation Developers may require to fund the Project Costs, including the assignment or monetization of such rights of reimbursement hereunder.

3.5 **Reimbursement.** The City pledges to use any and all Available Subzone B Funds to reimburse Developers for eligible Project Costs actually expended, incurred, and/or advanced in accordance with the terms of this Agreement and as described in the Project Plan and Financing Plan and in **Exhibit C** attached. In the event that actual Project Costs attributable to any approved category exceed the estimated amounts set forth herein, the Developers may apply amounts allocated to other approved Project Cost categories to such excess costs.

#### IV. ANNEXATION; LAND USE RIGHTS

4.1 **Annexation.** This Agreement, as of the Effective Date, shall constitute an amended petition for voluntary annexation of the Property into the corporate limits of the City in compliance with Subchapter C-3, Chapter 43, Texas Local Government Code (the “Annexation Petition”). The City shall, in accordance with applicable statutory requirements, take all steps required of the City to complete the annexation of the Property after (i) adoption of a TIRZ Project and Finance Plan consistent with this Agreement, and (ii) the City issuing a “will serve letter” for water and sewer reasonably satisfactory to Developer. The Developer agrees to execute and supply any additional instruments and/or other documentation necessary for the City to legally annex the Property into the City’s corporate limits.

4.2 **Provision of Municipal Services Upon Annexation.** Pursuant to TEX. LOC. GOV’T CODE § 43.0672, this Agreement shall constitute an agreement for the provision of municipal services to the Property upon the effective date of annexation by the City. In accordance with TEX. LOC. GOV’T CODE § 43.0672(b), upon the effective date of annexation of the Property the City shall provide or cause to be provided the following municipal services in the manner currently offered to similarly situated properties within the City, including those which may be offered in the future, without discrimination:

- (a) Police Protection;
- (b) Fire Protection;
- (c) Emergency Medical Services;
- (d) Solid waste collection;
- (e) Operation and maintenance of water and wastewater facilities in the annexed area that are not within the service area of another water or wastewater utility;
- (f) Operation and maintenance of roads and streets, including road and street lighting;
- (g) Operation and maintenance of parks, playgrounds, and swimming pools; and
- (h) Operation and maintenance of any other publicly owned facility, building, or service.

Notwithstanding the foregoing, to the extent any of the above services are owned, operated, or maintained by a homeowners association within the Property, the City shall not be required to provide such services. No schedule is required to be provided, as the above services will be provided by the City on the date of annexation. The City may contract out for the above services, including with a homeowners association, special district, or other entity permitted to provide such services.

4.3 Vested Rights. The Parties agree that pursuant to TEX. LOC. GOV'T CODE § 212.172(g), this Agreement, with the exception of those provisions which govern the PID and the TIRZ, constitutes a permit under Chapter 245 of the Texas Local Government Code, for establishing vested rights on the Property. Accordingly, under TEX. LOC. GOV'T CODE § 245.002, the City shall review any permit application based solely on regulations in effect as of the date of the first preliminary plat approval for the development of the Property under this Agreement. Developer has obtained preliminary plat approvals, and those approvals, together with this Agreement and all permits required for the Project including subdivision plats, site plans, and other development permits shall be treated as a single "series of permits" related to this development under TEX. LOC. GOV'T CODE § 245.002(b). The Parties acknowledge this Agreement is made in compliance with and pursuant to TEX. LOC. GOV'T CODE § 395.017. If the City applies a less restrictive regulation to identically situated property than one for which Developer has vested rights, Developer may elect to follow the less restrictive regulation when seeking any permit or approval. Such election does not waive Developer's vested rights for the remainder of the Project. Pursuant to TEX. LOC. GOV'T CODE § 43.002, the Parties acknowledge that the Future Land Uses shown in **Exhibit B**, including lot sizes and dimensions, were planned and/or existed on the Property for the Project before the ninetieth (90th) day before the proposed effective date of any proposed annexation of the Property under this Agreement. Accordingly, the Parties acknowledge that the requirements of TEX. LOC. GOV'T CODE 43.002(a)–(b) have been satisfied through the execution of this Agreement. Notwithstanding any provision contained herein to the contrary, the Parties expressly acknowledge that (i) pursuant to TEX. LOC. GOV'T CODE 43.002, Developer has the right to continue or carry out those Future Land Uses for the Project as shown or otherwise described in **Exhibit B** after annexation of the Property, or any portion thereof; and (ii) pursuant to TEX. LOC. GOV'T CODE § 212.172, in the event temporary or permanent zoning is implemented on the Property as a result of annexation and such zoning is inconsistent with the Future Land Uses, then the Future Land Uses will be considered valid non-conforming use(s) of the Property without the need to obtain any form of non-conforming use permits or certificates.

## **V. TERM**

5.1 The TIRZ is set to exist for a minimum of twenty-five (25) years and the term of this Agreement shall commence on the Effective Date and expire, if not extended or otherwise terminated as provided for herein, upon the earlier of the following: (i) two calendar years after the date the Zone expires; (ii) termination of this Agreement under Article 13 hereof; (iii) the maximum amount to be reimbursed to the Developers per Section 7 of this Agreement.

## **VI. DUTIES AND OBLIGATIONS OF CITY AND TIRZ**

6.1 The City shall not be obligated to sell or issue bonds to pay or reimburse Developers or any third-party for Project Costs associated with any of the improvements to be constructed or

developed by Developers under the Project Plan and Financing Plan. Notwithstanding the foregoing, nothing in this section shall be construed to prevent the City from selling or issuing any bonds or other forms of obligations to pay or reimburse Developers or any third-party for Project Costs of any Authorized Improvements to be constructed or developed by Developers under the Project Plan and Financing Plan.

6.2 The City hereby agrees and pledges all Available Tax Increment as reimbursement to the Developers for eligible Project Costs as described in **Exhibit D** and the Project Plan and Financing Plan, less Administrative Costs applicable to Subzone B, up to the maximum total amount specified in this Agreement, including those collected up to one (1) calendar year after the expiration of the Agreement, but that were due during the life of the Zone.

6.3 City shall participate in the Zone by depositing fifty (50%) percent of its Available Tax Increment for a given year into the Subzone B Fund in the amounts collected from within Subzone B for the funding and/or reimbursement of Project Costs, in accordance with the procedure described and the priority of payments described in Articles VII and VIII hereof, respectively. City shall deposit such Available Tax Increment funds into the Subzone B Fund at the times and in the manner provided herein.

6.4 City hereby agrees to prepare or cause to be prepared an annual report on the status of the Zone that contains the information described in TEX. TAX CODE § 311.016(a). The TIRZ Board and/or City shall prepare the annual report described by TEX. TAX CODE § 311.016 and submit the same to (i) each chief executive officer of each taxing unit that levies property taxes on real property within the Zone; and (ii) the appropriate department of the Texas Comptroller of Public Accounts, on or before, but not later than, the 150th day following the end of the City's Fiscal Year.

## **VII. USE OF TIF FUNDS; REIMBURSEMENT PROCESS**

7.1 City's obligation to contribute its Available Tax Increment and deposit the same into the Subzone B Fund shall accrue as the City collects its Tax Increment. City agrees to deposit its Tax Increment Payment to the Subzone B Fund on at least an annual basis.

7.2 City pledges to and is hereby obligated under this Agreement to use all of the Available Tax Increment collected on Property located within Subzone B and deposited in the Subzone B Fund to reimburse Developers for the Project Costs incurred or advanced by them in implementing the Authorized Improvements in accordance with the Project Plan and Financing Plan and **Exhibit D**, subject to the limitations of and procedures set forth in this Agreement.

7.3 **Administrative Costs.** The City will pay or incur on an annual basis certain administrative costs for the administration of the entire TIRZ No. 7, with such administrative costs for the entire TIRZ being up to an annual amount not to exceed One-Hundred Thousand and 00/100 (\$100,000.00) Dollars and being up to an aggregate maximum amount of Two Million Five Hundred Thousand and 00/100 (\$2,500,000.00) Dollars over the life of the TIRZ ("**City's TIRZ Administrative Costs**"). The County will likewise pay or incur on an annual basis certain administrative costs associated with the County's participation in the entire TIRZ, with such administrative costs for the entire TIRZ being up to an annual amount not to exceed Fifty Thousand

and 00/100 (\$50,000.00) Dollars and being up to an aggregate maximum amount of One Million and 00/100 (\$1,000,000.00) Dollars over the life of the TIRZ during which the County is participating ("**County's TIRZ Administrative Costs**"). Both the City's TIRZ Administrative Costs and the County's TIRZ Administrative Costs are collectively referred to hereinafter as the "**TIRZ Administrative Costs.**" Notwithstanding any provision contained herein to the contrary, the Parties expressly acknowledge and agree that each subzone within the TIRZ, including Subzone B, shall be responsible for its proportionate share of the TIRZ Administrative Costs, with such proportionate share being calculated based on the ratio of the incremental taxable value of real property within such subzone to the total incremental value of all property within the TIRZ as determined for the applicable tax year (the "Subzone B Administrative Costs", with respect to Subzone B) The Parties agree the Subzone B Administrative Costs will be paid from the Subzone B Fund, as monies become available in the Subzone B Fund and subject to the order of priority of payment set forth in TIRZ Project and Finance Plan. Notwithstanding anything contained herein to the contrary, such annual Subzone B Administrative Costs shall only be paid from Available Subzone B Tax Increment Funds and only as such funds may become and are available in the Subzone B Fund for any given year. In the event there are not sufficient Available Subzone B Tax Increment Funds in the Subzone B Fund to cover a payment for annual Subzone B Administrative Costs, then those funds available for such purpose shall first be paid, together with any remaining outstanding amount rolling over to and becoming due in the next fiscal year until such time that the Subzone B Administrative Costs to be paid for that given year plus any outstanding and unpaid Subzone B Administrative Costs not paid in the previous year(s) have been paid in full.

7.4 The City will pay or incur on an annual basis Administrative Costs for the administration of the TIRZ as described in the Project Plan and Financing Plan, with the City being entitled to receive 1/25th of its total amount of Administrative Costs or One Hundred Thousand and NO/100 Dollars (\$100,000.00) per year for twenty-five (25) years for a combined total not to exceed Two Million Five Hundred Thousand and NO/100 Dollars (\$2,500,000.00). Notwithstanding anything contained herein to the contrary, such annual Administrative Costs owed to City hereunder shall only be paid from the Subzone B Fund to the extent and in the pro rata amount established by the Subzone B acreage as to the Zone acreage as a whole, and only as such funds may become and are actually available in the Subzone B Fund for any given year. In the event, there are not sufficient funds in the Subzone B Fund to cover a payment to the City for its annual Administrative Costs, then those funds available for such purpose shall first be paid to the City, together with any remaining outstanding amount rolling over to and becoming due in the next Fiscal Year until such time that the Administrative Costs to be paid to the City for that given year plus any outstanding and unpaid Administrative Costs not paid to the City in the previous year(s) has been paid in full.

7.5 **Reimbursement Procedure.** Subject to Completion of an Authorized Improvement and sufficient evidence of a certain Project Cost(s) having been incurred or advanced by Developers, the Parties acknowledge and agree that the City shall use any and all Available Tax Increment funds deposited in the Subzone B Fund to reimburse Developers for the Project Costs and expenses incurred or advanced by Developers, provided such Project Costs and expenses were incurred or advanced in accordance with the Project Plan and Financing Plan and pursuant to this Agreement, **Exhibit D**. To receive reimbursement from the Tax Increment Fund, the following procedure is agreed to and shall be adhered to by the Parties in processing a Reimbursement Request submitted by Developers:

(a) First, Developer(s) shall submit a reimbursement request to the City for reimbursement of Project Costs and expenses incurred by Developer(s) pursuant to this Agreement and identified in a category of Project Costs in the Project Plan and Financing Plan. The reimbursement request submitted must have all necessary supporting documentation to justify the reimbursement, including but not limited to public bidding documents and notices, contracts, invoices and proof of payment.

(b) The City Manager and/or City Finance Director or their respective designee shall promptly review the reimbursement request and, if they determine in their reasonable discretion that it complies with this Agreement and the Project Plan and Financing Plan, shall promptly cause payment to be made to Developer(s) from the Subzone B Fund, in the amount requested, together with any applicable interest as provided in Section 8.3, as reimbursement for eligible Project Costs incurred or advanced in accordance with this Agreement and the Project Plan and Financing Plan, subject to the priority of payment set forth below.

(c) Once fully approved by the City in accordance with 7.4.(b) above, the City shall cause payment to be issued and made to the requesting Developer(s), within, but no later than, **forty-five (45) days** from the date the City approved the reimbursement request, in and up to the amount of Available Tax Increment funds then in the Subzone B Fund. If Available Tax Increment funds do not exist in the Subzone B Fund in an amount sufficient to make such payments in full when the payments are due to Developer(s) under this Agreement, partial payment shall be made with the remainder to be paid as Available Tax Increment funds become available. Payment by City from the Subzone B Fund may be remitted in the form of a check or wire transfer or other reasonable method determined by the Parties.

**7.6 Subzone B Fund.** The City shall maintain the Subzone B Fund as a segregated account or subaccount which shall not be comingled with any other funds of the City. The Subzone B Fund shall be invested in accordance with the City's investment policy and strategy the same reasonable and prudent manner as other funds of the City, and all interest earned shall be part of the Subzone B Fund. The City shall only make disbursements from the Subzone B Fund for the purposes and in the priority set forth herein.

**7.7 Source of Funds for Reimbursement.** The Parties expressly acknowledge and agree that the sole source of funds to reimburse Developers their Project Costs incurred or advanced shall be the Available Tax Increment funds levied and collected on taxable real property located in Subzone B of the TIRZ and contributed by the Participating Taxing Entities to the Subzone B Fund plus any interest funds accrued in the Subzone B Fund.

**7.8 Use of Available Subzone B Funds.** The Available Tax Increment funds deposited in the Subzone B Fund may be used to reimburse the Project Costs identified in the Project Plan and Financing Plan for Subzone B and **Exhibit D** attached to this Agreement.

(a) ***Reimbursement to Developers.*** Developers shall receive, in accordance with the Project Plan and Financing Plan, an amount NOT TO EXCEED **One Hundred Eighteen Million and NO/100 Dollars (\$118,000,000.00)** in the aggregate as reimbursements for Project Costs incurred and/or advanced by Developers, inclusive of interest and financing costs thereon, for

Authorized Improvements as specified under the Project and Financing Plan and provided for under this Agreement, **Exhibit D**.

## VIII. DISBURSEMENT OF FUNDS

8.1 Disbursements from the Subzone B Fund shall be made by City no less frequently than annually on or before **May 31<sup>st</sup>** of each year, beginning immediately after the City verifies the Project Costs to be reimbursed under a reimbursement request submitted by Developers. Any and all disbursements of Available Tax Increment funds shall be processed in accordance with the reimbursement procedure set forth in Article VII above. Disbursements of Available Tax Increment funds from the Subzone B Fund by City shall be made only in the following order of priority unless otherwise approved by City and Developers:

(a)**FIRST**, payment of the pro-rata portion of Administrative Costs to the City for that year as described in Section 7.3, not to exceed **One Hundred Thousand and NO/100 Dollars (\$100,000.00)** annually, plus any additional Administrative Costs for prior year(s) that (i) has not previously been paid out from the Subzone B Fund; and (ii) that has rolled over from the previous year(s) and remains outstanding to the City.

(b) **SECOND**, to reimburse Developers for Project Costs incurred , plus interest, in accordance with the Project Plan and Financing Plan and **Exhibit D** to this Agreement. Any outstanding amounts from City-approved reimbursement requests submitted to the City in a previous year shall have priority for payment out of the Subzone B Fund over any subsequent City-approved reimbursement requests received, until such outstanding amounts owed, plus interest, have been paid in full as funds become available.

(c)**THIRD**, to reimburse or pay the cost of any project or improvement that was not included in the original Project Plan and Financing Plan, but was later added as a subsequent project or improvement with the approval of Developers, Zone Board, and City, provided such reimbursement is made in accordance with the procedure set forth in Section 7.4 hereof.

8.2 **Disbursement Records.** The City shall maintain complete books and records showing all deposits to and disbursements from the Subzone B Fund, which books and records shall be kept in accordance with generally accepted accounting principles as applied to Texas municipalities. Such books and records shall be available for examination and copying by Developers during normal business hours. The City shall maintain such books and records throughout the term of this Agreement and for a minimum of two (2) years afterward.

8.3 **Penalty and Interest on Delinquent Payments.** If a Participating Taxing Entity does not remit payment of its Available Tax Increment to the Subzone B Fund within ninety (90) days (with such 90 day period commencing on the later of (i) the delinquency date for such Participating Taxing Entity's property taxes; or (ii) the date the City submits an invoice to the Participating Taxing Entity with the information described in TEX. TAX CODE § 311.013(c)(2)), then such amount owed shall be considered delinquent and incur a penalty of five (5%) percent of the amount delinquent for that year and additionally accrue interest at an annual rate of ten (10%) percent until the Participating Taxing Entity has paid the entire delinquent amount, including the

penalty and accrued interest thereon, to the Subzone B Fund pursuant to TEX. TAX CODE § 311.013(c-1).

#### 8.4 Availability of Funds.

(a.) **The City is not obligated to use funds beyond what is actually collected as Available Tax Increment and deposited into the Subzone B Fund by Participating Taxing Entities.** There shall be no recourse against any Participating Taxing Entity, public official, TIRZ, or any member of the TIRZ Board, if all or part of the Developers contributions or costs are not reimbursed due to insufficient tax revenue generated by the TIRZ, save and except in the case of improper conduct or misapplication of the funds by such persons or entities, including failure to deposit Available Tax Increment funds in the Subzone B Fund as required under this Agreement.

(b) Appropriations: The terms of this development agreement are contingent upon sufficient appropriations being made by the City for the performance of this Agreement. If the 50 % ad valorem taxes collected from the Subzone B property have been reimbursed to developer and additional incentive payments are still owed, the City shall not be required to collect from its general fund or any other source of funding, and will not be in default of this agreement.

### IX. DEVELOPERS' DUTIES AND OBLIGATIONS

9.1 Subject to the continued performance of this Agreement by the City, Developers agree to use best efforts to complete, or cause to be completed, those Authorized Improvements for which they are responsible for under the Project Plan and Financing Plan in the manner required under this Agreement, **Exhibit D**.

9.2 Developers agree to provide, or cause to be provided, all materials, labor, and services necessary to complete those Authorized Improvements for which they are responsible for under the Project Plan and Financing Plan.

9.3 Developers agree, when required in connection with an Authorized Improvement for which they are responsible for, to comply with, obtain, or cause to be obtained all applicable and required permits and approvals from governmental agencies having jurisdiction over the construction of such Authorized Improvement(s) unless otherwise agreed to herein. Developers shall be responsible for paying, or causing to be paid, the cost of all applicable permit fees and licenses required for construction of the Authorized Improvements for which they are responsible for under the Project Plan and Financing Plan, if any.

9.4 Developers agree to use best efforts to start and complete those Authorized Improvements for which they are responsible in accordance with the Project Plan and Financing Plan. Developers shall work diligently to successfully complete, or have completed, any and all Authorized Improvements for which they are responsible for that are not completed before the expiration of the TIRZ. Developers are only required to construct such Authorized Improvements for which they are responsible to the extent the Subzone B Fund is reasonably anticipated by

Developers to be sufficient for reimbursement of such Project Costs to be incurred or advanced by them.

9.5 Developers agree to supervise the construction of those Authorized Improvements for which they are responsible for under the Project Plan and Financing Plan and **Exhibit D** to this Agreement, and further cause the construction of the same to be performed substantially in accordance with the Project Plan and Financing Plan and this Agreement. Developers also agree to provide periodic reports of such construction to the City upon reasonable request.

9.6 The Parties expressly acknowledge that this Agreement requires the Developers to provide “Goods and Services” as such terms are described in, and have the meaning prescribed in, § 271.151, TEX. LOC. GOV’T CODE, to the City and this Agreement shall be enforceable subject to Texas law, more specifically, Chapter 271, Texas Local Government Code.

9.7 The Parties agree that the Developers shall have the right to make an assignment of their right to receive reimbursements under this Agreement to a third-party or related-third party for the purpose of obtaining financing or for any other lawful purpose under Chapter 311, after obtaining the consent of the City for such assignment(s). Such consent shall not be unreasonably withheld.

## X. PUBLIC IMPROVEMENT DISTRICT

10.1 Creation by the City. The City shall agree to consider, subject to City Council approval, all necessary documents, ordinances, and resolutions, including without limitation those documents required to effectuate the creation of a public improvement district (“PID”) over the Property with boundaries within all or part(s) of Subzone B and issue bonds therefrom if requested.

10.2 PID Bond Issuance. Subject to creation of the PID by the City, the City may issue a series of PID bonds for the purpose of financing or reimbursing improvement costs associated with the PID (“PID Bonds”). By this Agreement, the Parties further contemplate that in the event that a PID is created over the Property having boundaries within all or part(s) Subzone B, whether or not PID Bonds are issued, any Available Tax Increment in the Subzone B Fund may be utilized to buy-down any assessment(s) and annual installments associated with the PID.

## XI. RELIANCE; INDEMNIFICATION

11.1 The City shall be entitled to rely on the information provided by Developers in verifying Project Costs for which Developers seek reimbursement from the Subzone B Fund.

11.2 **DEVELOPERS SHALL, AND HEREBY DO, INDEMNIFY CITY, TIRZ, THE TIRZ BOARD, AND ALL OTHER PARTICIPATING TAXING ENTITIES AND THEIR RESPECTIVE OFFICIALS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS, AND LIABILITIES (COLLECTIVELY “CLAIMS” RAISED BY THIRD-PARTIES ARISING OUT OF ACTIONS RELATED TO THE PERFORMANCE OF THIS AGREEMENT AND THE CONSTRUCTION OF AUTHORIZED IMPROVEMENTS BY DEVELOPERS AND DEVELOPERS’ CONTRACTORS, SUBCONTRACTORS, BUT NOT OTHERWISE. THE DEVELOPERS ALSO AGREE TO AND SHALL RELEASE THE CITY, TIRZ, THE**

**TIRZ BOARD, AND ALL OTHER PARTICIPATING TAXING ENTITIES AND THEIR RESPECTIVE OFFICIALS AND EMPLOYEES FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE INDEMNIFIED PERSONS' CONCURRENT NEGLIGENCE.**

11.3 **Contractors and Subcontractors.** Developers shall require each of their contractors and subcontractors working on this Project to indemnify the City, TIRZ, the TIRZ Board and all other Participating Taxing Entities and their respective officials and employees, utilizing the indemnification language contained in Section 11.2, in its entirety, or to carry insurance to contractually transfer such risk under policies naming the City as an additional insured party.

11.4 **Notice of Claims.** If the indemnified persons or the Developers receive notice of any claim or circumstances that could give rise to an indemnified loss, the receiving Party shall give written notice to the other Party within ten (10) business days. The notice must include the following:

- (a) A description of the indemnification event in reasonable detail;
- (b) The basis on which indemnification may be due; and
- (c) The anticipated amount of the indemnified loss.

This notice does not estop or prevent the indemnified persons from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If indemnified persons do not provide notice as required under this Section 11.4 within the required ten (10) day period, they do not waive any right to indemnification except to the extent that the Developers are prejudiced, suffer loss, or incur expense because of the delay.

11.5 **Continued Participation.** If the Developers elect to defend the claim, the indemnified persons may retain separate counsel at their own expense to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. The Developers may settle the claim without the consent or agreement of the indemnified persons, unless the settlement (i) would result in injunctive relief or other equitable remedies or otherwise require the indemnified persons to comply with restrictions or limitations that adversely affect the indemnified persons; (ii) would require the indemnified persons to pay amounts that the Developers do not fund in full; or (iii) would not result in the indemnified persons' full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

11.6 **No Personal Liability.** The directors, officers, elected or appointed officials, employees, and agents of City, TIRZ, and the TIRZ Board shall be protected from personal responsibility for any liability arising under out of this Agreement, save and except in the case of improper conduct or misapplication of the funds by such persons or entities, including failure to deposit Available Tax Increment Funds in the Subzone B Fund as required under this Agreement.

## **XII. INSURANCE**

12.1 Developers' financial integrity is of interest to City; therefore, subject to Developers' right to maintain reasonable deductibles, Developers shall obtain and maintain in full force during construction of all Authorized Improvements for which they are responsible for as identified in the Project Plan and Financing Plan, including any amendment thereto, insurance coverage.

12.2 **At Developers' Expense.** Required insurance coverage in the amount set forth below shall be acquired and maintained at Developers' shared expense.

12.3 **Policies and Insurance Companies.** The required insurance coverage may be written on an occurrence basis, except for professional liability coverage which shall be on a claims made basis, by companies authorized and admitted to do business in the State of Texas and rated A - or better by A.M. Best Company and/or otherwise acceptable to City, initially in the types and amounts described in the Standard Insurance Requirements for Construction/Services/Professional Services of the City of Corpus Christi, Texas, and in the event the City does not maintain or have widely available its Standard Insurance Requirements, in the following types and amounts:

<u>Type</u>	<u>Amount</u>
(1) Worker's Compensation & Employer's Liability	Statutory \$500,000/\$500,000/\$500,000
(2) Commercial General Liability (Including Broad Form Coverage, Contractual Liability, Bodily and Personal Injury, and Completed Operations	Combined limits of \$500,000 per occurrence and \$5,000,000 in the aggregate or its equivalent in umbrella or excess liability coverage
(3) Business Automobile Liability  (any auto, including employer's non-owned and hired auto coverage)	\$500,000 combined single limit per occurrence

12.4 City shall be entitled, upon request and without expense, to receive copies of the policies and all endorsements thereto as they apply to the limits required by City.

12.5 **Policy Changes.** City may make a reasonable request for deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the Parties hereto or the underwriter of any such policies). Upon such request by City, Developers shall exercise reasonable efforts to accomplish such changes in policy coverage and shall pay the cost thereof. City shall also have the right to require additional or different coverage from time to time and to require increased policy limits from time to time as (i) City deems appropriate in its discretion; and (ii) as such changes are requested due to a requirement under cited applicable Texas law. Upon such request by City, Developers shall accomplish such changes in policy coverage and shall pay the cost thereof in a timely manner consistent with the existing policy.

12.6 **Cancellation.** Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the City thirty (30) days' advance written notice. The Developers shall (and shall contract with each contractor to) given written notice to the City within five (5) business days of the date on which total claims by any Party against such person reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.

### **XIII. DEFAULT; REMEDIES**

13.1 The following events, if not cured within one hundred twenty (120) calendar days after receipt of written notice by a Party hereunder, shall constitute "Default": (1) Developers fail to pay any taxes or special assessments levied against it or any part of the Property owned by it prior to the time said taxes or special assessments are delinquent; or (2) any Party fails to commence performing an obligation or complete performance of an obligation required to be performed by that Party under this Agreement.

13.2 **Developers' Default.** In an event of Default by the Developers, the City may terminate this Agreement only after giving written notice of such Default and providing a sixty (60) day period for the Developers to cure said Default. Default by Developers shall occur if the Developers fail to perform or observe any of the terms and conditions of this Agreement required to be performed or observed by the Developers. Should such a Default occur, the City shall have the right to terminate all or part of its duties under this Agreement as of the sixtieth (61<sup>st</sup>) day following the receipt by the Developers of a notice describing such Default and intended termination, provided: (i) such termination shall be ineffective if within said sixty (60) day period the Developers cure the Default or (ii) such termination may be stayed, at the sole option of the City, pending cure of the Default by Developers. In the event that a Default is by the Developer and not cured, City shall have the right to seek any and all legal and equitable remedies through a court of competent jurisdiction in Nueces County, Texas. In the event there is a bankruptcy by Developers or bankruptcy proceedings pending against Developers, this agreement is automatically terminated.

13.3 **Reimbursement Owed at Time of Termination.** If this Agreement or the Zone is terminated and the Developers have incurred expenditures at the time of termination for Authorized Improvements and/or Project Costs identified in **Exhibit D** of this Agreement that were specifically allowed for in the Project Plan and Financing Plan, and such Authorized Improvements have been completed and/or Project Costs expended as of the time of termination, then Developers shall be reimbursed for such expenditures out of the Subzone B Fund, if such funds are available in the Subzone B Fund, including any monies collected up to one (1) year after termination of the Zone.

13.4 **City Default.** In an event of Default by the City, Developer may terminate this Agreement only after giving written notice of such Default and providing a sixty (60) day period for the City to cure said Default. In the event that a Default is by the City uncured, Developers shall have the right to seek any and all legal and equitable remedies through a court of competent jurisdiction in Nueces County, Texas.

(a) **Remedies Generally.** The remedies of the Parties as set forth above shall be in addition to and cumulative of any other rights and remedies as may be available to them at law or in equity in the event of a Default by any other Party. Nothing in this Agreement shall be deemed to waive, modify, or alter any immunities or defenses available to the City under the laws of the State of Texas, including governmental immunity, sovereign immunity, or official immunity. The Parties expressly agree that the execution of this Agreement and any actions taken pursuant to this Agreement do not constitute or shall not be construed as a waiver of any such immunities or defenses, whether at common law or by statute.

#### XIV. CHANGES AND AMENDMENTS

14.1 Any alterations, additions, or deletions of the terms hereof shall be by amendment in writing executed by City and Developers, and evidenced by passage of a subsequent City resolution or ordinance adopting the same, as to City's approval.

14.2 It is understood and agreed by the Parties hereto that Developers shall enjoy, and have not by this Agreement waived, their rights to complete their portion of the Project under and according to the rules and regulations in effect as of the date of this Agreement, as modified by any waivers and exceptions approved and granted herein, if any.

#### XV. MISCELLANEOUS

15.1 **Access to Project Site(s) and Records.** Developers shall allow City reasonable access to the Project site(s) for inspections during and upon completion of construction of an Authorized Improvement. Further, City shall have reasonable access to documents and records needed to assess Developers' compliance with this Agreement. City reserves the right to conduct examinations, during regular business hours and after providing notice to the Developers, of the books and records related to the Agreement (including such items as contracts, paper, correspondence, copy, books, accounts, invoices, and other information related to the performance of the Developers' services hereunder) no matter where books and records are located. City also reserves the right to perform any and all additional audit tests relating to the Developers' operations, provided that such audit tests are related to those services as may be respectively performed by such entities for City. These examinations shall be conducted at the offices maintained by Developers.

15.2 **Developers' Employees, Contractors, and Agents.** It is expressly understood and agreed that the Developers shall perform all work and services described herein as independent contractors and not as officers, agents, servants, or employees of the City; that except as herein provided, the Developers shall have exclusive control of any the exclusive right to control the details of the services and work performed hereunder, and all persons performing the same; and shall be solely responsible for the acts and omissions of their officers, agents, employees, contractors, and subcontractors; that the doctrine of respondeat superior shall not apply as between the City and the Developers, their officers, agents, employees, contractors, and subcontractors; and that nothing herein shall be construed as creating a partnership or joint enterprise between the City and the Developers. No person performing any of the work and services described hereunder shall be considered an officer, agent, servant, or employee of the City.

**15.3 Integration.** This Agreement (as defined herein) constitutes the entire agreement between the Parties and may not be amended, altered, modified, or changed in any way except in a writing signed by all Parties. Notwithstanding the foregoing, any agreements made with Developers or owners of the Property regarding annexation and municipal services shall remain in full force and effect and to the extent there is a conflict between such agreements and this Agreement, those agreements shall control as they relate to the conditions for annexation and the provision of municipal services. It is understood and agreed by the Parties hereto that changes in local, state, and/or federal laws, rules, and/or regulations applicable to the Developers' obligations hereunder may occur during the term of this Agreement and the Parties agree to amend this Agreement as necessary to reflect such changes in local, state and/or federal laws, rules, and/or regulations.

**15.4 Force Majeure.** The Parties shall not be held responsible or liable for any failure or delay in the performance of obligations hereunder if such failure or delay is caused directly or indirectly from forces beyond its control such as strikes, accidents, acts of war or terrorism, civil or military disturbances, nuclear catastrophes, and/or Acts of God, so long as the event was unforeseeable and the Parties are utilizing reasonable care and due diligence in the performance of their duties under this Agreement and the Parties' practices are consistent with acceptable practices in their respective industries. A Party wishing to invoke this provision must immediately notify the other Parties of the force majeure event and shall remain in regular communication thereafter. Upon the cessation of the force majeure event, the Parties shall resume performance of their respective obligations hereunder as soon as practicable.

**15.5 Severability.** If any provision of this Agreement is construed by a court of competent jurisdiction to be illegal or invalid, such construction shall not affect the legality of the other provisions contained herein. The illegal or invalid provision will be deemed severed and stricken from the Agreement as if it has never been incorporated herein, but all other provisions shall remain in full force and effect.

**15.6 Laws to be Observed.** The Developers at all times shall observe and comply with all local, state, and/or federal laws, ordinances, orders, and/or regulations. The federal, state and local laws, ordinances, and regulations that affect those engaged or employed in the work, or the equipment used in the work, or that in any way affects the conduct of the work, shall be at all times in effect, and no pleas of misunderstanding shall be considered on account of ignorance thereof.

**15.7 Governing Law, Forum, and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflicts of law provisions. The proper forum of any suit arising under this Agreement is the State of Texas. Venue of any suit arising under the Agreement is fixed in any court of competent jurisdiction of Nueces County, Texas, unless a specific venue is otherwise identified in a Texas statute then in effect.

**15.8 Taxes.** Developers shall pay, on or before their respective due dates to the appropriate collecting authority, all federal, state, and/or local taxes and fees that are now or may hereafter be levied upon the Property, provided Developers are the record owner thereof.

**15.9 Captions.** All captions herein are for the convenience only and shall not be construed to have any effect or meaning as to the agreement between the Parties.

15.10 **Bargaining.** The Parties have each had the opportunity to seek independent legal counsel before entering into this Agreement. The language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against either party.

15.11 **Non-Discrimination.** The Parties covenant that (1) no person shall be excluded from participation in, denied the benefit of, or otherwise subjected to discrimination under the terms of this Agreement on the ground of race, color, age, sex, handicap, or national origin; and (2) in carrying out the terms and conditions of this Agreement, no person shall be subjected to discrimination on the grounds of race, color, age, sex, handicap, or national origin.

15.12 **Notices.** Any notice sent under this Agreement (except as otherwise expressly required) must be written and mailed with sufficient postage, sent by certified mail, return receipt requested, or delivered personally to an officer of the receiving party at the following addresses:

**If to DEVELOPERS:**

THE LONDON PROPER, LLC  
Attn: Bobak Mostaghasi  
\_\_\_\_\_  
Corpus Christi, Texas 78\_\_\_\_

**If to TIRZ:**

REINVESTMENT ZONE NUMBER SEVEN,  
CITY OF CORPUS CHRISTI  
Attn: Board Chair, \_\_\_\_\_  
\_\_\_\_\_  
Corpus Christi, Texas 78\_\_\_\_

**If to DEVELOPERS:**

MPM DEVELOPMENT, LP  
Attn: Moses Mostaghasi  
\_\_\_\_\_  
Corpus Christi, Texas 78\_\_\_\_

**If to CITY:**

CITY OF CORPUS CHRISTI, TEXAS  
Attn: Peter Zanoni, City Manager  
P.O. Box 9277  
Corpus Christi, Texas 78469

*With a copy to:*  
EARL & ASSOCIATES, P.C.  
Attn: Jeffrey L. Earl  
10007 Huebner Road, Suite 303  
San Antonio, Texas 78240

*With a copy to:*  
CITY OF CORPUS CHRISTI, TEXAS  
Attn: Rebecca L. Huerta, City Secretary  
P.O. Box 9277  
Corpus Christi, Texas 78469

Each Party may change its address by written notice in accordance with this Article. Any communication delivered by facsimile transmission shall be deemed delivered when such transmission is made if made during normal business hours or at the beginning of the next business day if the transmission is made after normal business hours. Any communication delivered in person shall be deemed received when receipted for by or actually received by an officer of the Party to whom the communication is properly addressed.

15.13 **Successors and Assigns.** This Agreement binds and benefits the Parties and their respective successors and shall not be assignable, in whole or in part, by any party hereto without first obtaining the written consent of the other party. Notwithstanding the

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above, Developers may monetize its reimbursement rights established herein without prior consent from another Party.

15.14 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Execution and delivery of this Agreement by electronic transmission, including by PDF or similar electronic means, shall be legal, valid, and binding for all purposes.

*[Remainder of Page Intentionally Left Blank; Signature Page Following]*

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**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement the day and year last written below.

**“CITY”**

CITY OF CORPUS CHRISTI, TEXAS

By: \_\_\_\_\_

Peter Zanoni, City Manager

ATTEST:

\_\_\_\_\_  
Rebecca L. Huerta  
City Secretary, City of Corpus Christi, Texas

**“DEVELOPER”**

THE LONDON PROPER, LLC., a Texas limited liability company.

By: \_\_\_\_\_

Name: Bobak Mostaghasi

Title: Manager

Date: \_\_\_\_\_

**“DEVELOPER”**

MPM DEVELOPMENT, LP, a Texas limited partnership.

By: \_\_\_\_\_

Name: Bobak Mostaghasi

Title: Manager

Date: \_\_\_\_\_

**EXHIBIT A**  
**METES & BOUNDS OF PROPERTY**  
(See Attached)

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**EXHIBIT B**  
CONCEPT PLAN  
(See Attached)

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**EXHIBIT C**  
**PROJECT AND FINANCING PLAN**

**EXHIBIT D**  
**AUTHORIZED IMPROVEMENTS AND PROJECT COSTS**

The London Proper - Subzone B	
Category	Project Costs
Contingency, Professional Fees, General Conditions, & Soft Cost	\$ 22,050,022.50
Site Work	\$ 4,724,167.50
Public Sewage, Storm, & Water	\$ 37,441,665.00
Public Landscape Improvements	\$ 8,123,692.50
Traffic and Street Improvements	\$ 29,048,355.00
Public Structures & Common Areas	\$ 15,837,097.50
Total	\$ 117,225,000.00
Design Subtotal	\$ 22,050,022.50
Development Cost	\$ 95,174,977.50