

THE STATE OF TEXAS § VERANO TIRZ
§
COUNTY OF BEXAR § ALAMO COLLEGES

FIRST AMENDMENT TO INTERLOCAL AGREEMENT

AN INTERLOCAL AGREEMENT (the “Agreement”) was made by and between the **CITY OF SAN ANTONIO, TEXAS** (the “City”), a Texas Municipal Corporation, acting through its City Manager pursuant to Ordinance No. 2010-06-24-0621 passed and approved by the City Council on the 24th day of June, 2010, **ALAMO COMMUNITY COLLEGE DISTRICT** (“Alamo Colleges”), a political subdivision of the State of Texas, acting through its Board of Trustees on the 23rd day of August, 2010, and by the **BOARD OF DIRECTORS FOR TAX INCREMENT REINVESTMENT ZONE NUMBER TWENTY-EIGHT, CITY OF SAN ANTONIO, TEXAS** (the “Board”), on the 9th day of June, 2010 and whom together may be referred to as the “Parties.”

NOW THE FOLLOWING FIRST AMENDMENT TO THE Agreement is made by and between the City, acting through its City Manager pursuant to Ordinance No. 2016-__-__-__ passed and approved by the City Council on _____2016, the Alamo Colleges, acting through its Board of Trustees on the _____2016, and by the Board on _____2016.

RECITALS

WHEREAS, by Ordinance 2007-12-06-1257, dated December 6, 2007, the City created Reinvestment Zone Number Twenty-Eight (the “TIRZ”) in accordance with the Act to promote development and redevelopment within the TIRZ through the use of tax increment financing, in which development and redevelopment would not otherwise occur solely through private investment in the reasonably foreseeable future, and established a Board of Directors for the TIRZ, and authorized the Board to exercise all rights, powers, and duties as provided to such boards under the Act; and

WHEREAS, City, Board, and Alamo Colleges entered into an Interlocal Agreement (the “Agreement”) authorized by City of San Antonio Ordinance No. 2010-06-24-0621, passed and approved on June 24, 2010, and attached hereto as EXHIBIT A; and

WHEREAS, the City and the Board seek to extend the term of the TIRZ; and

WHEREAS, prior to this **FIRST AMENDMENT**, the Agreement was in full effect and, subject to the terms of this **FIRST AMENDMENT**, all parties were in compliance with all terms and conditions of the Agreement; and

WHEREAS, the Parties, now seek to amend the terms and conditions of the Agreement as stated in this First Amendment and affirm that all other provisions of the Agreement remain in full force and effect; and

NOW THEREFORE, in consideration of the mutual promises, covenants, obligations, and benefits contained in the Agreement, the City, the Board, and the Alamo Colleges hereby agree to amend the Agreement as follows except as herein modified or amended, the recitals, provisions, conditions and terms of the Agreement are hereby ratified and confirmed and shall remain in full force and effect as of the date hereof:

AMENDMENT

1. Amendment. The Parties hereby mutually agree to amend the Agreement as follows:

(A) Under **“AGREEMENT”**, the Agreement is amended by deleting the first paragraph and replacing it with the following:

“THIS INTERLOCAL AGREEMENT (“the Agreement”), pursuant to Ordinance No. 2010-06-24-0621 passed and approved by the City Council on the 24th day of June, 2010, and subsequently amended the Agreement pursuant Ordinance No. 2016-__-__-____, passed and approved by the City Council on the ____ day of _____, 2016, is made by and between the **CITY OF SAN ANTONIO, TEXAS** (hereafter referred to as “City”), a Texas Municipal Corporation, acting through its City Manager or her designee, **ALAMO COMMUNITY COLLEGE DISTRICT** (hereafter referred to as “Alamo Colleges”), a political subdivision of the State of Texas, acting through its Board of Trustees on the 23rd day of August, 2010, and for the amendment approved on the ____ day of _____, 2016, and by the **BOARD OF DIRECTORS FOR TAX INCREMENT REINVESTMENT ZONE NUMBER TWENTY-EIGHT, CITY OF SAN ANTONIO, TEXAS** (hereafter referred to as “Board”) on the 5th day of December, 2008 and for the amendment on the ____ day of _____, 2016, a reinvestment zone created by the City pursuant to Chapter 311, Texas Tax Code (hereafter referred to as “the TIF Act”). The City, the Alamo Colleges, and the Board may be referred to singularly as a “Party” or collectively as “Parties.” This Agreement is made pursuant to Chapter 311, Texas Tax Code for the participation of the City and the Alamo Colleges in the Verano TIRZ.”

(B) Under **“RECITALS”** the Agreement is amended by deleting the first, and second WHEREAS lines and substituting the following in its place respectively:

“WHEREAS, by Ordinance Number 2007-12-06-1257, dated December 6, 2007, the City created Reinvestment Zone Number Twenty-Eight (the “TIRZ”) in accordance with the Act, and subsequently extended the boundary of the TIRZ and the term by Ordinance Number 2008-11-20-1016 and by Ordinance Number 2016-__-__-____ respectively, to promote development and redevelopment within the TIRZ through the use of tax increment financing, in which development and redevelopment would not otherwise occur solely through private investment in the reasonably foreseeable future, and established a Board of Directors for the

TIRZ, and authorized the Board to exercise all the rights, powers, and duties as provided to such boards under the Act; and

“**WHEREAS**, the Board and the Alamo Colleges support the City in development activities within the TIRZ, and the Alamo Colleges intends to participate in the TIRZ by contributing fifty percent (50%) of the maintenance and operations portion of its respective Tax Increments for tax years 2008-2036 up to a total of Fifteen Million Dollars (\$15,000,000.00).”

(C) Under Article I, Subsection B., “Parts Incorporated”, the Agreement is amended by deleting subsection 4 and adding the following:

“4. The Development Agreement between the City, the County, the Developer, and the Board, approved and all subsequent amendments and future amendments approved by City Ordinances Nos. 2008-11-20-1016, and 2010-06-24-0621, and Ordinance No. 2016-__-__-____ and effective on the ____ day of _____2016.”

(C-1) Under Article I, Subsection B., “Parts Incorporated”, the Agreement is amended adding a subsection 5 as follows:

“5. City of San Antonio Ordinance No. 2016-__-__-____, dated _____, 2016, which extended the term of the TIRZ, and adopted the amended Project and Financing Plans.”

(D) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting the third, fourth and fifth lines of subsection 1., and Subsection A and B, and substituting the following in its place respectively:

“The initial startup Administrative Cost for the City is Twenty-eight thousand two hundred and seventy-nine and forty-seven cents (\$28,279.47) of which the City has received and Alamo Colleges have agreed to waive its initial startup Administrative Costs as well as its annual Administrative Costs until Fiscal Year 2016.”

“The Parties also agree that the ongoing annual Administrative Costs for the City and the Alamo Colleges starting in Fiscal Year 2016 shall be as follows:

“A. The City: (\$120,000.00) per year

“B. The Alamo Colleges: (\$344.83) per year

“The total Administrative Costs including City startup Administrative Costs to be paid out of the Tax Increment Fund to the City and the Alamo Colleges are estimated to be Three Million Six Hundred and Thirty-Five Thousand Eight Hundred and Sixty-Five Dollars and Seventy-Three Cents (\$3,635, 865.73) in the aggregate for the life of the TIRZ.”

(E) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting subsection 2, and substituting the following in its place:

“The “Board” means the Board of Directors of the TIRZ established to manage, and/or operate the TIRZ pursuant to Sections 311.0091 and 311.010 of the Act, as well as to implement the Project, as described in City of San Antonio Ordinance No. 2007-12-06-1257, dated December 6, 2007, as amended by Ordinance No. 2008-11-20-1016, dated November 20, 2008, and as amended by Ordinance No. 2016-__-__-_____.

(F) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting subsection 5, and substituting the following in its place:

““The Developer’ means Verano Land Group, LP”

(G) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting subsection 6, and substituting the following in its place:

““The Development Agreement’ means the agreement entered into between the City, Bexar County, the Developer and the Board which was approved by the Board on the 19th day of November, 2008, by the City Council on the 20th day of November, 2008, and by the County on the ___th day of December, 2008, the First Amendment to the Development Agreement approved by the Board on _____, by City Council on _____, and the County on _____, the Second Amendment to the Development Agreement approved by the Board on _____, by the City on _____, and the County on _____, and the Amended and Restated Development Agreement approved by the Board on _____, by City Council on _____, and by the County on _____.”

(H) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting subsection 7 in its entirety.

(I) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting subsection 8 in its entirety.

(J) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting subsection 10, and substituting the following in its place:

“‘Financing Plan’ means the Reinvestment Zone Financing Plan for the TIRZ as adopted by the Board on the 19th day of November and by the City Council on the 20th day of November, 2008, and as amended and approved by the Board on _____ and by the City Council on _____, the 2010 amended Financing Plan approved by the Board on _____ and the City Council on _____, the 2016 amended Financing Plan approved by the Board on _____ and the City Council on _____, and all future amendments as approved by the Board and the City.”

(K) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting subsection 12, and substituting the following in its place:

“‘Participating Taxing Entity’ or ‘Participating Taxing Entities’ means, singularly, a taxing unit participating in the TIRZ, and collectively, all taxing units participating in the TIRZ, and shall include the City, Bexar County, Alamo Colleges and the River Authority.”

(L) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting subsection 13, and substituting the following in its place:

“‘Project’ means a mixed-use community to be built on property within the TIRZ owned or controlled by the Developer based on the concept of a walkable, integrated urban village surrounding a major institution of higher learning and designed using Form-Based zoning in part. The Project is projected to include a town center, 2,500 multi-family apartment units, 2,461 single-family residences and 750 condominiums/townhomes within urban settings and master-planned hamlets. In addition, there are projected to be 925,000 square feet of office space, 665,000 square feet of retail, restaurants, and other commercial structures, a 1,225,000 square foot industrial area and 200,000 square feet of Institutional support structures including day care, active living facilities and assisted living centers. The project may include various sports facilities, trails, pocket parks and a linear park, all as described in more detail in the Project Plan. Public Improvements within the Project include streets, streetscapes, streetscape enhancements, drainage/retention, water, sewer, telecom, gas, non-potable water, drainage & detention facilities, streetlights, street signs, dry utilities, electric utilities, linear parks, parks/plazas, public parking garages, drainage, off site drainage, and associated engineering, surveying, geotechnical, architect/landscape, construction management, environmental review, storm water pollution plans, storm water pollution

prevention, park fees, planning/zoning fees, impact fees, sewer/water impact fees, and environmental support, and contingency, all as described in more detail in or contemplated by the Financing Plan and Construction Schedule or all other approved Project Costs as per the TIF Act.”

(M) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting the last sentence of subsection 14, and substituting the following in its place:

“The Project Costs for public improvements made by the Developer are estimated at Four Hundred and Fifty-Six Million Five Hundred and Twenty-Three Thousand Six Hundred and Twenty Two Dollars and Eighty-Three Cents (\$456,523,622.83) for the life of the TIRZ. The total Project Costs for public improvements including those public improvements made by the Developer are estimated at Four Hundred and Sixty-Four Million Eight Hundred and Forty-five Thousand One Hundred and Five Dollars and Thirty-Three Cents (\$464,845,105.33).”

(N) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting subsection 15, and substituting the following in its place:

“‘Project Plan’ means the Reinvestment Zone Project Plan for the TIRZ as adopted by the Board on the 19th day of November and by the City Council on the 20th day of November, 2008, and as amended and approved by the Board on _____ and by the City Council on _____ the 2010 amended Project Plan approved by the Board on _____ and the City Council on _____, the 2016 amended Project Plan approved by the Board on _____ and the City Council on _____, and all and all future amendments as approved by the Board and the City.”

(O) Under Article II, “DEFINITIONS”, the Agreement is amended by deleting subsection 20, and substituting the following in its place:

“‘TIRZ means Reinvestment Zone Number Twenty-Eight (28), City of San Antonio, Texas, created by the City on December 6, 2007, by Ordinance No. 2007-12-06-1257 and extended by the City on _____, 2016, by Ordinance No. 2016-__-__-_____.”

(P) Under Article II, “DEFINITIONS”, the Agreement is amended by adding a new subsection 22, as follows:

“22. ‘Palo Alto College Entrance Signage Project’ means the option of the District to design and construct entrance signage for Palo Alto College. The Palo Alto College Entrance Signage Project Costs reimbursable from the TIRZ shall not exceed \$150,000.00.”

(Q) Under Article II, “DEFINITIONS”, the Agreement is amended by adding a new subsection 23, as follows:

“23. ‘Utility Services Agreement’ means the Agreement between the San Antonio Water System and the Developer as amended which were recognized by the City, the Board, the San Antonio Water System and the Developer in the Consent Agreement and the Amended and Restated Consent Agreement executed pursuant to Ordinance No. 2009-08-20-0662 and Ordinance No. 2016-__-__-____.”

(R) Under Article III, “BACKGROUND”, the Agreement is amended by adding to the end of first paragraph in Subsection A. “City Action” the following:

“On _____2016 the City extended the term of the TIRZ until September 30, 2045 by Ordinance No. 2016- __-__-____.”

(S) Under Article III, “BACKGROUND”, the Agreement is amended by deleting the first paragraph in Subsection C. “TIRZ Value” and replacing it with the following:

“After the 2008 expansion of the boundaries and the 2016 term extension of the TIRZ, the Tax Increment Base for the TIRZ as determined by the Bexar Appraisal District is Twelve Million Eight Hundred and Ninety-One Thousand Six Hundred and Two Dollars (\$12,891,602.00) and the projected Captured Appraised Value net of exemptions of all taxable real property in the TIRZ at the end of the Agreement term is estimated to be Two Billion Seven Hundred and Eighty Million Five Hundred and Ninety-Two Thousand Four Hundred and Thirty-One Dollars and thirteen Cents (\$2,780,592,431.13).”

(T) Under Article III, “TIRZ Phasing and Duration”, the Agreement is amended by deleting the first paragraph in Subsection D. “TIRZ Phasing and Duration” and substituting the following in its place:

“The Project includes the construction of approximately 2,461 single-family detached homes, 2,500 multi-family units, 750 condominiums or town homes, 3,015,000 square feet of commercial development, Construction will be carried out in (13) phases as specified in the Development Agreement. The TIRZ is projected to terminate on September 30, 2045.

(U) Under Article IV, “RIGHTS AND OBLIGATIONS OF ALAMO COLLEGES”, the Agreement is amended by deleting the first sentence in Subsection A. 1. “Tax Increment Participation by Alamo Colleges” and substituting the following in its place:

“Subject to the limitations set out in this Agreement, the Alamo Colleges agrees to participate in the TIRZ by contributing to the Tax Increment Fund fifty percent (50%) of the maintenance and operation portion of the Alamo Colleges’ general fund on the Captured Appraised Value for each tax year, beginning with the 2008 tax year, and ending with the 2036 tax year.”

(V) Under Article IV, “RIGHTS AND OBLIGATIONS OF ALAMO COLLEGES”, the Agreement is amended by deleting the second sentence in Subsection A. 2. “Tax Increment Participation by Alamo Colleges” and substituting the following in its place:

“The Alamo Colleges’ contributions to the Tax Increment Fund shall end when it has contributed the maximum total contribution of Fifteen Million Dollars (\$15,000,000.00), on September 30, 2037, upon termination of the TIRZ, or termination of this Agreement or the Development Agreement by any party, whichever occurs first.”

(W) Under Article IV, “RIGHTS AND OBLIGATIONS OF ALAMO COLLEGES”, the Agreement is amended by adding a third sentence to Subsection A. 2. “Tax Increment Participation by the Alamo Colleges” as follows:

“Notwithstanding anything herein to the contrary, the total Alamo Colleges Tax Increment Payments to the Tax Increment Fund shall not exceed Fifteen Million Dollars (\$15,000,000.00).”

(X) Under Article IV, “RIGHTS AND OBLIGATIONS OF ALAMO COLLEGES”, the Agreement is amended by deleting all of Subsection C. “Road project Reimbursement.”

(Y) Under Article IV, “RIGHTS AND OBLIGATIONS OF ALAMO COLLEGES”, the Agreement is amended by adding a fourth paragraph to Subsection D. “Land Conveyance” as follows:

“4. Alamo Colleges agrees that that the City shall be reimbursed for the value of the Zachary Parcel from Alamo Colleges increment contributed to the Tax Increment Fund in the amount of One Million Eight Hundred Eighty-Five Thousand Dollars (\$1,885,000.00) at a maximum rate of \$1,000,000.00 per a year.”

(Z) Under Article IV, “RIGHTS AND OBLIGATIONS OF ALAMO COLLEGES”, the Agreement is amended by deleting the second sentence of Subsection F 1. and all of Subsection F.2. “Management of the TIRZ” and substituting the following in their places respectively:

“Alamo Colleges is responsible for managing the Palo Alto Signage Project.”

“The Board shall be composed of thirteen (13) members, as provided by Section 311.0091(b) of the Texas Tax Code. Accordingly, Alamo Colleges shall have the right to appoint one member to the Board. The Parties agree that Alamo Colleges will waive its right to appoint a Board member upon the earlier of the following to occur: 1) the year following the termination of Alamo Colleges’ participation in the TIRZ or 2) the year following when Alamo Colleges reaches its maximum total contribution to the Tax Increment Fund. The Parties acknowledge and agree that the City is entitled to appoint eight (8) members but shall waive its right to appoint one member for seven (7) total appointees. Upon Alamo Colleges waiving its right to appoint a Board member in accordance with this Agreement, the City shall be entitled to appoint eight (8) members to the Board.”

(AA) Under Article V. “RIGHTS AND OBLIGATIONS OF CITY AND BOARD”, the Agreement is amended by deleting the first sentence in Subsection A. 1. “Tax Increment Participation by City” and substituting the following in its place:

“Subject to limitations set out in this Agreement, the City agrees to participate in the TIRZ by contributing to the Tax Increment Fund seventy-five percent (75%) of the City’s Tax Increment for each tax year beginning with the 2008 tax year and ending with the 2044 tax year.”

(BB) Under Article V. “RIGHTS AND OBLIGATIONS OF CITY AND BOARD”, the Agreement is amended by deleting the first and second sentences in Subsection A. 1. “Tax Increment Participation by City” and substituting the following in its place respectively:

“The City’s Contributions to the Tax Increment Fund shall end when the City has contributed the maximum total contribution of exceed One Hundred and Eighteen Million Nine Hundred and Ninety-Two Thousand Four Hundred and Seventy Six Dollars (\$118,992,476.00) or on the TIRZ termination date of September 30, 2045, whichever occurs first.”

“Notwithstanding anything herein to the contrary, the total City Tax Increment Payments to the Tax Increment Fund shall not exceed One Hundred and Eighteen Million Nine Hundred and Ninety-Two Thousand Four Hundred and Seventy Six Dollars (\$118,992,476.00) in the aggregate.”

(CC) Under Article V. “RIGHTS AND OBLIGATIONS OF CITY AND BOARD”, the Agreement is amended by deleting all of Subsection D. 3.

“Disbursement of Funds in the Tax Increment Fund”, and substituting the following in its place:

“The Alamo Colleges further agrees that the City and Board may disburse funds in the Tax Increment Fund to pay expenditures in the following order or priority of payment:

- (i) The initial startup Administrative Costs of \$28,279.47 for the City, all reimbursement for which has already been received by the City in Fiscal Years 2009 and 2014;
- (ii) to pay all other ongoing Administrative Costs to the Participating Taxing Entities for administering the Tax Increment Fund and or the TIRZ, except that if there are insufficient funds to reimburse ongoing Administrative Costs to the Participating Taxing Entity, then the ongoing Administrative Costs of each Participating Taxing Entity shall be reimbursed on a pro rata basis based on each Participating Taxing Entity’s level of participation in the TIRZ;
- (iii) to reimburse the City for costs of repair, replacement, or re-construction of public infrastructure and associated costs as described in Section 5.12 of the Development Agreement;
- (iv) to reimburse the City maintenance expenses, if any, pursuant to Article III of the Development Agreement;
- (v) to reimburse a Participating Taxing Entity under any reclaim of funds pursuant to Article X of the Development Agreement;
- (vi) to reimburse ACCD up to \$150,000.00 for public improvements associated with Palo Alto College Signage Project and to the extent that Alamo Colleges’ tax increment funds are available;
- (vii) to reimburse the San Antonio Water System (“SAWS”) for **(i)** for the design and construction of wastewater improvements that have been completed and that were funded by SAWS pursuant to the Prior Utilities Services Agreement (the “SAWS-Funded Wastewater Improvements”) up to \$2,131,618.50; **(ii)** actual costs incurred by SAWS if and to the extent it is necessary for SAWS to repair or reconstruct any wastewater infrastructure designed or constructed by Developer within two (2) years from the date of completion of such infrastructure, as and to the extent set forth in the Utility Services Agreement and contemplated in the Amended and Restated Consent Agreement; and **(iii)** the actual amount of water and wastewater impact fees attributable to certain water and wastewater capacity reserved and allocated to TAMU-SA in the Utility Services Agreement (i.e., 100 EDUs for water service to the tract identified as the

“ITC Tract” in the Prior Utility Services Agreement, and 2,783 EDUs for wastewater service to the tract identified as the “TAMU-SA Tract” in the Prior Utility Services Agreement) until the earlier of (A) August 2034 or (B) such time as the water service EDUs reserved and allocated to TAMU-SA for the ITC Tract under the Utility Services Agreement (i.e., a maximum of 100 EDUs of water service) and the wastewater service EDUs reserved and allocated to TAMU-SA for the TAMU-SA Tract under the Utility Services Agreement (i.e., a maximum of 2,783 EDUs of wastewater service) are committed or utilized, as and to the extent set forth in the Utility Services Agreement and contemplated in the Amended and Restated Consent Agreement

- (viii) to reimburse the City up to One Million Eight Hundred Eighty-Five Thousand Dollars (\$1,885,000.00) for value of the Zachary Parcel conveyed to ACCD at a maximum rate of \$1,000,000.00 per year and to the extent that Alamo Colleges’ tax increment funds are available;
- (ix) to reimburse the Developer for Project Costs of Public Improvements, in accordance with the Development Agreement, this Agreement, the Project Plan, and to the extent that funds in the Tax Increment Fund are available for this purpose.

The foregoing notwithstanding, no funds will be paid from the Tax Increment Fund to a Participating Taxing Entity for its financial or legal services in any dispute arising under this Agreement with another Participating taxing Entity or Participating Taxing Entities.”

(DD) Under Article V. “RIGHTS AND OBLIGATIONS OF CITY AND BOARD”, the Agreement is amended by deleting all of Subsection E.1 and 3. of “Commitments to the District”, and substituting the following in its place respectively:

“The City and the Board shall amend the Project and Financing Plans to include at Alamo Colleges; sole option, the Palo Alto College Entrance Signage Project. Such signage may be comparable in dimension, proportion and quality to that of the main entrance to the new Texas A&M campus within the TIRZ. Alamo Colleges shall be entitled to reimbursement from the TIRZ of a maximum amount of \$150,000.00 for the Palo Alto College Entrance Signage Project, which cost shall be an eligible Project Cost reimbursable to Alamo Colleges, acting as a developer hereunder, from the Tax Increment Fund beginning on the Effective Date of this Amendment assuming Alamo Colleges’ Tax Increment is available for distribution.”

(EE) Under Article V. “RIGHTS AND OBLIGATIONS OF CITY AND BOARD”, the Agreement is amended by adding a Subsection E. 4 under “Commitments to the District”, with the following:

“The Parties acknowledge that the reconstruction of Villaret Boulevard has been completed and is within the boundaries of the TIRZ. The Parties also acknowledge that the City and Alamo Colleges have spent Five Million Three Hundred and Thirty-Three Thousand Three Hundred and One Dollars (\$5,335,301.00) and Nine Hundred and Ninety Thousand One Hundred and Forty-Five Dollars and Fourteen Cents (\$990,145.14) respectively on the reconstruction and public improvements associated with Villaret Boulevard. Both Parties acknowledge and agree that neither shall seek nor be eligible for reimbursement from the TIRZ for the amounts listed in this section nor for any additional expenses incurred or associated with the Villaret Boulevard reconstruction.”

(FF) Under Article VII. “MISCELLANEOUS”, the Agreement is amended by deleting all of Subsection A. 2.(c) of “Understanding”, and substituting the following in its place:

“the City will only process payments to Alamo Colleges based on submitted receipts. The City will not recommend approval of Alamo Colleges’ reimbursement for the Palo Alto College Entrance Signage Project until the phase is complete in its entirety and Alamo Colleges has submitted all the required paperwork relevant to the phase.

(GG) Under Article VII. “MISCELLANEOUS”, the Agreement is amended by deleting all of Subsection C. “Entire Agreement”, and substituting the following in its place:

“The Parties understand and agree that no payments from the Tax Increment Fund may be made under this Amendment until the Project Plan, Financing Plan, Development Agreement, and Interlocal Agreements with the Participating Taxing Entities are amended to reflect the priority of payment set forth in Section V. D.3, supra. This Amendment to the Interlocal Agreement, which shall include the Project Plan, Financing Plan, and the Development Agreement as incorporated hereinabove, merges the prior negotiations and understandings of the Parties hereto and embodies the entire agreement of the Parties. 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 thereof.”

(HH) All references in the Agreement to “District” or “the District” are deleted and replaced with the following:

“Alamo Colleges”

2. Effective Date. This First Amendment shall be effective after the passage of a duly authorized ordinance of the City Council of the City of San Antonio which shall be attached hereto and made a part of this First Amendment and upon the Effective Date listed on the signature page.

3. No Other Changes. Except as specifically set forth in this First Amendment, all of the terms and conditions of the Agreement shall remain the same and are hereby ratified and confirmed. The Agreement shall continue in full force and effect and with this First Amendment shall be read and construed as one instrument.

4. Choice of Law. This First Amendment shall be construed in accordance with and governed by the laws of the State of Texas.

5. Counterparts. This First Amendment may be executed in any number of counterparts, but all such counterparts shall together constitute but one instrument. In making proof of this First Amendment it shall not be necessary to produce or account for more than one counterpart signed by each party hereto by and against which enforcement hereof is sought.

WITNESS HEREOF, the parties hereto have executed in triplicate originals this First Amendment on the _____ day of _____ 2016. (the “Effective Date”)

**CITY OF SAN ANTONIO,
a Texas municipal corporation**

**BOARD OF DIRECTORS OF
TAX INCREMENT
REINVESTMENT ZONE #28,
CITY OF SAN ANTONIO,
TEXAS**

Sheryl L. Sculley
City Manager or designee

Chairman, Board of Directors

Date: _____

Date: _____

ATTEST:

ATTEST:

Leticia Vacek
City Clerk
Date: _____

Name: _____
Title: _____
Date: _____

ALAMO COMMUNITY COLLEGE DISTRICT:

By _____,
Name: Dr. Bruce H. Leslie
Title: Chancellor
Date: _____

ATTEST (if required):

Name:
Title:

APPROVED AS TO FINANCIAL CONTENT BY ALAMO COMMUNITY
COLLEGE DISTRICT:

Diane Snyder
Vice-Chancellor, Finance & Administration

Date: _____

APPROVED AS TO FORM:

Martha G. Sepeda
Acting City Attorney

Date: _____

EXHIBIT A

(INSERT FIRST INTERLOCAL)

EXHIBIT A

THE STATE OF TEXAS

§ VERANO TIRZ

§

COUNTY OF BEXAR

§ ALAMO COMMUNITY COLLEGE DISTRICT

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the “Agreement”) is made by and between the **CITY OF SAN ANTONIO, TEXAS** (hereafter referred to as “City”), a Texas Municipal Corporation, acting through its City Manager pursuant to Ordinance No. 2010-06-24-0621 passed and approved by the City Council on the 24th day of June, 2010, **ALAMO COMMUNITY COLLEGE DISTRICT** (hereafter referred to as the “District”), a political subdivision of the State of Texas, acting through its Board of Trustees on the 23rd day of August, 2010, and by the **BOARD OF DIRECTORS FOR TAX INCREMENT REINVESTMENT ZONE NUMBER TWENTY-EIGHT, CITY OF SAN ANTONIO, TEXAS** (hereafter referred to as the “Board”) on the 9th day of June, 2010, a reinvestment zone created by the City pursuant to Chapter 311, Texas Tax Code (hereafter referred to as “the Act”). The City, the District, and the Board may be referred to singularly as a “Party” or collectively as “Parties.” This Agreement is made pursuant to Chapter 311, Texas Tax Code for the participation of the City and the District in the Verano TIRZ.

RECITALS:

WHEREAS, by Ordinance Number 2007-12-06-1257, dated December 6, 2007, the City created Reinvestment Zone Number Twenty-Eight (the “TIRZ”) in accordance with the Act, to promote development and redevelopment of the TIRZ through the use of tax increment financing, in which development and redevelopment would not otherwise occur solely through private investment in the reasonably foreseeable future, and established a Board of Directors for the TIRZ, and authorized the Board to exercise all the rights, powers, and duties as provided to such boards under the Act; and

WHEREAS, the Board and the District support the City in development activities for the TIRZ, and the District intends to participate in the TIRZ by contributing fifty percent (50%) of the District’s maintenance and operations portion of its respective Tax Increments for tax years 2010-2032 up to a total of fifteen million dollars (\$15,000,000.00); and

WHEREAS, pursuant to said authority above, the Board, the City and the District each hereby enters into a binding agreement with the others to develop and/or redevelop the TIRZ as specified in the Project Plan, Financing Plan, the Development Agreement, and the District Development Agreement; and

NOW, THEREFORE, in consideration of the mutual promises, covenants, obligations, and benefits contained in this Agreement, the City, the Board, and the District hereby agree as follows:

I. CONTENTS

A. Table

This Agreement consists of the following articles:

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B. Parts Incorporated

The following documents and their future amendments are hereby incorporated into this Agreement by this reference for all purposes:

1. City of San Antonio Ordinance No. 2007-12-06-1257, dated December 6, 2007, which designated the TIRZ; and
2. City of San Antonio Ordinance No. 2008-11-20-1016, dated November 20, 2008, which among other things expanded the boundary of the TIRZ, adopted the Project Plan and Financing Plan; and
3. The Development Agreement between the City, Bexar County, the Developer and the Board approved by Ordinance No. 2008-11-20-1016 and executed on the 17th day of December, 2008 and as amended; and
4. The District Development Agreement between the City, the District, and the Board, to be later drafted but which shall not be inconsistent with the terms hereof or with the spirit and material terms of the Development Agreement.

II. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set out below:

1. "Administrative Costs" means reasonable costs directly incurred by a Participating Taxing Entity (as hereinafter defined) related to its agreement to participate in the development of the

and signalization in conjunction the road reconstruction; and signage for Palo Alto College estimated at fifteen million one hundred fifty thousand dollars (\$15,150,000.00) in total cost.

9. "Effective Date" shall be the latest approval date of any of the Parties as to this Agreement.
10. "Financing Plan" means the Final Reinvestment Zone Financing Plan for the TIRZ as adopted by the Board on the 19th day of November, 2008 and by the City Council on the 20th day of November, 2008, and as amended.
11. "Material Change" means any change in the phasing of a Construction Schedule which would result in an increase to the maximum contribution of the City or any other Participating Taxing Entity or any change deemed a Material Change by the director of the City department overseeing the TIRZ ("Director").
12. "Participating Taxing Entity" or "Participating Taxing Entities" means, singularly, a taxing unit participating in the TIRZ, and collectively, all taxing units participating in the TIRZ, and shall include the City, the District, Bexar County, and the San Antonio River Authority.
13. "Project" means development of the Verano area, except for those construction projects specifically designated as the District Project. Where the context clearly allows, "Project" includes the District Project.
14. "Project Costs" means the items set forth and described in Section 311.002(1) of the Act (which may be amended from time to time), which are included in the Project Plan for the Project and District Project. The Project Costs include public infrastructure improvements and related capital costs including: fees (platting, drainage impact, water impact, and sewer impact), surveying and engineering, geo-technical, architect, storm water pollution prevention plan, streets, drainage, water, non-potable water, sewer, dry utilities, streetscape, linear parks, parks/plazas, public parking garages, construction management, and contingency. Project Costs also include those for the District Project. Total Project Costs for public improvements are estimated at five hundred three million three hundred twenty-six thousand six hundred sixty-nine dollars (\$503,326,669.00) for the life of the TIRZ.
15. "Project Plan" means the Final Reinvestment Zone Project Plan for the TIRZ as adopted by the Board on the 19th day of November, 2008 and by the City Council on the 20th day of November, 2008, and as amended.
16. "Tax Increment" means the total amount of ad valorem taxes levied and collected each year by a Participating Taxing Entity on the Captured Appraised Value of taxable real property within the TIRZ.
17. "Tax Increment Base" has the meaning assigned by section 311.012 of the Texas Tax Code, and means the total appraised value of all real property taxable by a Participating Taxing Entity and located in the TIRZ as of January 1, 2007, the year in which the TIRZ was designated.

18. "Tax Increment Fund" means the tax increment fund created by the City for the deposit of Tax Increments for the TIRZ, entitled "Reinvestment Zone Number Twenty-Eight (28), City of San Antonio, Texas Tax Increment Fund."
19. "Tax Increment Payment" means the amount of the Tax Increment that a Participating Taxing Entity agrees to deposit annually into the Tax Increment Fund in accordance with this Agreement, the Project Plan and the Financing Plan.
20. "TIRZ" means Reinvestment Zone Number Twenty-Eight (28), City of San Antonio, Texas, designated by the City on December 6, 2007, by Ordinance No. 2007-12-06-1257.
21. "Zachry Parcel" means the approximately 23.626 acre parcel to be conveyed to the District inclusive of the Loop 410 frontage. The actual property to be conveyed will be subject to a survey to be produced at the District's cost and accurately identifying the complete property being conveyed and including an insurable legal description.

III. BACKGROUND

A. City Action

On September 6, 2007 the City Council approved a Memorandum of Understanding as part of Ordinance 2007-09-06-0947 that expressed the City's intent to investigate the creation of a tax increment reinvestment zone in accordance with Chapter 311, Texas Tax Code, to support development of the Project. On December 6, 2007, the City Council of the City passed and approved Ordinance No. 2007-12-06-1257, which designated the TIRZ. On June 19, 2008, the City further resolved to participate in the financing of public improvements in Tax Increment Reinvestment Zone Number Twenty-Eight, City of San Antonio, Texas through Resolution No. 2008-06-19-0031R.

B. TIRZ Location

The TIRZ is located in the southern sector of the City of San Antonio, abutting Interstate Highway SW Loop 410, including the District Project at Palo Alto College campus and some adjacent parcels north of Loop 410, as well as, 2,700 acres south of Loop 410 bounded on the west by Zarzamora Road, on the east by Pleasanton Road and/or the Missouri Pacific Railroad right of way, and by Mauremann Road to the south. The Project is in the following Independent School Districts: Harlandale, South San Antonio, Southside, and Southwest, and encompasses approximately 3,098 acres or 4.8 square miles.

C. TIRZ Value

After the 2008 expansion of the TIRZ, the Tax Increment Base for the TIRZ as determined by the Bexar Appraisal District is forty-six million five hundred sixty-four thousand three hundred twelve dollars (\$46,564,312.00) and the projected Captured Appraised Value net of exemptions of all the taxable real property in the TIRZ at the end of the Agreement Term is estimated to be three billion two hundred twenty-two million seven thousand one hundred eight dollars (\$3,222,007,108.00).

D. TIRZ Phasing and Duration

The Project includes the construction of approximately 2,542 single-family detached homes, 3,375 multi-family units, 1,021 condominiums or town homes, 5,977,200 square feet of commercial development, reconstruction of Villaret Boulevard, and new entry signage for Palo Alto College. Construction will be carried out in thirteen (13) phases as specified in the Development Agreement and in the phases specified in the future District Development Agreement. The TIRZ is projected to terminate on September 30, 2037.

E. Mutual Agreement

The City and the District agree to participate in the TIRZ, and to deposit their respective Tax Increment Payments into the Tax Increment Fund, in accordance with the terms, and in consideration of the agreements, set forth herein. The District hereby acknowledges receipt of notice of the initial creation of the TIRZ.

The Parties hereto agree that the Project does not include the issuance of tax increment bonds. The Parties hereto further agree that no tax-supported public debt instrument will be issued by any Participating Taxing Entity or the Board to finance any costs or improvements of the Project with the exception of City issued certificates of obligation as authorized under Ordinances 2007-12-06-1258 and 2008-11-20-1017 to reimburse Developer for design and construction of certain public improvements within the TIRZ, as more specifically detailed in the Developer Participation Contract for North-South Connector Road Construction Project entered into and effective as of December 1, 2008 providing for University Way (the north/south boulevard). Further the City entered into a funding agreement, authorized by Ordinance 2009-05-07-0349, with the Developer for the major thoroughfare street running east/west, only to the extent there is an unused balance in the fourteen million five hundred thousand dollars (\$14,500,000.00) of the certificates of obligation initially issued for University Way, as the City will not issue any additional tax supported debt for the Project.

IV. RIGHTS AND OBLIGATIONS OF THE DISTRICT

A. Tax Increment Participation by the District

1. Subject to the limitations set out in this Agreement, the District agrees to participate in the TIRZ by contributing to the Tax Increment Fund fifty percent (50%) of the maintenance and operations portion of the District's tax on the Captured Appraised Value for each tax year, beginning in tax year 2010, but fiscal year 2011.
2. The Parties agree that the District's contribution to the Tax Increment Fund shall only be used to fund public improvements to support the development and revitalization efforts in the TIRZ, limited to eligible Project Costs. The District's contributions to the Tax Increment Fund shall end when it has contributed fifteen million dollars (\$15,000,000.00) or upon earlier TIRZ termination per any development agreement, whichever occurs first.

B. Tax Increment Payment

1. The District's obligation to contribute its Tax Increment Payment to the Tax Increment Fund, as provided in Article IV, Paragraph A.1 of this Agreement, shall accrue as the District collects its Tax Increment beginning in tax year 2010, but fiscal year 2011, and provided conveyance of the Zachry Parcel to the District has occurred. The Parties hereto agree that all real property taxes collected each year by the District that are attributable to real property in the TIRZ shall first constitute taxes on the Tax Increment Base and after the total amount of taxes on the Tax Increment Base have been collected, shall then, except as may be excepted herein, constitute the Tax Increment, restricted to fifty percent (50%) of the District's maintenance and operations portion of the tax levy. The District agrees to deposit its Tax Increment Payments to the Tax Increment Fund on or before March 10 and August 10 (or the first business day thereafter) of each year. The amount of each Tax Increment Payment shall be based on the Tax Increments that were received by the District, and not previously deposited, during the period preceding each deposit date.
2. Upon request by the District, the City shall provide to the District an updated fact sheet that includes detail as to what portion of the Project has been completed to date, a schedule of what portion of the Project is to be completed in the following year and a current roster of the TIRZ Board members, including the term of each Board member, the entity that appointed the Board member and the date for the annual meeting. The update shall also include a summary of requests for reimbursements that have been submitted to the City, and a report showing Board or City approved expenses. Also prior to the District's payment, the City shall provide to the District a statement of Tax Increment Fund activity, including a tally of requests for reimbursement, City and Board approved payments, payments not approved by the City or the Board, outstanding balance due any developer, or if the maximum contribution has been reached, the pro-rata balance due to each Participating Taxing Entity.

3. In the event there is a conflict between the Parties in regards to the amount of the Tax Increment owed by the District, the Parties agree that the District will make a reasonable determination as to the amount of any Tax Increment owed by the District under this Agreement and the District will be responsible for reasonably determining which tax collections will be apportioned for purposes of determining the District Tax Increment. The annual Total Appraised Value of all real property taxable by the District located in the TIRZ shall be determined through an independent third-party verification obtained from the Bexar Appraisal District. For the City, the City Tax Assessor will verify taxes levied and collected in regards to the property within the TIRZ.
4. The Parties expressly agree that the District shall not owe any penalty or interest on Tax Increments that have been levied, but not received, by the District. In addition, the District shall not be obligated to contribute its Tax Increment Payments from any non-Tax Increment revenue source. Furthermore, the District shall have no further obligation to contribute its Tax Increment Payment to the Tax Increment Fund if a Participating Taxing Entity, other than the District, discontinues its required contribution (except as otherwise agreed to in this Agreement) or fails to fully contribute its entire contribution to the Tax Increment Fund during the term of this Agreement unless the discontinuance is in compliance with and authorized by a development agreement, an interlocal agreement, or written amendment to this Agreement.
5. Except for contributing its respective Tax Increment Payments to the Tax Increment Fund as set out in this Agreement, the District shall have no obligation to pay or repay any debt issued by another Participating Taxing Entity, the TIRZ, or Board relating to the TIRZ or any costs associated with the operation of the TIRZ.

C. Road Project Reimbursement

1. The District intends as a developer hereunder to perform, or to provide the funding for, the reconstruction of Villaret Boulevard per the road construction standards established by the City as outlined in the District Development Agreement to be executed by the City, the District, and the Board.
2. The Parties acknowledge that the reconstruction of Villaret Boulevard is important for the expansion of Palo Alto College and that the District desires to fund and undertake its reconstruction, estimated at fifteen million dollars (\$15,000,000.00). Should the District choose to reconstruct Villaret Boulevard and identify funding, and provided that the reconstructed road has been accepted by the City before October 1, 2018 (or as such date may be subsequently extended by the Parties), the District shall be eligible for reimbursement from the Tax Increment Fund of five million dollars (\$5,000,000.00) for eligible expenses associated with the road reconstruction. The City agrees to promptly accept or reject any such reconstruction of Villaret Boulevard according to its applicable standards. Reimbursement payment will begin upon acceptance of the reconstructed road and shall be based on and paid to the extent of 100% of the District's Tax Increment Fund contribution until such time as the District receives full reimbursement of five million

dollars (\$5,000,000.00). Reimbursement to the District in any one year shall not exceed one million dollars (\$1,000,000.00).

3. The Parties acknowledge that the City is not obligated to provide funding for the reconstruction of Villaret Boulevard or to reimburse the District for any costs associated with the road reconstruction. However, nothing stated herein shall prevent the District from seeking reimbursement or a credit on its utility bills from the San Antonio Water System or City Public Service for costs associated with the relocation of utilities in connection with the road project. To the extent that the District is compensated by the other funds, any request for reimbursement from the Tax Increment Fund shall be reduced.
4. Should the District not undertake the reconstruction of Villaret Boulevard and not enter into the District Development Agreement on or before October 1, 2018, then the Parties agree to amend the Project Plan and Financing Plan to remove the road project and the District's reimbursement for the same from the Tax Increment Fund.

D. Land Conveyance

1. The District may terminate its participation in the TIRZ if the City cannot or does not convey the Zachry Parcel to the District for one dollar (\$1.00). The termination of the District's TIRZ participation based on the District not receiving the Zachry Parcel under terms and conditions reasonably satisfactory to the District does not create a terminating event for any other Participating Taxing Entity.
2. The Parties agree that the Zachry Parcel will be conveyed from the City to the District pursuant to a Deed Without Warranty. The City will file a copy of this executed Agreement, including an updated Exhibit A, identifying the complete property being conveyed and including an insurable legal description matching that on the filed Deed Without Warranty, along with the City Ordinance approving this Agreement in the Bexar County Property Records.
3. In accordance with Texas Local Government Code 272.001(j), the District and its successors must use the Zachry Parcel to promote a public purpose related to higher education during the term of the TIRZ ("Restricted Period"). The Parties agree that the District's holding of the Zachry Parcel for future expansion of the Palo Alto College campus shall constitute a public purpose related to higher education, and that there are no dedicated funds or plans for campus expansion as of the Effective Date of this Agreement. At any time during the Restricted Period that the Zachry Parcel is not used to promote a public purpose related to higher education, the City or its successor or assigns may enjoin the non-complying use in any court of competent jurisdiction in Bexar County, Texas. Should the District during the Restricted Period and after notice to the City sell the Zachry Parcel or a portion of the Zachry parcel, then the net proceeds must be used in accordance with the provisions of Texas Local Government Code 272.001(j). Net proceeds means the total of all value received by the District in exchange for

transferring the Zachry Parcel or portion of the Zachry Parcel, less out-of-pocket costs for a title policy, survey, title company escrow fee, recording fee, and other usual and customary closing costs. The net proceeds must not be reduced by any amount applied to reduce the balance of any debt secured by the Zachry Parcel or portion of the Zachry Parcel, and any lien in the Zachry Parcel or portion of the Zachry Parcel shall be subordinate to City's rights. No lender or other person can obtain a right in the Zachry Parcel superior to City's rights under this Agreement.

E. School District Provisions

The District understands that the Project is located in parts of four (4) different Independent School Districts: Harlandale, South San Antonio, Southside, and Southwest. The District further understands that no school district is participating in the TIRZ.

F. Management of the TIRZ

1. The City is the only Participating Taxing Entity with any responsibility for managing or administering the TIRZ. The District is responsible for managing the District Project. The Participating Taxing Entities, during the term of this Agreement, may inspect the Project and District Project site and review Project and District Project plans and drawings upon reasonable notice.
2. The Board shall be composed of thirteen (13) members, as provided by Section 311.0091(b) of the Texas Tax Code. Accordingly, the District shall have the right to appoint one (1) member to the Board.
3. The City and the Board agree to the extent permitted by law to comply with the Project Plan and any development agreements. The City and the Board agree to provide prior written notice to all Participating Taxing Entities of any proposed change to the Construction Schedule ("Notice") and such Notice shall indicate whether a proposed change constitutes a Material Change as defined herein. The Participating Taxing Entities shall have a period of thirty (30) calendar days from the date of receipt of Notice to provide comment(s) and objection(s) to the proposed change and:
 - (a) for non-Material Changes, the Parties will attempt to address any written objections or comments raised during the thirty (30) calendar day review period. At the conclusion of the thirty (30) calendar day review period, the Construction Schedule may be amended by approval of the Board and the City, as evidenced by an agreement in writing between the Board and the Director.
 - (b) for Material Changes, if there are no written objections or comments during the thirty (30) calendar day review period from any Participating Taxing Entity, the Construction Schedule may be amended by approval of the Board and the City, as evidenced by an agreement in writing between the Board and the Director. If a Participating Taxing Entity provides written notice to the City that it objects to the

proposed material change and the objection, as set out in the notice, is not resolved within forty-five (45) business days from the date of such notice and the City approves such Material Change, then the Participating Taxing Entity providing the objection may thereafter discontinue its Tax Increment Payments and terminate its participation in the TIRZ.

The absence of written objections or comments by a Participating Taxing Entity to the City shall constitute approval of the proposed change by that Participating Taxing Entity.

G. Expansion of the TIRZ

The obligation of the District to participate in the TIRZ is limited to the description of the TIRZ contained in the Final Project and Financing Plans. The District's participation shall not extend to the Tax Increment on any additional property added to the TIRZ by the City unless the District approves in writing such participation.

V. RIGHTS AND OBLIGATIONS OF CITY AND BOARD

A. Tax Increment Participation by City

1. Subject to the limitations set out in this Agreement, the City agrees to participate in the TIRZ by contributing to the Tax Increment Fund seventy five percent (75%) of the City's Tax Increment for each tax year beginning with the 2008 tax year and ending with the 2036 tax year.
2. The Parties agree that the City's contribution to the Tax Increment Fund shall be used to fund public improvements to support the development and revitalization efforts in the TIRZ, limited to eligible Project Costs. The City's contributions to the Tax Increment Fund shall end when the City has contributed the maximum total contribution provided for herein, on the TIRZ termination date of September 30, 2037, or upon earlier TIRZ termination per any development agreement, whichever occurs first. Notwithstanding anything herein to the contrary, the total City Tax Increment Payments to the Tax Increment Fund shall not exceed one hundred thirty-eight million seven hundred thousand dollars (\$138,700,000.00) in the aggregate and will not be reduced as a result of the District's status as a Participating Taxing Entity.

B. Tax Increment Payment

1. The City's obligation to contribute its Tax Increment Payment to the Tax Increment Fund as provided above in Article V, paragraph A.1 of this Agreement shall accrue as the City collects its Tax Increment. The Parties hereto agree that all real property taxes collected each year by the City that are attributable to real property in the TIRZ, shall first constitute taxes on the Tax Increment Base and after the total amount of taxes on the Tax Increment Base have been collected, shall then, except as may be excepted herein,

constitute the Tax Increment. The City agrees to deposit its Tax Increment Payment to the Tax Increment Fund on or before March 10 and August 10 (or the first business day thereafter) of each year. The first Tax Increment Payment shall commence in tax year 2008 and fiscal year 2009. The amount of each subsequent Tax Increment Payment shall be based on the Tax Increments that were received by City, and not previously deposited, during the period preceding each deposit date.

2. The Parties expressly agree that the City shall not owe any penalty or interest on Tax Increments that have been levied, but not received by the City. In addition, the City shall not be obligated to contribute its Tax Increment Payments from any non-Tax Increment revenue sources.
3. The Parties agree that payment for the performance of governmental functions or services under this Agreement shall only be made from current revenues available to the paying Party. In other words, a Party is not obligated to perform said services or functions if said Party lacks current revenues to pay for said services or functions.
4. With the exception of City issued certificates of obligations as authorized under Ordinances 2007-12-06-1258, 2008-11-20-1017, and 2009-05-07-0349 to reimburse Developer for design and construction of certain public improvements within the TIRZ, the City shall not have any obligation or responsibility for any costs or expenses associated with the development of the TIRZ or the implementation of the Project Plan, including, without limitation, any obligation to pay or repay any debt issued by another Participating Taxing Entity, the TIRZ, or Board relating to the TIRZ or any costs associated with the operation of the TIRZ, the Project, or any other projects relating thereto.

C. Financing of Project Costs

Each Participating Taxing Entity shall participate in the payment of Project Costs only to the extent described herein. The City and the Board shall be entitled to enter into any other agreements to pay Project Costs and other reasonable expenses from the Tax Increments paid into the Tax Increment Fund by the City without the consent of any other Participating Taxing Entity, but will provide written notice of such agreement(s) when entered into (and upon written request, will provide copies of such agreement(s) and all applicable exhibits) to each Participating Taxing Entity. However, neither the Board nor the City shall ever use any Tax Increment Payments contributed by a Participating Taxing Entity, other than that contributed by the City, to make payments on bonds, certificates of obligations, or other similar debt instruments without the prior written authorization by, and consent of, all Participating Taxing Entities.

D. Disbursement of Funds in the Tax Increment Fund

1. Each Participating Taxing Entity agrees that the City shall administer the Tax Increment Fund on behalf of the Board, pursuant to Ordinance No. 94468, passed and approved by

the City Council on August 30, 2001. No funds shall be disbursed from the Tax Increment Fund without the prior written approval of the Board and the City; EXCEPT if the City or the District is entitled to reclaim funds pursuant to Article X of the Development Agreement or similar provision of the District Development Agreement, then no approval is necessary.

2. The Parties agree that the City and the Board may, to the extent funds are available in the Tax Increment Fund and to the extent allowed by law, use such funds to reimburse the City and the District for their Administrative Costs, if the City and the District provide an invoice for Administrative Costs with their requests to the Board for reimbursement. If it is determined during the term of this Agreement that reimbursement of Administrative Costs is not allowed under law, the Parties agree that the Board shall set the amount which the City and the District may withhold as Administrative Costs from their respective Tax Increment Payment based on the best evidence available to the Board to make such projections, including but not limited to invoices reflecting Administrative Costs incurred by the City and the District. The Parties agree and understand that Administrative Costs, in the aggregate, may exceed the amount set out and described in Article II, paragraph 1 of this Agreement because Administrative Costs for the City may escalate in relation to the Consumer Price Index as noted in the Financing Plan.
3. The District further agrees that the City and the Board may disburse funds in the Tax Increment Fund to pay expenditures in the following order or priority of payment:
 - (i) to fully reimburse eligible startup Administrative Costs incurred by each Participating Taxing Entity;
 - (ii) to pay all other ongoing Administrative Costs to the Participating Taxing Entities for administering the Tax Increment Fund and/or the TIRZ, except that if there are insufficient funds for the full reimbursement of ongoing Administrative Costs to the Participating Taxing Entity, then the ongoing Administrative Costs of each Participating Taxing Entity shall be reimbursed on a pro rata basis based on each Participating Taxing Entity's level of participation in the TIRZ;
 - (iii) to reimburse the City for costs of repair, replacement, or re-construction of public infrastructure and associated costs: 1) as described in Section 5.12 of the Development Agreement, and 2) those same costs as detailed in the District Development Agreement;
 - (iv) to reimburse the City maintenance expenses, if any, pursuant to Article III of the Development Agreement;
 - (v) to reimburse a Participating Taxing Entity under any reclaim of funds pursuant to Article X of the Development Agreement;

- (vi) to reimburse the District for public improvements as provided in the District Development Agreement and in the Project Plan in accordance with the limitations set forth in this Agreement;
- (vii) to reimburse the San Antonio Water System for water and wastewater infrastructure and related impact fees due the San Antonio Water System under its Utility Service Agreement with the Developer as recognized by the City, the Board, the San Antonio Water System and the Developer in the Consent Agreement executed pursuant to Ordinance No. 2009-08-20-0662;
- (viii) to reimburse the City up to one million eight hundred eighty-five thousand dollars (\$1,885,000.00) for the value of the Zachry Parcel conveyed to the District at a maximum rate of \$1,000,000.00 per year should the District choose not to reconstruct Villaret Boulevard by October 1, 2018; and
- (ix) to reimburse Developer for public improvements as provided in the Development Agreement and in the Project Plan to the extent that funds in the Tax Increment Fund are available for this purpose.

The foregoing notwithstanding, no funds will be paid from the Tax Increment Fund to a Participating Taxing Entity for its financial or legal services in any dispute arising under this Agreement with another Participating Taxing Entity or Participating Taxing Entities.

E. Commitments to the District

1. The City and the Board have cooperated in expanding the boundaries of the TIRZ to include Villaret Boulevard, Palo Alto College, and the Zachry Parcel adjacent to Palo Alto College that is more specifically described in Exhibit A hereto.
2. The City will acquire and convey to the District, or caused to be conveyed to the District, in either case under terms and conditions reasonably satisfactory to the District fee simple title to the Zachry Parcel for \$1.00, subject to the District becoming a Participating Taxing Entity, targeted to occur within six (6) months after the Effective Date hereof.
3. The City and the Board have amended the Project and Financing Plans to include both the reconstruction of Villaret Boulevard and new signage for Palo Alto College. The new signage for Palo Alto College will be designed by the City or its designee no later than six (6) months after the Effective Date of this Agreement and targeted for completion within twelve (12) months after that Effective Date, and is intended to identify the primary entrance into the college. Such signage will be comparable in dimension, proportion and quality to that of the main entrance to the new Texas A&M campus within the TIRZ. The estimated cost of the signage is one hundred fifty thousand dollars (\$150,000.00) as specifically detailed in the Project Plan, and this cost shall be an eligible Project Cost reimbursable to the District, acting as a developer hereunder, from the Tax Increment

Fund beginning on the Effective Date of this Agreement, assuming the District's Tax Increment is available for distribution. Reimbursement of the District in any one year shall not exceed the lesser of one million dollars (\$1,000,000.00) or the amount of Tax Increment contributed in that year by the District.

VI. TERM AND TERMINATION

A. Agreement Term and Termination

This Agreement shall remain in effect until September 30, 2037, unless earlier terminated as provided herein. Subject to the terms of this Agreement, the District agrees to participate under this Agreement, beginning on the Effective Date and ending in accordance with the terms provided herein. The Parties agree and understand that the City's and the District's Tax Increment Payments will not be made after September 30, 2037, as set out in Article IV, paragraph A.2 and Article V, paragraph A.2 of this Agreement.

B. Early Termination

1. The City may terminate the TIRZ for any of the reasons listed in the Development Agreement. The termination of the Development Agreement also terminates this Interlocal Agreement. No Party shall be required to pay any Tax Increment into the Tax Increment Fund of the TIRZ unless the conditions of Section 311.013(d) of the Act are met. Any Party may terminate this Agreement for a breach of contract.
2. After giving any required notice, with subsequent failure to cure as provided for below, the District may terminate its participation in the TIRZ, and shall not be required to deposit any further Tax Increment Payment into the Tax Increment Fund as required by this Agreement, if: (i) a Party breaches a term, covenant, condition or representation contained in this Agreement (this provision shall include City's failure to agree to terms and conditions reasonably satisfactory to the District for the conveyance of the Zachry Parcel described herein); (ii) the District determines that a breach of a term, covenant, condition or representation contained in any development agreement has occurred; (iii) the City and/or TIRZ Board declares that a breach of a term, covenant, condition or representation contained in any development agreement has occurred; (iv) pursuant to Article IV, paragraph B.4 of this Agreement; or (v) a Party to this Agreement or any development agreement initiates, pursues or otherwise engages in litigation or any type of adversarial proceeding related to the TIRZ and against or involving the District.
3. Prior to terminating its participation in the TIRZ, the District shall provide written notice to the Developer, the TIRZ Board and any other Participating Taxing Unit still contributing Tax Increment Payments, stating its intent to terminate its participation in the TIRZ and detailing its objection(s) or concern(s). If the objection and/or concern as set out in the District's notice are not resolved within ninety (90) calendar days from the date of such notice, then the District may terminate its participation in the TIRZ.

C. Disposition of Tax Increments

Upon expiration or termination of the TIRZ, any money remaining in the Tax Increment Fund shall be paid to the Participating Taxing Entities on a pro rata basis in accordance with Section 311.014(d) of the Act, in the order of priority described above. In addition, any payments returned to the City by a developer pursuant to a development agreement shall also be distributed to Participating Taxing Entities on a pro rata basis.

VII. MISCELLANEOUS

A. Understanding

1. Any and all costs incurred by the Developer are not, and shall never become, general obligations or debts of any Participating Taxing Entity. Any and all costs incurred by the District are not, and shall never become, general obligations or debts of any other Participating Taxing Entity. The eligible public improvement infrastructure costs incurred by a developer shall be payable solely from the Tax Increment Fund in the manner and priority provided in this Agreement and only to the extent that tax increment funds become available. The Parties agree and understand that under no circumstance shall the eligible costs exceed the maximum specified in the Project Plan nor shall the District ever be required to contribute Tax Increment in excess of its stated maximum contribution. No Participating Taxing Entity shall be obligated above and beyond what is actually collected as tax increment funds.
2. The City and the Board each represent that the Developer and the District understand and agree that:
 - (a) the Project Plan does not forecast sufficient tax revenues in the Tax Increment Fund to reimburse either the Developer or the District for all their estimated contributions or costs; and
 - (b) the City, per the Development Agreement, will only process payments to the Developer based on submittal of receipts per phase or plat, as defined in the Development Agreement. The City will not recommend approval of Developer reimbursement for a plat or phase until the phase or plat is complete in its entirety and Developer has submitted all the required paperwork relevant to that specific phase or plat; and
 - (c) the City will only process payments to the District based on submitted receipts per each phase as defined in the District Development Agreement. The City will not recommend approval of District reimbursement for a redevelopment activity until the phase is complete in its entirety and District has submitted all the required paperwork relevant to the phase, it being understood that the new signage for Palo

Alto College and the reconstruction of Villaret Boulevard shall be placed in separate phases.

B. Severability

If any clause or provision of this Agreement is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the charter, code, or ordinances of the City, then and in that event it is the intent of the Parties to this Agreement that such invalidity, illegality or unenforceability shall not affect any other clause or provision of this Agreement and that the remainder of this Agreement shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained in this Agreement. It is also the intent of the Parties to this Agreement that in lieu of each clause or provision of this Agreement that is invalid, illegal, or unenforceable, there be added as a part of this Agreement a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

C. Entire Agreement

This Agreement, which shall include the Project Plan, Financing Plan, and the Development Agreement as incorporated hereinabove, merges the prior negotiations and understandings of the Parties hereto and embodies the entire agreement of the Parties. 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 thereof. Notwithstanding the foregoing, there will be a separate District Development Agreement concerning the role of the District in the reconstruction of Villaret Boulevard and new signage for Palo Alto College.

D. Written Amendment

This Agreement may be changed or amended only by a written instrument duly executed on behalf of each Party. All Parties to this Agreement understand and recognize that only City Council of the City and only the Board of Trustees of the District have authority to approve a change or amendment to this Agreement on behalf of the City or the District, respectively.

E. Notices

1. The initial addresses of the Parties are listed below. Each Party may designate a different address by giving the other Parties ten (10) days' prior written notice.

CITY

Sheryl Sculley
City Manager
City of San Antonio
100 Military Plaza
San Antonio, Texas 78205
Re: Verano TIRZ

DISTRICT

Alamo Community College District
Att'n: Vice-Chancellor for Finance
and Administration
201 W. Sheridan
San Antonio, Texas 78204-1429
Re: Verano TIRZ

With copies to:

Adrian Lopez
Economic Development Manger
City Center Development Office
1400 So. Flores St.
San Antonio, Texas 78204
Re: Verano TIRZ

Associate Vice Chancellor of Facilities
Operations and Construction Management
Alamo Community College District
7990 Pat Booker Rd.
Live Oak, Texas, 78233
Re: Verano TIRZ

And BOARD

Presiding Officer
"Reinvestment Zone Number Twenty-Eight,
City of San Antonio, Texas"
c/o City Center Development Office
1400 So. Flores St.
San Antonio, Texas 78204

2. All notices required or permitted hereunder shall be in writing and shall be deemed delivered the earlier of (i) when actually received by personal delivery or facsimile if received during normal business hours and on the next business day if received after normal business hours; or (ii) on the third business day following deposit in a United States Postal Service post office or receptacle with proper postage affixed; or (iii) on the date of receipt if mailed by certified mail, return receipt requested, addressed to the respective other Party at the address prescribed in Article VII, paragraph E.1 of this Agreement, or at such other address as the receiving Party may have theretofore prescribed by notice to the sending Party.

F. Non-Waiver

Failure of any Party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing hereunder upon breach or failure of performance shall not be considered a waiver of the right to insist on, and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future breach or failure of performance.

G. Assignment

Except for the City's right to assign and delegate this Agreement and the performance of obligations to the Board, no Party shall assign this Agreement at law or otherwise without the prior written consent of the other Parties and no Party shall delegate any portion of its performance under this Agreement without the written consent of the other Parties. All Parties to this Agreement understand and recognize that only the City Council of the City and only the Board of Trustees of the District have authority to approve a delegation or assignment (of any kind) of this Agreement on behalf of the City or the District, respectively.

H. Successors

This Agreement shall bind and benefit the Parties and their legal successors. This Agreement does not by itself create any personal liability on the part of any trustee, officer, employee, elected official, or agent of a Party to this Agreement.

I. Project Plan

The District acknowledges that it was permitted to review and comment upon the Project Plan before it was submitted to the Board and the City Council for approval. The Parties agree an amendment to the Project Plan shall not apply to the District unless the District approves the amendment as provided herein if such amendment to the Project Plan (i) has the effect of directly or indirectly increasing the percentage or amount of Tax Increment to be contributed by the District to the Tax Increment Fund; or (ii) increases or reduces the geographical area of the TIRZ set forth in the Project Plan.

J. No Waiver of Immunity

No Party hereto waives or relinquishes any immunity or defense on behalf of itself, its trustees, officers, employees, and agents as a result of its execution of this Agreement and performance or non-performance of the covenants contained herein.

K. Access to Financial Information

The Board agrees to conduct or to cause to be conducted, at a minimum, an annual audit, a copy of which will be provided to the District. Furthermore, each Party to this Agreement shall have reasonable access to financial information and audit reports regarding the operation of the TIRZ, contribution of Tax Increment Payments to the Tax Increment Fund, and expenditures from the Tax Increment Fund for Project Costs. In addition, the City agrees, during the term of this Agreement, to prepare and deliver an annual report to the District in accordance with Section 311.016, Texas Tax Code.

L. Development Agreements

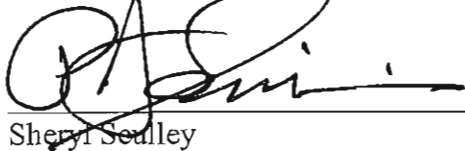
1. The City, Bexar County, and the Board have entered into a written Development Agreement with the Developer related to the Project. The City, the District and the Board will also enter into a future District Development Agreement related to the Project and the development of the TIRZ. The City hereby represents that it will enforce the provisions of any development agreement, as required, including, to the extent contained in any development agreement, a developer's compliance with (i) applicable building codes and ordinances, including but not limited to flood, subdivision, building, electrical, plumbing, fire, and life safety codes and ordinances, as amended; all applicable federal, state, and local laws, rules, regulations, statutes, ordinances, orders, and codes, as amended; and rules and codes that govern development over the Edwards Aquifer Recharge Zone (if applicable); (ii) the 2006 Tax Increment Financing Program Policy and Implementation Manual and any construction schedule, as may be amended in accordance with the terms of any development agreement; and (iii) to the extent applicable, competitive bidding processes, payment of prevailing wages, payment and performance bonding procedures and use of minority/small businesses. The City and the Board agree to provide the District with a copy of any notice that is delivered or sent to any Party under this Agreement or any development agreement as soon as reasonably practical.
2. For any City-controlled construction contracts for new development or public improvements in the TIRZ advertised for bid after the Effective Date of this Agreement, the City agrees that, to the extent allowed by law, it will include in the bid specifications for said construction contracts a statement encouraging both general contractors and subcontractors to provide access to some form of affordable basic health insurance for permanent fulltime employees and their dependents.

M. TIRZ Designation

The City represents that its designation of the TIRZ meets the criteria of Section 311.005(a), Texas Tax Code, and that said designation also complies with Texas Attorney General Opinion No. JC-0152 issued December 8, 1999.

IN WITNESS HEREOF, THE CITY OF SAN ANTONIO; ALAMO COMMUNITY COLLEGE DISTRICT; AND TAX INCREMENT REINVESTMENT ZONE NUMBER TWENTY-EIGHT (28), CITY OF SAN ANTONIO, TEXAS have made and executed this Agreement in triplicate originals.

CITY OF SAN ANTONIO



Sheryl Sealley
City Manager

Date: _____

ALAMO COMMUNITY COLLEGE

DISTRICT

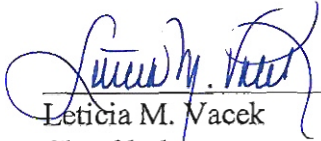


Dr. Bruce H. Leslie
Chancellor

Date: 8-27-10

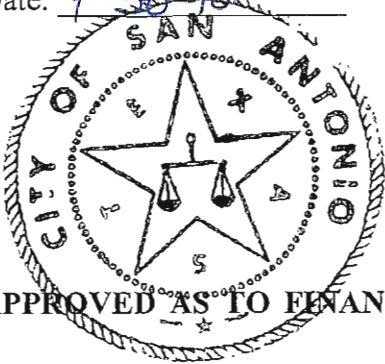
ACCD Legal Affairs
~~AL/era @/24/10~~

ATTEST/SEAL:


Leticia M. Vacek
City Clerk
Date: 7-30-10

ATTEST/SEAL:

Date: _____



APPROVED AS TO FINANCIAL CONTENT BY ALAMO COMMUNITY COLLEGE DISTRICT:

Date: _____

Date: _____

APPROVED AS TO FORM:

for Agathe Wrede
Michael D. Bernard
City Attorney
Date: 16 July 2010

APPROVED AS TO FORM:

By: _____

Date: _____

BOARD OF DIRECTORS

Verano TIRZ

[Signature]
Marcus Jahns
Presiding Officer, Board of Directors
Date: 7/31/2010



EXHIBIT A

1.412 ACRES

A metes and bounds description of a 1.412 acre (61,510 sq. ft.) tract of land situated in the City of San Antonio, Bexar County, Texas, being the same tract of land conveyed to Zachry Realty, Inc. by Special Warranty Deed recorded in Volume 10882, Page 2302, of the Official Public Records of Real Property of Bexar County, Texas, out of the Charles Tenniss Survey No. 50, Abstract 747, N.C.B. 11142:

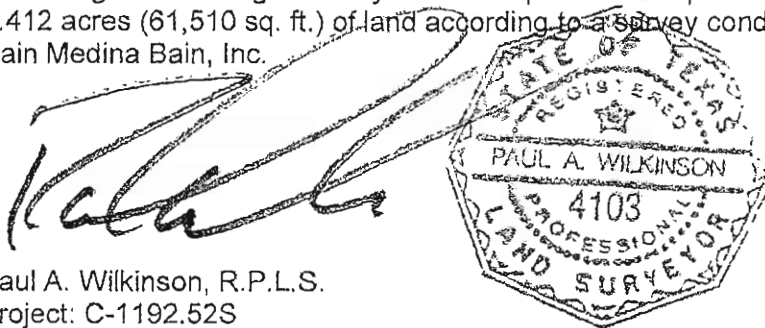
Beginning at an iron pin found for the southwest corner of the herein described tract, said iron pin being a point along the north right-of-way line of Loop 410 and the southeast corner of Lot 354, Block 36, N.C.B. 11135, Palo Alto College Subdivision, Unit 2, as recorded in Volume 9522, Page 149, of the Bexar County Plat Records;

Thence N 00° 21' 03" W, 149.76 feet, along the west line of the herein described tract and along the east line of Lot 354 to an iron pin found for the northwest corner of the herein described tract, said iron pin also being a point along the south right-of-way line of Chavaneaux Road;

Thence N 89° 35' 58" E, 410.10 feet, along the north line of the herein describe tract and along the south right-of-way line of Chavaneaux Road to an iron pin found for the northeast corner of the herein described tract, said iron pin also being the northwest corner of the Andres Perales 1.00 acre tract recorded in Volume 2347, Page 150, of the Official Public Records of Real Property of Bexar County, Texas;

Thence S 00° 17' 34" E, 150.20 feet, along the east line of the herein described tract and along the west line of the Andres Perales tract to an iron pin found for the southeast corner of the herein described tract, said iron pin also being a point along the north right-of-way line of Loop 410;

Thence S 89° 39' 44" W, 409.95 feet, along the south line of the herein described tract and along the north right-of-way line of Loop 410 to the point of beginning and containing 1.412 acres (61,510 sq. ft.) of land according to a survey conducted on the ground by Bain Medina Bain, Inc.



Paul A. Wilkinson, R.P.L.S.
Project: C-1192.52S

A corresponding survey plat of even date herein accompanies this metes & bounds
All set iron pins are ½ inch rebar with an orange plastic cap stamped Bain Medina Bain.
All bearings are based on NAD 83 State Plane Coordinates, Texas, South Central Zone
COPYRIGHT 2010. BAIN MEDINA BAIN, INC.

22.214 ACRES

A metes and bounds description of a 22.214 acre (967,641.84 sq. ft.) tract of land situated in the City of San Antonio, Bexar County, Texas, being the remaining 5.487 acres of Lot 353, Block 37, N.C.B. 11136, Mayfield Park, Second Filing, as recorded in Volume 980, Page 94, of the Bexar County Plat Records, the remaining 2.835 acres of Lot 354, Block 37, N.C.B. 11136, Mayfield Park, a 0.544 acre portion of Lot 355, Block 37, Mayfield Park, Second filing and a 13.348 acre portion of a 50.785 acre tract acquired by H. B. Zachry Company by Deed recorded in Volume 6411, Page 309, of the Deed Records of Bexar County, Texas:

Beginning at a Bain Medina Bain capped iron pin found for the northwest corner of the herein described tract, said pin also being the most southerly northeast corner of Lot 359, Block 36, N.C.B. 11135, Palo Alto College, as recorded in Volume 9575, Page 211, of the Bexar County Plat records, and also being a point along the south right-of-way line of Jennifer Drive as shown on the plat recorded in Volume 6600, Page 129, of the Bexar County Plat records;

Thence along the north line of the herein described tract and along the south right-of-way line of Jennifer Drive, southeasterly, 172.73 feet, along the arc of a 430.00 foot radius curve to the left to an iron pin set for the point of tangency of the 430.00 foot radius curve, said curve having a central angle of 23° 00' 55" and a 171.57 foot chord which bears S 41° 20' 22" E;

Thence continuing along the north line of the herein described tract and along the south right-of-way line of Jennifer Drive, S 52° 32' 50" E, 451.68 feet, to an iron pin set for the point of curvature of a 489.00 foot radius curve to the left;

Thence continuing along the north line of the herein described tract, along the south right-of-way line of Jennifer Drive and 473.50 feet along the arc of said 489.00 foot radius curve, to an iron pin set for the point of tangency of the curve, said curve having a central angle of 55° 28' 47" and a 455.22 foot chord which bears S 18° 01' 37" E;

Thence, N 71° 58' 23" E, 64.53 feet, along the north line of the herein described tract, along the south right-of-way line of Jennifer Drive to an iron pin set for the northeast corner of the herein described tract, said iron pin also being a point in the north line of the remainder of Lot 355, Block 37, N.C.B. 11136, Mayfield Park;

Thence S 00° 20' 46" E, 880.22 feet, along the east line of the herein described tract, crossing Lot 355 and crossing the above referenced 50.785 acre tract to an iron pin set for the southeast corner of the herein described tract, said set iron pin also being a point along the north right-of-way line of Chavaneaux Road;

Thence S 89° 35' 58" W, 978.47 feet, along the south line of the herein described tract, along the north right-of-way line of Chavaneaux Road and along the south line of the above mentioned 50.785 acre tract to an iron pin found for the southwest corner of the herein described tract, said found iron pin also being the southeast corner of Lot 359, Block, N.C.B. 11135, Palo Alto College;

Thence N 00° 20' 46" W, 1347.98 feet, along the west line of the herein described tract and along the east line of Lot 359, Block 36, N.C.B. 11135, to the point of beginning and containing 22.214 acres (967,641.84 sq. ft.) of land according to a survey conducted on the ground by Bain Medina Bain, Inc..

Paul A. Wilkinson

Reg. Prof. Land Surveyor No. 4103

Project: C-1192.52S

A corresponding survey plat of even date herein accompanies this metes & bounds

All set iron pins are ½ inch rebar with an orange plastic cap stamped Bain Medina Bain.

All bearings are based on NAD 83 State Plane Coordinates, Texas, South Central Zone

COPYRIGHT 2010. BAIN MEDINA BAIN, INC.

U:\My Documents\BW-CADD\ACCD-PaloAltoCollege\Metes&Bounds\PAC-HBZ-1 (Revised).doc

Exhibit B

Notice of Confidentiality Rights: If You Are a Natural Person, You May Remove or Strike Any or All the Following Information from Any Instrument That Transfers an Interest in Real Property Before it Is Filed for Record in the Public Records: Your Social Security Number or Your Driver's License Number.

State of Texas }
 }
County of Bexar }

Deed Without Warranty

**Authorizing
Ordinance:**

Statutory Authority:

Grantor: City of San Antonio

Grantor's Mailing Address: City Of San Antonio, P.O. Box 839966, San Antonio,
Texas 78283-3966 (Attn: City Clerk)

Grantor's Street Address: City Hall, 100 Military Plaza, San Antonio, Texas 78205
(Bexar County)

Grantee:

**Grantee's Mailing
Address:**

Consideration:

All of the following real property situated within the corporate limits of the City of San Antonio, Bexar County,
Property: Texas, being described as follows:

more particularly described by metes and bounds and


shown by survey on **Exhibit "A"** attached hereto and incorporated herein verbatim for all purposes.


Grantor, for the Consideration, Grants, Bargains, and Conveys to Grantee, all of Grantor's right, title, interest, and estate, both at law and in equity, as of the date hereof, in and to the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, To Have and To Hold unto Grantee, Grantee's successors and assigns forever, **Without Any Express Or Implied Warranty whatsoever, Including But Not Limited to Warranties of Title, Condition, or Character.**

The Property is conveyed together with any and all improvements, structures and fixtures located thereon, and with all rights, privileges, rights of way, and easements appurtenant thereto, unless reserved unto other parties herein.

Reservations, Restrictions, Exceptions, And Conditions To Conveyance: This conveyance is explicitly subject to the following:

A. Reservations: ~~Grantor reserves a right of reentry if the restriction stated in item C below is breached.~~ *NONE* 

B. Easements: ~~All recorded and unrecorded easements, whether or not open and obvious.~~ 

C. Restrictions: ~~Through September 30, 2037, Grantee and its successors and assigns must at all times use the Property only for a public purpose related to higher education. At any time through September 30, 2037 that the Property is not being used for a public purpose related to higher education, Grantor or its successor or assigns may enjoin the non-complying use in any court of competent jurisdiction in Bexar County, Texas.~~ *NONE* 

D. Exceptions: All instruments affecting the Property, whether or not recorded.

E. Conditions: All conditions affecting the Property.

This conveyance does not relieve Grantee of any building, zoning, or other city-imposed requirements, or other land use restrictions applicable to the Property or the obligation to pay any real estate taxes that may otherwise be due.

Grantor expressly disclaims any and all warranties arising by common law, statute (including without limitation the implied warranties of § 5.023, Texas Property Code or any successor statute), or otherwise.

In Witness Whereof, Grantor has caused its representative to set its hand:

Grantor:

City of San Antonio, a Texas municipal corporation

By: _____

Printed
Name: _____

Title: _____

Date: _____

Approved As To Form:

By: _____
City Attorney

The State of Texas }

County of Bexar }

Before me, the undersigned authority, this instrument was this day acknowledged by _____, of and for the City of San Antonio, a Texas municipal corporation, on behalf of that entity in the capacity stated.

Date: _____

Notary Public, State of Texas

My Commission Expires: _____

After Recording, Return To:
