

**SECOND AMENDED INTERLOCAL AGREEMENT
DEL MAR COLLEGE DISTRICT – TAX INCREMENT REINVESTMENT ZONE #3**

This Interlocal Agreement ("Agreement") is made between the City of Corpus Christi (the "City"), a municipal corporation and home-rule city of the State of Texas, acting by and through its governing body, the City Council, and Del Mar College District ("Del Mar"), a political subdivision of the State of Texas, acting by and through its governing body, the Board of Regents. This Agreement is made under Chapter 791, Texas Government Code, and Chapter 311, Texas Tax Code, for the participation of the City and Del Mar in Reinvestment Zone Three, City of Corpus Christi, Texas ("Reinvestment Zone").

Whereas, an original interlocal agreement ("Original Agreement") was entered into by and between the City and Del Mar and approved by the City Council by Resolution No. 028421 on November 17, 2009.

Whereas, such agreement was amended on March 20, 2012 and approved by the City Council by Ordinance No. 029403 on March 27, 2012.

Whereas, the purpose of this Second Amended Interlocal Agreement is to extend the period of time during which Del Mar's Tax Increment Participation will be contributed into the Tax Increment Fund.

The parties hereby agree as follows:

Section 1. DEFINITIONS.

(a) As used in this Agreement, the following terms have the meanings set out below.

"Agreement" means this agreement between the City and Del Mar.

"Agreement Term" is defined in Section 4.

"Captured Appraised Value" has the meaning ascribed by Chapter 311, Texas Tax Code.

"City" is defined in the preamble of this agreement.

"City's Tax Increment Participation" means an amount of the City's ad valorem tax levy on the Captured Appraised Value, which the City agrees to contribute to the Reinvestment Zone under Sections 3 and 4 of this Agreement.

"Del Mar" is defined in the preamble of this agreement.

"Del Mar's Tax Increment Participation" means an amount of the ad valorem taxes levied by Del Mar, acting through its Board of Regents, on the Captured Appraised

Value, which Del Mar agrees to contribute to the Reinvestment Zone under Sections 3 and 4 of this Agreement.

"Creation Ordinance" means Ordinance No. 027996, adopted by the City Council of the City on second reading at its December 16, 2008, meeting, as amended by Ordinance No. 029403, adopted by the City Council at its March 27, 2012, meeting.

"Plan" means the project plan and reinvestment zone financing plan for the Reinvestment Zone, which are adopted by the board of directors of the Reinvestment Zone and approved by the City Council of the City.

"Reinvestment Zone" means Reinvestment Zone Three, City of Corpus Christi, Texas, created by the Creation Ordinance, incorporated herein by reference.

"Reinvestment Zone Area" means the area of the City included in the Reinvestment Zone as described in the Creation Ordinance.

"Tax Increment" has the meaning ascribed by Chapter 311, Texas Tax Code.

"Tax Increment Fund" means the tax increment fund created by the City in the City Treasury for the Reinvestment Zone.

- (b) Terms in this agreement not otherwise defined have the meanings ascribed to them by Chapter 311, Texas Tax Code.

Section 2. PURPOSE FOR PARTICIPATING IN THE ZONE. The City and Del Mar desire to participate in the Reinvestment Zone for the purposes of development in the Reinvestment Zone Area under the Plan, for their mutual benefit and the benefit of their citizens.

Section 3. OBLIGATIONS OF THE CITY AND DEL MAR.

- (a) **Tax Increment Participation.** For and in consideration of the agreements of the parties set forth in this Agreement, the City and Del Mar agree to participate in the Reinvestment Zone by each contributing into the Tax Increment Fund one hundred percent (100%) of its Tax Increment each year during the term of this Agreement on the Captured Appraised Value of real property within the Reinvestment Zone. The current tax rates of the City and Del Mar are subject to change and the respective Tax Increment Participation pledged in this Agreement shall change to the extent of any change in their tax rates.
- (b) **Payment Dates.** The City and Del Mar may not be obliged to pay their respective Tax Increment Participation from other City or Del Mar tax revenues or until the City or Del Mar Tax Increment Participation is actually collected. The obligation to pay the City or Del Mar Tax Increment Participation commences as taxes representing the City or Del Mar tax increment are collected for the City or Del Mar and payment shall be due fifteen (15) days after collection.

Section 4. TERM OF AGREEMENT.

- (a) This Agreement becomes effective as of the date of the final signature to this Agreement, and remains in effect through the earlier of (i) December 31, 2028, or (ii) the date on which the Plan has been fully implemented and all Project Costs (as defined in 3110.02, Texas Tax Code, and as may be further limited in the Plan), bonds, notes, or other obligations secured by or payable from, in whole or in part, Tax Increment (referred to in this Agreement as "obligations"), and interest on the obligations payable from Tax Increment collected on the Captured Appraised Value of the real property within the Reinvestment Zone have been paid in full.
- (b) The first payment of Tax Increment by the City under this Agreement is based upon the tax increment base for the property within the Zone being determined as of January 1, 2008, and the payment shall be based upon those taxes as levied in the year 2008. The first payment of Tax Increment by Del Mar under this Agreement is based upon the tax increment base for the property within the Zone being determined as of January 1, 2009, and the payment shall be based upon those taxes as levied in the year 2009. The last payment of Tax Increment by Del Mar under this Agreement is for those taxes levied in the year 2028.
- (c) If the project to be undertaken under the Plan is not undertaken, is discontinued, or is terminated, all monies remaining in the Tax Increment Fund, after satisfaction of lawful claims, must be paid to the participating taxing units in proportion to their respective share of the total amount of tax increments derived from taxable real property in the Zone that were deposited in the Tax Increment Fund during the Fund's existence. In no event shall payment of monies to the participating taxing units exceed ninety (90) days.

Section 5. ANNUAL REPORT. On or before the 90th day following the end of the fiscal year of the City, the governing body of the City shall submit to the chief executive officer of each taxing unit that levies property taxes on real property in a reinvestment zone created by the City, including Del Mar, a report on the status of the zone. The contents of the report must contain all information required under section 311.016 of the Texas Tax Code.

Section 6. MISCELLANEOUS.

- (a) **Implementation.** The City Manager and President of Del Mar are authorized and directed to take all steps necessary or convenient to implement this Agreement.
- (b) **Warranty.** This Agreement has been officially authorized by the governing body of the City and Del Mar, and each signatory to this Agreement guarantees and warrants that the signatory has full authority to execute this Agreement and to legally bind their respective party to this Agreement.

- (c) **Expending Funds.** Any payment made by the City or Del Mar for any of the costs or expenses that either incurs under this Agreement must be made out of current revenues available to the paying party as required by the Interlocal Cooperation Act.
- (d) **Severability.** If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the provision shall be stricken, and all other provisions of this Agreement which can operate independently of such stricken provision shall continue to have full force and effect.
- (e) **Non-Waiver.** Failure of any party to this Agreement to insist on the strict performance of any of the agreements in this Agreement or to exercise any rights or remedies accruing under this Agreement upon default or failure of performance may not be considered a waiver of the right to insist on, and to enforce by any appropriate remedy, strict compliance with any other obligation under this Agreement, or to exercise any right or remedy occurring as a result of any future default or failure of performance.
- (f) **Immunity Not Waived.** Nothing in this Agreement is intended, nor may it be deemed, to waive any governmental, official, or other immunity or defense of any of the Parties or their officers, employees, representatives, and agents as a result of the execution of this Agreement and the performance of the covenants contained in this Agreement.
- (g) **Notices.** Any notice, invoice, order or other correspondence required to be sent under this Agreement shall be sent by first-class U.S. mail addressed to:

Del Mar College

Dr. Mark Escamilla
President
Del Mar College
101 Baldwin
Corpus Christi, Texas 78404

City

Ronald L. Olson
City Manager
City of Corpus Christi
1201 Leopard
P.O. Box 9277
Corpus Christi, Texas 78469-9277

- (h) **Entire Agreement.** This Agreement merges the prior negotiations and

understandings of the parties to this Agreement and embodies the entire agreement of the parties, and there are no other agreements, assurances, conditions, covenants (express or implied), or other terms with respect to the covenants, whether written or verbal, antecedent, or contemporaneous, with the execution of this Agreement.


- (i) **Amendments or Counterparts.** This Agreement may not be amended except by written Agreement approved by the governing bodies of the parties. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original all of which shall constitute but one and the same instrument.
- (j) **Successors.** This Agreement binds and benefits the parties and their legal successors. This Agreement does not create any personal liability on the part of any officer or agent of the City or Reinvestment Zone or any officer, agent, or employee of Del Mar.
- (k) **Modifications.** No officer or employee of any of the parties may waive or otherwise modify the terms in this Agreement, without the express action of the governing body of the Party.
- (l) **Captions.** Captions to provisions of this Agreement are for convenience and shall not be considered in the interpretation of the provisions.
- (m) **Governing Law and Venue.** This Agreement shall be governed by the laws of the State of Texas and by all municipal ordinances and codes of the City of Corpus Christi and Nueces County, Texas. Venue shall be in Nueces County, Texas.

IN WITNESS OF THIS AGREEMENT, the City and Del Mar have made and executed this Agreement in multiple copies, each of which is an original.

CITY OF CORPUS CHRISTI

Ronald L. Olson
City Manager
Date:

ATTEST/SEAL:
Rebecca Huerta
City Secretary
Date:



APPROVED AS TO FORM:
Aimee Alcorn-Reed
Assistant City Attorney
For City Attorney

DEL MAR COLLEGE DISTRICT



Mark Escamilla, Ph.D

President

Date:

THE STATE OF TEXAS

COUNTY OF NUECES

This instrument was acknowledged before me on March 29, 2016, by Mark Escamilla, Ph.D, for Del Mar College, a political subdivision of the State of Texas, on behalf of the college district.



Notary Public
State of Texas

