

ORDINANCE 2019-05-09 0387

APPROVING AMENDMENTS TO THE MISSION DEL LAGO TAX INCREMENT REINVESTMENT ZONE NUMBER SIX DEVELOPMENT AGREEMENT, PROJECT AND FINANCE PLANS, AND INTERLOCAL AGREEMENTS WITH BEXAR COUNTY, UNIVERSITY HEALTH SYSTEM AND SOUTHSIDE INDEPENDENT SCHOOL DISTRICT EXTENDING THE TIRZ TO SEPTEMBER 30, 2032.

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WHEREAS, in accordance with the Tax Increment Financing Act, Texas Tax Code, Chapter 311 ("the Act"), City Council in 1999 through Ordinance No. 90312 designated the Mission Del Lago Tax Increment Reinvestment Zone Number Six, located within City Council District 1, to promote the development and redevelopment of the Zone property, which would not otherwise occur through private investment in the reasonably foreseeable future; and

WHEREAS, on June 29, 2006, City Council through Ordinance No. 2006-06-29-0801 approved a Development Agreement with SouthStar Development Partners, Inc. for the construction of public infrastructure to support over 2,734 single-family homes; and

WHEREAS, on January 18, 2018, City Council approved an assignment of the Development Agreement from SouthStar Development Partners Inc. to SouthStar Mission Del Lago Holdings, L.P. (Developer); and

WHEREAS, the Developer is requesting to extend the life of the TIRZ from 2027 to 2032 to allow for the completion of 2,510 single-family homes, 520 multi-family units and 288,600 square feet of commercial space with additional common areas and amenities, upgraded wastewater infrastructure, increased ingress and regress for improved traffic flow, the creation of environmental buffers, conservation easements and protection zones and added Highway 281 connectivity. Participation rates for the City and Bexar County will each be lowered during the extension period to accommodate the longer term with no additional reimbursement to Developer; and

WHEREAS, on April 5, 2019, in accordance with the Act, the Board adopted resolutions approving an Amended Project Plan, an Amended Finance Plan, an Amended and Restated Development Agreement, and Amended and Restated Interlocal Agreements with Bexar County, Southside ISD and University Health System which detail the changes to the TIRZ term and participation rates where applicable, and increase the administrative fee; and

WHEREAS, it is now necessary for the City Council to approve the Amended Project and Finance Plans and the extension of the TIRZ to September 30, 2032, and to authorize the City Manager or his designee to execute the Amended and Restated Development Agreement and the Amended and Restated Interlocal Agreements; and

WHEREAS, it is officially found and determined that a public hearing was conducted during the same meeting at which this Ordinance was passed and both the hearing and the meeting were open to

the public and public notice was provided as required by Chapter 551, Texas Government Code and Chapter 311, Texas Tax Code. **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The extension of the Mission Del Lago TIRZ until September 30, 2032 is hereby authorized.

SECTION 2. The terms and conditions of the amended and restated Development Agreement with SouthStar Mission Del Lago Holdings, L.P., attached here as **Exhibit A**, are hereby approved.

SECTION 3. The City Manager or his designee is hereby authorized to execute the Amended and Restated Development Agreement which has been incorporated into this Ordinance for all purposes.


SECTION 4. The terms and conditions of the Interlocal Agreements with Bexar County, Southside ISD and University Health System, attached here as **Exhibits B, C and D** respectively, are hereby approved.

SECTION 5. The City Manager or his designee is hereby authorized to execute the Interlocal Agreements which have been incorporated into this Ordinance for all purposes.

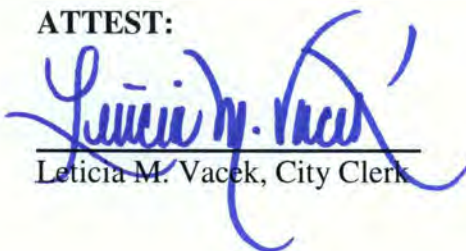
SECTION 6. The Mission Del Lago TIRZ Amended Project Plan and Amended Finance Plan, set out as **Exhibits E and F** respectively, are hereby adopted.

SECTION 7. This Ordinance shall be effective immediately upon its passage by eight (8) affirmative votes or on the tenth day after passage by less than 8 votes.

PASSED AND APPROVED this 9th day of May, 2019.


M A Y O R
Ron Nirenberg

ATTEST:


Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:


Andrew Segovia, City Attorney

Agenda Item:	13 (in consent vote: 4, 5, 8, 9, 10, 11, 12, 13)						
Date:	05/09/2019						
Time:	09:30:27 AM						
Vote Type:	Motion to Approve						
Description:	Ordinance approving amendments to the Mission Del Lago Tax Increment Reinvestment Zone (TIRZ) Development Agreement, Project and Finance Plans, and Interlocal Agreements with Bexar County, University Health System and Southside Independent School District extending the TIRZ by five years to September 30, 2032. [Peter Zaroni, Deputy City Manager; Veronica Soto, Director, Neighborhood and Housing Services]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x			x	
Art A. Hall	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x				
Clayton H. Perry	District 10		x				

EXHIBIT A

**AMENDED AND RESTATED DEVELOPMENT AGREEMENT BY AND AMONG
THE CITY OF SAN ANTONIO, TEXAS,
SOUTHSTAR MISSION DEL LAGO HOLDINGS, L.P. AND
THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER SIX,
CITY OF SAN ANTONIO, TEXAS**

This Amended and Restated Development Agreement (“Agreement”) pursuant to Ordinance No. 2019-____-____-_____, passed and approved on the ____ day of _____, 2019 amends and restates the initial Development Agreement pursuant to Ordinance No. 2006-06-29-0801, passed and approved on the 29th day of June 2006, and the First Amendment pursuant to Ordinance No. 2014-05-01-0286, passed and approved on the 1st day of May 2014, is hereby entered into by and among the City of San Antonio, a Texas, a municipal corporation in Bexar County, Texas (hereinafter the “City”); SouthStar Mission Del Lago Holdings, L.P., a Florida limited partnership (the “Developer”), and the Board of Directors for Reinvestment Zone Number Six, City of San Antonio, Texas, a tax increment reinvestment zone (the “Board”);

WHEREAS, City recognizes the importance of its continued role in economic development, community development, planning, and urban design; and

WHEREAS, by Ordinance Number 90312, dated August 19, 1999, pursuant to the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code (as amended, hereinafter called the “Act”), City created Reinvestment Zone Number Six (TIRZ) in accordance with the Act, to promote development and redevelopment of the TIRZ Property through the use of tax increment financing, 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

WHEREAS, Section 311.002(1) of the Act authorizes the expenditure of funds derived within a reinvestment zone, whether from bond proceeds or other funds, for the payment of expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by a municipality establishing a reinvestment zone, for costs of public works or public improvements in the TIRZ, plus other costs incidental to those expenditures and obligations, consistent with the project plan of the reinvestment zone, which expenditures and monetary obligations constitute project costs, as defined in Section 311.002(1) of the Act (“Project Costs”); and

WHEREAS, in accordance with the Tax Increment Financing Act, Texas Tax Code, Chapter 311 (the “Act”), the City created the Board and authorized the Board to exercise all the rights, powers, and duties as provided to such Boards under the Act; and

WHEREAS, on August 24, 1999, by a Board Resolution, Board adopted and approved a final Project Plan and a final Finance Plan defined hereunder and referred to herein as “Project Plan” and “Finance Plan” (together, the “1999 Plans”) providing for development of the TIRZ Property; and

WHEREAS, the 1999 Plans were amended at a Board Meeting in May, 2006 and approved by the City Council on June 29, 2006 (together the “2006 Plans”); and

WHEREAS, the 2006 Plans were amended at a Board Meeting on April 15, 2014 and approved by City Council on May 1, 2014 (together the “2014 Plans”); and

WHEREAS, the City approved the Final Project Plan and 1999 Final Finance Plan for the TIRZ by Ordinance Number 90383 on August 26, 1999, and amended the Plans by Ordinance Number 2006-06-29-0801, on June 29, 2006 and authorized the City Manager of the City of San Antonio or her designated representative to execute the initial Agreement on behalf of the City, and to bind the City to the terms and conditions of that Agreement; and the City approved that certain Settlement and Release Agreement further amending the 2006 Plans by Ordinance Number 2014-05-01-6286 on May 1, 2014; and then amended the plan by Ordinance on [date], 2019; and

WHEREAS, in March, 2014, the initial developer entered into an “Agreement for Purchase and Sale” with SouthStar Development Partners (“SouthStar”) for the purchase of initial developer's assets and an “Operating Agreement” delegating authority to SouthStar to serve as its “Operating Agent” and on January 18, 2018, the City approved an assignment of the Development Agreement to the Developer, an affiliate of SouthStar; and

WHEREAS, Pursuant to the Act (as amended) and City of San Antonio Ordinance Number 90312, dated August 19, 1999, the Board has authority to enter into agreements that the Board considers necessary or convenient to implement the Plans and to achieve the purposes of developing the TIRZ Property within the scope of those Plans; and

WHEREAS, pursuant to said authority above, the Board, the City and the Developer each hereby enters into this binding amended and restated agreement with the others to develop and/or redevelop the TIRZ Property as specified in the attached 2019 Project Plan, 2019 Finance Plan, and this Agreement; and

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

I. DEFINITIONS

- 1.1 The “City,” the “Board” and the “Developer” shall have the meanings specified above.
- 1.2 “Act” means the Tax Increment Financing Act, as defined above and as may be amended from time to time.
- 1.3 “Agreement” means this document by and among the City, the Board and the Developer, which may be amended from time to time, pursuant to the provisions contained herein.
- 1.4 “Available Tax Increment Funds” for each Participating Taxing Entity means the “Tax Increment” contributed by each Participating Taxing Entity as defined in Section 311.012(a) of the Act to the fund established and maintained by the City for the purposes of implementing the projects of the TIRZ, less the initial administrative costs of each

Participating Taxing Entity for organizing the TIRZ and the ongoing administrative costs of each Participating Tax Entity for managing the TIRZ, and those annual administrative fees, if any, of the Participating Tax Entities.

- 1.5 “Captured Taxable Value” means the captured taxable values of the TIRZ, as defined in Section 311.012 (b) of the Act (as maybe amended from time to time).
- 1.6 “City Manager” means the City Manager of the City or his designee.
- 1.7 “Completion” means construction of a public improvement in the TIRZ in accordance with the Project Plan, Finance Plan and this Agreement to the extent that the particular improvement can be used and maintained for its intended purpose, as certified complete by an engineer or other official of the City with responsibility for inspecting and certifying such improvements.
- 1.8 “Contract Progress Payment Request” (“CPPR”) means a request, prepared in accordance with the requirements of Exhibit A, attached hereto and incorporated herein for all purposes, for reimbursement due to the Developer for work completed in accordance with Section 1.6 above on a specific improvement in the TIRZ in accordance with the public improvements in the Project Plan and the timeline detailed in Exhibit A, the Public Improvements and Construction Schedule. The CPPR shall also reflect all waivers granted through the Incentive Scorecard System.
- 1.9 “CPPR Approval” means a written acknowledgement from the City to the Developer that the Contract Progress Payment Request, as defined herein, was completed and submitted correctly, and that the Contract Progress Payment Request is ready for presentation to the Board for approval and consideration for reimbursement to the Developer.
- 1.10 “Construction Schedule” means the timetable for constructing the improvements specified in the Project Plan, Finance Plan and this Agreement, which timetable is more particularly set forth in Exhibit A, attached hereto and incorporated herein for all purposes and which timetable may be amended from time to time pursuant to the provisions of this Agreement.
- 1.11 “Developer” means SouthStar Mission Del Lago Holdings, L.P., Florida limited partnership.
- 1.12 “Effective Date” means the date that the last party signs the Agreement.
- 1.13 “Finance Plan” means the final Finance Plan as defined in the Act, as approved and as may be amended from time to time by the Board and the City, which plan is hereby incorporated into this document by reference for all purposes, as if set out in its entirety. Together, the Project Plan and Finance Plan are the “Plans”.
- 1.14 “Guidelines” means the Tax Increment Financing (TIF) and Reinvestment Zone Guidelines and Criteria as passed and approved by the City Council of the City of San Antonio, in effect at the time of the creation of the TIRZ.
- 1.15 “Participating Taxing Entity” means any governmental entity recognized as such by Texas law that is participating in this Project by contributing a percentage.

- 1.16 “Phase” means a portion of the Project that is being constructed by the Developer, normally being a set number of units and acres of the TIRZ Property being constructed together during a specific timeline.
- 1.17 “Project” has the meaning specified in Section 3.1 of this Agreement, and as more specifically detailed in the Project Plan and Finance Plan as (either or both) may be amended from time to time.
- 1.18 “Project Costs” has the meaning provided by Section 311.002(1) of the Act.
- 1.19 “Project Plan” means the final Project Plan as defined in the Act, as approved and as may be amended from time to time by the Board and the City, which plan is hereby incorporated by reference into this document as if set out in its entirety, for all purposes. Together, the Project Plan and Finance Plan are the “Plans”.
- 1.20 “Project Status Report” means a report, prepared and submitted by the Developer in accordance with the requirements of Exhibit C attached hereto and incorporated herein for all purposes, which provides quarterly updates of Project construction.
- 1.21 “Public Improvements” include those improvements that provide a public benefit and that are listed in the Plans. When an improvement has both private and public benefits, only that portion which is dedicated to the public may be reimbursed to the Developer, such as, but not limited to grading and environmental studies.
- 1.22 “TIF Unit” means the division of the City’s Neighborhood Services Department responsible for the management of the City’s TIF Program.
- 1.23 “Zone” means Tax Increment Reinvestment Zone Number Six, City of San Antonio, Texas.
- 1.24 “TIRZ Property” means the real property in the contiguous geographic area of the City that is included in the boundaries of the TIRZ, which are more particularly described in the Project and Finance Plans.
- 1.25 “Street Reconstruction Project” means certain street repairs to Unit 8 of the subdivision funded by a City tax note pursuant to a Settlement and Release Agreement by and between the City and Mission Del Lago Ltd.
- 1.26 “Developer Participation Contract” means that certain agreement for the Street Reconstruction Project made pursuant to a Settlement and Release Agreement by and between the City and Mission Del Lago Ltd.

Singular and Plural: Words used herein in the singular, where the context so permits, also includes the plural and vice versa, unless otherwise specified.

II. REPRESENTATIONS

- 2.1 **NO TAX INCREMENT BONDS OR NOTES.** The City, the Board, and the Developer represent that they understand and agree that neither the City nor the Board shall issue any

bonds or notes to cover any costs directly or indirectly related to the Developer's improvement of the TIRZ under this Agreement. Notwithstanding the foregoing, in accordance with the Settlement and Release Agreement by and between the City and the initial developer, the City issued a note to finance street reconstruction, which note is repaid from the City's tax increment applicable to the TIRZ.

- 2.2 **City.** The City represents to the Developer that the City is a home rule municipality located in Bexar County, Texas, and has authority to carry out the obligations contemplated by this Agreement.
- 2.3 **Board.** The Board represents to the Developer that the TIRZ is a Tax Increment Reinvestment Zone established by the City pursuant to Ordinance Number 90312, passed and approved on August 19, 1999, and that the City and the Board have authority to carry on the functions and operations contemplated by this Agreement.
- 2.4 **Developer.** The Developer represents to the City and to the Board that the Developer is a limited partnership duly formed in the State of Florida; that the Developer has the authority to enter into this Agreement and to perform the requirements of this Agreement; that the Developer's performance under this Agreement shall not violate any applicable judgment, order, law or regulation; that the Developer's performance under this Agreement shall not result in the creation of any claim against the City for money or performance, any lien, charge, encumbrance or security interest upon any asset of the City or the Board, except that this Agreement shall constitute a claim against the TIF Fund only for Available Tax Increment Funds to the extent provided herein; and that the Developer shall have sufficient capital to perform all of its obligations under this Agreement when it needs to have said capital.
- 2.5 **Consent.** The City, the Board, and the Developer represent each to the others that the execution, delivery, and performance of this Agreement on its part does not require consent or approval of any person that has not been obtained.
- 2.6 **Payments.** The City, the Board, and the Developer may rely upon the payments to be made to it out of the Available Tax Increment Funds as specified in this Agreement and that the Developer may assign its rights to such payments, either in full or in trust, for the purposes of financing its obligations related to this Agreement, but the Developer's right to such payments is subject to the other limitations of this Agreement. Notwithstanding the foregoing, the City shall issue a check or other form of payment made payable only to the Developer.
- 2.7 **Cooperation.** The City, the Board, and the Developer represent each to the others that it shall make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires its continued cooperation.
- 2.8 **Project Completion.** The City, the Board, and the Developer represent each to the others that they understand and agree that even after the TIRZ terminates, the Developer shall diligently work to successfully complete any and all required improvements that are not completed before Zone terminates. Such completion shall be at no additional cost to the City and/or the Board.

- 2.9 **Interlocal Agreements.** The City, the Board, and the Developer represent each to the others that they understand and agree that this Agreement shall have no force or effect unless and until all applicable Interlocal Agreements for the Project are executed between City, Bexar County, Southside Independent School District, and University Health System (UHS). The Developer represents that it understands that any contributions made by the Developer in anticipation of reimbursement from tax increments shall never be obligations of the general funds of the City, but are only obligations of the TIF Fund, and are subject to the extent of the available TIRZ fund to reimburse the Developer.
- 2.10 **Developer Risk.** The Developer represents that it understands that any contributions made by the Developer in anticipation of reimbursement from tax increments shall not be, nor shall construed to be, financial obligations of the City, another Participating Taxing Entity, or the Board. The Developer shall bear all risks associated with reimbursement, including, but not limited to: incorrect estimates of tax increment, changes in tax rates or tax collections, changes in state law or interpretations thereof, changes in market or economic conditions impacting the project, changes in interest rates or capital markets, changes in development code requirements, default by tenants, unanticipated effects covered under legal doctrine of force majeure, and/or other unanticipated factors.

III. THE PROJECT

- 3.1 **The Project.** The Project shall consist of the following public improvements and related capital costs including: streets and approaches, sidewalks, drainage, water, sewer, utilities, street lights, on-site sewer outfall, Del Lago Parkway, gas, park improvements, land and ROW clearing, contingency, Project Management, offsite sewer and water, landscaping ROW, land, Developer formation, legal costs, platting fees, drainage fees, sewer impact fees, engineering/surveying fees, performance of the "Street Reconstruction Project" in accordance with that certain Developer Participation Contract in accordance with the terms of the Developer Participation Contract, to be constructed by the Developer on an approximately 812.132 acres out of the Mission Del Lago Subdivision, as set forth in the Plans.
- 3.2 **Competitive Bidding and Prevailing Wages.** Contracts for the construction of Public Improvements financed through Available Tax Increment Funds shall be publicly bid in compliance with Chapter 252 of the Local Government Code, pay prevailing wages in accordance with the prevailing wage chart adopted by the City, attached hereto as Exhibit D, and be constructed by or on behalf of the Developer, in compliance with all applicable law unless: (1) Available Tax Increment Funds go toward financing thirty percent (30%) or less of the cost for a specific public improvement, in compliance with Chapter 212 of the Local Government Code; and (2) such public improvement is not a building of any sort. Should the Developer not publicly bid a Public Infrastructure Improvement, the Developer must obtain written approval by the City in order to be eligible for partial reimbursement of those Project Costs not publicly bid pursuant to the regulations set forth in Chapters 252 and 212 of the Local Government Code. Partial reimbursements to the Developer in that event shall not exceed thirty percent (30%) of the Project Costs that would otherwise have been eligible for total reimbursements had they been publicly bid.

- 3.3 **Private Financing.** The cost of the Public Improvements and all other improvement expenses associated with the Project shall be through the use of the Developer's own capital or through commercial or private construction loans/lines of credit secured solely by the Developer. The Developer may use any or part of the TIRZ Property as collateral for the construction loan or loans as required for the financing of the Project; however, no property with a lien still attached may be offered to the City for dedication. The City and the Board pledge to use Available Tax Increment Funds, up to the maximum amount provided herein, to reimburse the Developer for eligible Project Costs it has expended. **THESE AVAILABLE TAX INCREMENT FUND REIMBURSEMENTS MADE TO THE DEVELOPER ARE NOT INTENDED TO REIMBURSE THE DEVELOPER FOR ALL OF ITS COSTS INCURRED IN CONNECTION WITH PERFORMING ITS OBLIGATIONS UNDER THIS AGREEMENT.**
- 3.4 **Reimbursement.** The parties hereto agree that neither the City nor the Board can guarantee that those Available Tax Increment Funds shall completely reimburse the Developer, but that those Available Tax Increment Funds shall constitute the total reimbursement to the Developer for the construction of the Public Improvements.

IV. TERM

- 4.1 The term of this Agreement shall commence on the Effective Date and end on the date which is the earlier to occur of the following: (i) the date the Developer receives the final reimbursement for completing the Project; or (ii) the date this Agreement is terminated as provided in Article X, or as provided in the Finance Plan; provided that all existing warranties on the Project shall survive termination of this Agreement; or (iii) one calendar year after the date that the TIRZ expires.

V. DUTIES AND OBLIGATIONS OF DEVELOPER

- 5.1 **Discretionary Program.** Developer agrees that the TIF program is a discretionary program and that the City and the Board have no obligation to extend TIF to Developer. Developer agrees that it has no vested rights under any regulations, ordinances or laws, and waives any claim to be exempt from applicable provisions of the current and future City Charter, City Code, City Ordinances, and City Unified Development Code, state or federal laws and regulations.
- 5.2 **Duty to Complete.** Developer agrees to complete, or cause to be completed, the improvements described in Section 3.1 above. Developer agrees to provide, or cause to be provided, all materials, labor and services for completing the Project. Developer also agrees to obtain or cause to be obtained, all necessary permits and approvals from the City and/or all other governmental agencies having jurisdiction over the construction of improvements.
- 5.3 **Commencement of Construction.** The Developer shall not commence any construction on any Phase of the Project until the plans and specifications for a Phase have been approved in writing by the appropriate department of the City. For purposes of this Section, letters of certification or acceptance issued by the City shall constitute written approval of the City.

- 5.4 **Payment and Performance Bonds.** In accordance with Chapter 2253 of the Texas Government Code, the Developer shall, prior to beginning construction on all or any part of the Project, cause its general contractor or general contractors to obtain a payment and performance bond in an amount sufficient to cover completion of the Public Improvements for that phase in their respective contracts. The Developer shall submit evidence of payment and performance bonds as a condition of eligibility for reimbursement pursuant to the requirements of the CPPR. For all purposes, the Developer is the prime contractor, and this Development Agreement is the Public Works Contract which is the subject of the Payment and Performance bonds under Chapter 2253 of the Government Code. The Developer shall submit the original payment and performance bonds to the City for inspection immediately upon obtaining them, and shall attach copies of the bonds as a condition of eligibility for reimbursement pursuant to the requirements of the CPPR. The City's Risk Management Department and the City Attorney's Office shall determine the acceptability of the bonds. Without limiting other material breaches, failure of the Developer to comply with this section or Chapter 2253 of the Texas Government Code is a material breach of this contract, and the City may terminate the TIRZ and exercise of the full range of legal remedies available to the City.
- 5.5 **Supervision of Construction.** The Developer agrees to retain and exercise supervision over the construction of the Project and all improvements and cause the construction and all improvements to be performed, at a minimum, in accordance with federal, state and local laws and ordinances, the TIF Guidelines, the 2019 Plans, and the plans and specifications approved by the appropriate department of the City and the Board; except that to the extent that compliance with the current TIF guidelines is impossible due to the existence of already completed development or construction, the UDC in existence at the time the TIRZ was created shall apply. The Developer shall comply with the UDC in effect as of the effective date of this Agreement in all future construction of the Project. The Developer also agrees to provide periodic reports of such construction to the City and to the Board and upon the reasonable request of the City and/or the Board, as further described in Section 5.12. Without limiting other material breaches, failure of the Developer to comply with this section is a material breach of this contract, and the City may terminate the TIRZ and exercise of the full range of legal remedies available to the City.
- 5.6 **Compliance with Discretionary Program.** The Developer agrees that the TIF program is a discretionary program and that the City has no obligation to extend TIF to the Developer. In exchange for receiving TIF, the Developer agrees to develop the Mission del Lago Project in accordance with the ordinances, rules and regulations of the City in effect on the date the TIRZ was designated, unless specified otherwise in this Agreement.
- 5.7 **Payment of Applicable Fees.** The Developer shall be responsible for paying, or causing to be paid, to the City and all other governmental agencies the cost of all applicable permit fees and licenses which have not been waived and are required for construction of the Project.
- 5.8 **Delays.** Developer shall construct or cause the construction of the Project. The Project shall be completed no later than December 31, 2032. If the commencement or completion of the Project is delayed by reason beyond the Developer's control, then at the

reasonable discretion of the Director of the City's Neighborhood & Housing Services (or successor) Department, the commencement or completion deadlines set forth in this Agreement may be extended by no more than six (6) months. In the event that Developer does not complete the Project substantially in accordance with the Construction Schedule (or extended schedule), then, in accordance with Article XXII. Changes and Amendments of this Agreement, the Parties may extend the deadlines in the Construction Schedule, but not past the expiration of the TIRZ. If the parties cannot reach an agreement on the extension of the Construction Schedule, or if Developer fails to complete the Project in compliance with the revised Construction Schedule, then the City and/or the Board may exercise its authority to terminate this Agreement

- 5.9 **Litigation.** Developer acknowledges that Developer is aware that the City's policy on litigation is that, except to the extent prohibited by law, persons who are engaged in litigation against the City are ineligible to obtain the use of TIF as principals, participants for the duration of the litigation. A principal or participant includes the TIF applicant, developer, sponsor, development team member, or an employee, affiliate, agent, relative of the first degree of consanguinity or representative of the above. Accordingly, the City shall not consider a project proposing the use of TIF, designate a TIRZ, enter into any TIF contracts or agreements with, or authorize or make any payments to persons engaged in litigation with the City. Ineligible persons shall be excluded from participating as either participants or principals in all TIF projects during the term of their litigation. "Person" includes an individual, corporation, organization, government or governmental subdivision or agency, business trust, estate, trust, partnership, association, and any other legal entity. This TIRZ may be terminated for a present or future violation of this policy.

- 5.10 **Infrastructure Maintenance.** Developer shall, at its own expense, maintain or cause to be maintained all Public Improvements, not dedicated to the City until acceptance by the City as evidenced by written acceptance required by Section 3.6 above and for one (1) year after Completion. Upon acceptance of a street or drainage improvement for maintenance by the City, Developer shall deliver to the City a one (1) year extended warranty bond, naming the City as the obligee, in conformity with Chapter 35, the City's Unified Development Code. The cost of repair, replacement, reconstruction and maintenance for defects discovered during the first year after Completion shall be paid by Developer or the bond company and shall not be paid out of the TIRZ fund. After the expiration of the one (1) year extended warranty bond, the cost of the repair, replacement, reconstruction and maintenance of Public Improvements dedicated to the City shall be the responsibility of the City.

(a) Developer, its agents, employees, and contractors will not interfere with reasonable use of all the Public Improvements by the general public, except for drainage retention improvements. In accordance with the Construction Schedule, Developer shall use its best efforts to dedicate (or grant a public easement) Public Improvements where applicable to the appropriate taxing entity (as determined by the City), at no additional expense to the City or TIRZ.

(b) The requirements of this Agreement cannot be waived or modified in any way by an engineer, employee, or City official or its subordinate agency with responsibility for inspecting or certifying public infrastructure. The actions of a city

employee or agent do not work an estoppel against the City under this contract or the Unified Development Code.

- 5.11 **Quarterly Status and Compliance Reports.** Upon the commencement and throughout the duration of the construction of this Project, Developer shall submit to the City's TIF Unit Project Status Reports (Exhibit C), on a quarterly basis or, as requested by the City, in accordance with the requirements of this Agreement and of the Status Report Form, attached hereto as Exhibit C. If Project Status Reports are not submitted on the assigned dates, the Developer understands that no available tax increment reinvestment zone funds will be reimbursed to the Developer until after the reports are provided.
- 5.12 **Requests for Reimbursement.** Developer shall initiate reimbursement requests of eligible Project Costs by submitting to the City's TIF Unit applicable invoices and a Contract Progress Payment Request Form (CPPR), as detailed in attached Exhibit A.
- 5.13 **Tree Preservation.** In accordance with Section 5.5 and Section 5.6 above, the Developer shall comply and shall cause its subcontractors to comply with the tree preservation ordinance, City of San Antonio Ordinance No. 85262, passed and approved by the City Council of the City on December 5, 1996, and as amended by Ordinance No. 97332, passed and approved by the City Council on March 13, 2003, and as may be amended from time to time.
- 5.14 **Bexar County Appraisal District.** The Developer shall render, or cause to be rendered, any and all residential buildings and commercial buildings to the Bexar County Appraisal District before December 31 of each year of this Agreement if the buildings were completed prior to December 31 of that year.
- 5.15 **Completion.** The Developer shall, at its own cost and expense, maintain or cause to be maintained, all the other public improvements until acceptance by the City, as evidenced by written acceptance by the appropriate City administrator, and for one (1) year after the Completion of construction. Developer shall obtain a one-year road maintenance bond in conformity with Chapter 35 of the City's Unified Development Code. After the expiration of one (1) year after Completion, maintenance of the Public Improvements shall be the responsibility of the City. The Developer, its agents, employees, and contractors will not interfere with reasonable use of all the Public Improvements by the general public, except for drainage retention improvements. In accordance with the Construction Schedule, the Developer shall use its best efforts to dedicate (or grant a public easement) to the Public Improvements where appropriate to the appropriate Participating Taxing Entity (as determined by the City), at no additional cost or expense to the City or any other Participating Taxing Entity within sixty (60) days after completion and acceptance of the improvements.
- 5.16 **Utilities.** The Developer shall pay, or cause to be paid, monthly rates and charges for all utilities (such as water, electricity, and sewer services) used by the Developer in regard to the development of the TIRZ Property for all areas owned by the Developer during construction of the Project, and for so long as the Developer owns those areas. Projects within the TIRZ shall be subject to Section 35.501 et seq. of the San Antonio City Code

and the Developer shall not be prohibited from applying for the benefits of any impact fee credits allowed by that section.

- 5.17 **Assistance.** The Developer shall cooperate with the City and the Board in providing all necessary information to the City and to the Board in order to assist the City and the Board in complying with this Agreement.
- 5.18 **Design.** The Developer shall include requirements in its contracts requiring its contractors, future purchasers, successors, and permitted assigns to comply with the City's Universal Design Policy on all improvements installed as required by City Code, Chapter 6, and Article XII. All such contracts shall contain provisions that require all future building permits and plans for single-family residences to be compliant with the City's Universal Design Policy and be clearly stamped or printed "Universal Design" by the builder and its architect. In addition, in accordance with the Settlement Agreement, Developer has executed a Restrictive Covenant requiring Developer, Developer's purchasers, successors, and permitted assigns to comply with the City's Universal Design Policy. Notwithstanding the foregoing, certain units in Phases 3, 4, 5, 6, 7A, 7B, and 8 do not comply with the City's Universal Design Policy. In accordance with the Settlement and Release Agreement, the City agreed to waive compliance with the Universal Design Policy only as to those units. If other units in the Project are found not to be constructed in compliance with the Universal Design requirements, the City may exercise all its legal options, including but not limited to terminating the TIRZ, enforcing the Restrictive Covenant in a court of competent jurisdiction, and/or removing any non-compliant parcels and their tax accounts from the boundaries of the TIRZ and the list of accounts generating revenue for the TIF Fund, which will then be reflected in an amended Finance Plan.
- 5.19 **Annual Reports.** The Developer shall submit written annual reports through the duration of the Project, on its construction progress and construction expenses to the City and the Board.
- 5.20 **Unified Development Code.** The Developer shall comply and shall cause all subcontractors to comply with the City of San Antonio Unified Development Code where applicable regarding the development of the Project.
- 5.21 **Stormwater Management Plan.** The Developer understands that the City has agreed that the Developer may submit a Stormwater Management Plan with each plat submitted to the City for approval. Developer further understands that no Available Tax Increment Funds will be reimbursed to the Developer for any eligible project costs associated with each plat until the Stormwater Management Plan has been approved.

VI. DUTIES AND OBLIGATIONS OF CITY AND BOARD

- 6.1 **No Bonds.** Neither the City nor the Board shall sell or issue any bonds to pay or reimburse the Developer or any third party for any improvements to the TIRZ Property performed under the Plans or this Agreement. Notwithstanding the foregoing, in accordance with the Settlement and Release Agreement by and between the City and the initial developer, the City issued a note to finance street reconstruction, which note is repaid from the City's tax increment applicable to the TIRZ.

- 6.2 **Developer Reimbursement.** The City and the Board hereby pledge all Available Tax Increment Funds as full reimbursement to the Developer, up to the maximum total amount specified in this Agreement, including those collected one calendar year after the expiration the Agreement, but that were due during the life of the TIRZ.
- 6.3 **Board Meetings.** The City and the Board hereby agree that all meetings of the Board shall be coordinated through and facilitated by the department of the City responsible for managing the TIF Program, and that all notices for meetings of the Board shall be drafted and posted by City staff, in accordance with Chapter 2, Article IX, of the City Code of City. City will post and facilitate the holding of at least one Board meeting per year and as otherwise needed.
- 6.4 **Participating Taxing Entities.** The City and the Board shall use their respective best efforts to cause each Participating Taxing Entity which levies real property taxes in the TIRZ to levy and collect their ad valorem taxes due on the TIRZ Property and to contribute the Available Tax Increment Funds towards reimbursing the Developer for the construction of the Public Improvements required under the Plans and this Agreement.
- 6.5 **Certificate of Completion.** The City and the Board shall use their respective best efforts to issue, or cause to be issued a Certificate of Completion for items satisfactorily brought to Completion by the Developer in constructing this Project.
- 6.6 **Reimbursement Requests.** The City and the Board hereby agree that all reimbursement requests from the Developer shall be processed in accordance with the City's CPPR policy, attached hereto as Exhibit A.

VII. COMPENSATION TO DEVELOPER

- 7.1 **Deposit Dates.** The City's obligation to contribute its Tax Increment Payment to the Tax Increment Fund shall accrue as the City collects its Tax Increment. The City agrees to deposit its Tax Increment Payment to the Tax Increment Fund on or before April 15 and September 15 (or the first business day thereafter) of each year.
- 7.2 **CPPR Approval.** Upon completion of public infrastructure and public improvements related to the Project, Developer may submit to the TIF Unit a completed CPPR. Should there be discrepancies in the CPPR or if more information is required, Developer will have thirty (30) calendar days upon notice by the City and/the Board to correct any discrepancy or submit additional information requested. Failure to timely submit the additional information requested by the City may result in delay of Developer's requested expense reimbursement.
- 7.3 **Maximum Reimbursement Amount.** Following the Board's authorizations, the Developer shall receive, in accordance with the Plans, total reimbursements for Public Improvements of a maximum of Fifty Nine Million, Three Hundred and Sixty Nine Thousand, Two Hundred and Sixty-Seven dollars and no cents (\$59,369,267.00) for public improvements, and a maximum of Fifteen Million, Six Hundred and Eighty Four Thousand, and Forty-Nine dollars and no cents (\$15,684,049.00) for interest on eligible project costs, if any, as full reimbursement for designing and constructing the Public Improvements required under the Plans and this Agreement.

- 7.4 **Reimbursement Period.** Board-authorized reimbursements of Available Tax Increment Funds shall be made to the Developer by the City within thirty (30) days after the deposit of its Tax Increment Payment to the Tax Increment Fund.
- 7.5 **Available Tax Increment Funds.** The sole source of the funds to reimburse the Developer for Project Costs shall be the Available Tax Increment Funds levied and collected on the TIRZ Property and contributed by the Participating Taxing Entities participating in the TIRZ to the fund created and maintained by the City for the purpose of implementing the Public Improvements of the Project.
- 7.6 **Priority of Payment.** The Parties agree that the TIRZ fund will reimburse Developer for Projects Costs in the order of priority of payment for the TIRZ.
- 7.7 **Partial Reimbursements.** If Available Tax Increment Funds do not exist in an amount sufficient to make such reimbursements in full when the reimbursements are due to the Developer under this Agreement, partial reimbursement shall be made to the Developer, and the remainder shall be paid as Available Tax Increment Funds become available. No fees, costs, expenses or penalties shall be paid to the Developer on any late reimbursement.
- 7.8 **Invalid Reimbursements.** If any reimbursement to the Developer is held invalid, ineligible, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the charter, codes, or ordinances of the City, then and in that event it is the intention of the parties hereto that such invalid, ineligible, illegal or unenforceable payment shall be repaid in full by the Developer to the City for deposit into the fund created and maintained by the City for the purpose of implementing the Public Improvements of the Project, and that the remainder of this Agreement shall be construed as if such invalid, illegal or unenforceable reimbursement was never contained herein.

VIII. INSURANCE

- 8.1 Developer shall require that the insurance requirements contained in this Article be included in all of its contracts or agreements for construction of Public Improvements where Developer seeks payment under this Agreement, unless specifically exempted in writing by the City and/or the Board.
- 8.2 **Proof of Insurance.** Prior to commencement of any work under this Agreement, Developer shall furnish copies of all required endorsements and Certificate(s) of Insurance to the City's TIF Unit, which shall be clearly labeled "**Mission del Lago**" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent authorized to bind coverage on its behalf. The City shall not accept Memorandum of Insurance or Binders as proof of insurance. The certificate(s) or form must have the agent's signature, including the signer's company affiliation, title and phone number, and be mailed with copies of all applicable endorsements, directly from the insurer's authorized representative to the City at the same addresses listed in Section 17.1 of this Agreement. The City shall have no duty to pay/perform under the Agreement until such certificate(s) and their endorsements has been received and approved by the City. No officer or employee, other than the City's Risk Manager, shall have authority to waive this requirement for the City.

- 8.3 **Required Types and Amounts.** Developer's financial integrity is of the interest to the City and the Board, therefore, subject to the Developer's right to maintain reasonable deductibles in such amounts as approved by the City, Developer and/or Developer's contractor, shall maintain in full force and effect during the construction of all Public Improvements required and any extension hereof, at the Developer's or the Developer's contractor's sole expense, insurance coverage written on an occurrence basis by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- or better by the A.M. Best Company and/or otherwise acceptable to the City, in the following types and for an amount not less than the amount listed:

TYPE	AMOUNTS
1. Workers' Compensation	Statutory
2. Employee Liability	\$1,000,000 / \$1,000,000 / \$1,000,000
3. Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Independent Contractors c. Products/Completed Operations d. Personal/Advertising Injury e. Contractual Liability f. Explosion, Collapse, Underground g. Environmental Impairment/Impact sufficiently broad to cover disposable liability h. Damage to property rented	For Bodily Injury and Property Damage of \$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage
4. Business Automobile Liability a. Owned/lease vehicles b. Non-owned vehicles c. Hired vehicles	Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence
5. *Professional Liability (Claims- made basis) To be maintained and in effect for no less than two years subsequent to the completion of the professional service.	\$1,000,000.00 per claim, to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any act, malpractice, error, or omission in professional services.
6. Builder's Risk	All Risk Policy written on an occurrence basis for 100% replacement cost during construction phase of any new or existing structure.
*If Applicable	

- 8.4 **Right to Review.** The City reserves the right to review the insurance requirements during the effective period of this Agreement and to modify insurance coverages and their limits when deemed necessary and prudent by the City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. In no instance shall the City allow modification whereupon the City may incur increased risk.
- 8.5 **Requests for Changes.** The City shall be entitled, upon request and without expense to receive copies of the policies, declaration page and all endorsements as they apply to the limits required by the City, and may require the deletion, revision, or modification of particular policy term, condition, limitation, or exclusion (except where policy provisions are established by law or regulation binding upon either of the Parties, or the underwrite of any such policies). Developer and/or Developer's contractor shall comply with any such request and shall submit a copy of the replacement certificate of insurance to City within ten (10) days of the requested change. Developer and/or Developer's contractor shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to the City and the Board at the addresses listed under Section 17.1 of this Agreement.
- 8.6 **Required Provisions and Endorsements.** Developer agrees that with respect to the above required insurance, all insurance contract policies, and Certificate(s) of Insurance will contain the following provisions:
- (a) Name the City and its officers, officials, employees, volunteers, and elected representative as additional insureds as respects operations and activities of, or on behalf of, the named insured subject to this Agreement, with the exception of the workers' compensation and professional liability policies;
 - (b) Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio if the City is an additional insured shown on the policy;
 - (c) Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and,
 - (d) Provide thirty (30) calendar days advance written notice directly to City at the same addresses listed in this Article of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for non-payment of premium.
- 8.7 **Cancellations and Non-Renewal.** Within five (5) calendar days of a suspension, cancellation, non-renewal, or material change in coverage, Developer and or Developer's contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City at the same address listed in Section 17.1 of this Article. City shall have the option to suspend Developer or Developer's contractor's performance should there be a lapse in coverage at any time during this Agreement. Failure to provide and to maintain the required insurance shall constitute a breach of this Agreement and the City may exercise any and all available legal remedies.
- 8.8 **City's Remedies.** In addition to any other remedies the City may have upon Developer and/or Developer's contractor for the failure to provide and maintain insurance or policy

endorsements to the extent and within the time required, the City shall have the right to order Developer to stop work, and/or withhold any payment(s), which become due until Developer and/or Developer's contractor demonstrates compliance with the requirements.

- 8.9 **Responsibility for Damages.** Nothing in the Agreement shall be construed as limiting in any way the extent to which Developer and/or Developer's contractor may be held responsible for payments of damages to persons or property resulting from Developer's or its subcontractors' performance of the work covered under this Agreement.
- 8.10 **Primary Insurance.** Developer's insurance shall be deemed primary with respect to any insurance or self-insurance carried by the City for liability arising under this Agreement.
- 8.11 **Developer's Obligation.** Developer agrees to obtain all insurance coverage with minimum limits of not less than the limits delineated under Section 8.3 of this Article from each subcontractor to Developer and Certificate of Insurance and Endorsements that names the Developer and the City as an additional insured. It is understood and agreed that the insurance required is in addition to and separate from any other obligation in the Agreement. Developer and any subcontractors are responsible for all damages to their own equipment and/or property. Developer must provide City current proof of insurance for all projects and applicable contracts and agreements executed pursuant to this Agreement.
- 8.12 **"All Risk".** At all times during the performance of construction, Developer and its contractor shall maintain in full force and effect builder's "All Risk" insurance policies covering such construction. The Builder's Risk Policies shall be written on an occurrence basis and on a replacement cost basis, insuring 100% of the insurable value of construction improvements.

IX. WORKERS COMPENSATION INSURANCE COVERAGE

- 9.1 This Article is applicable only to construction of Public Improvements, the costs for which the Developer is seeking reimbursement from the City and the Board, and is not intended to apply to the private improvements made by the Developer.

9.2 Definitions.

(a) *Certificate of coverage ("certificate")* - A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or a coverage agreement (TWCC- 81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a Phase of the Project for the duration of the project.

(b) *Duration of the project* - includes the time from the beginning of the work on the Phase of the Project until the Developer's/person's work on the project has been completed and accepted by the City.

(c) *Persons providing services on the Project ("subcontractor" in §406.096 of the Texas Labor Code)* - includes all persons or entities performing all or part of the services the Developer has undertaken to perform on the Project, regardless of whether that person contracted directly with the Developer and regardless of whether that person

has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the Project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a Project. "Services" does not include activities unrelated to the Project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

- 9.3 Developer shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Developer providing services on the Project, for the duration of the Project.
- 9.4 Developer must provide a certificate of coverage to the City prior to being awarded the contract.
- 9.5 If the coverage period shown on the Developer's current certificate of coverage ends during the duration of the Phase of the Project, Developer must, prior to the end of the coverage period, file a new certificate of coverage with the City showing that coverage has been extended.
- 9.6 Developer shall obtain from each person providing services on a project, and shall provide to the City:
 - (a) certificate of coverage, prior to that person beginning work on the Phase of the Project, so the City will have on file certificates of coverage showing coverage for all persons providing services on the Project; and
 - (b) no later than seven (7) days after receipt by Developer, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the Phase of the Project.
- 9.7 Developer shall retain all required certificates of coverage for the duration of the Project and for one (1) year thereafter.
- 9.8 Developer shall notify the City in writing by certified mail or personal delivery, within ten (10) days after the Developer knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the Project.
- 9.9 Developer shall post on the TIRZ property a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the Project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.
- 9.10 Developer shall contractually require each person with whom it contracts to provide services on a Project, to:
 - (a) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements that meets the statutory

requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the Project, for the duration of the applicable Phase of the Project;

(b) provide to the Developer, prior to that person beginning work on the Project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the Project, for the duration of the applicable Phase of the Project;

(c) provide the Developer, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the applicable Phase of the Project;

(1) obtain from each other person with whom it contracts, and provide to the Developer:

(2) a certificate of coverage, prior to the other person beginning work on the Project; and

(d) a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the applicable Phase of the Project;

(e) retain all required certificates of coverage on file for the duration of the applicable Phase of the Project and for one (1) year thereafter;

(f) notify the City in writing by certified mail or personal delivery, within ten (10) days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the Project; and,

(g) perform as required by this Section 10.10 with the certificates of coverage to be provided to the person for whom they are providing services.

9.11 By signing this Agreement or providing or causing to be provided a certificate of coverage, Developer is representing to the City that all employees of Developer who will provide services on the Project will be covered by workers' compensation coverage for the duration of the applicable Phase of the Project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self Insurance Regulation. Providing false or misleading information may subject Developer to administrative penalties, criminal penalties, civil penalties, or other civil actions.

9.12 Developer's failure to comply with any of these provisions is a breach of this Agreement by the Developer which entitles the City and/or Board to declare the Agreement void and exercise all legal remedies if the Developer does not remedy the breach within ten (10) days after receipt of notice of breach from the City without necessity of the sixty (60) day cure period as set forth in Section 11.3.2 of this Agreement.

X. TERMINATION AND RECAPTURE

- 10.1 **Termination.** For purposes of this Agreement, termination shall mean the expiration of the term as provided by Article II. Section 2.1 Term, herein. The City and/or the Board may also terminate this Agreement, (1) Termination without Cause, (2) Termination for Cause, and (3) Termination by law.
- 10.2 **Termination Without Cause.** This Agreement may also be terminated by mutual consent and a written agreement of the Parties. In such case, the Parties shall agree upon the reason(s) of such termination, the termination conditions, any proposed pay-back plan of disbursed funds, and the proposed effective date of such termination.
- 10.3 **Termination for Cause/Default.** Upon written Notice, which shall be provided in accordance with Article XVII. Notice of this Agreement, the City and/or the Board shall have the right to terminate this Agreement for cause in whole or in part for cause if Developer fails to: (1) comply with any material term or and condition of this Agreement, which shall be deemed a default; and, (2) cure such default.
- 10.4 **Notice of Default.** After sending a written Notice of Default, the City shall not distribute TIRZ funds to Developer until the default is cured.
- 10.5 **Cure.** Upon written Notice of Default resulting from a breach of this Agreement, such default shall be cured within sixty (60) calendar days from the date of the Notice of Default. In the case of default, which cannot with due diligence be cured within such Cure Period, at the reasonable discretion of the Director of the City's Neighborhood & Housing Services (or successor) Department, the Cure Period may be extended provided that Developer shall immediately upon receipt of Notice of Default advises the City and the Board of Developer's intent to cure such default within the extended period granted.
- 10.6 **Failure to Cure.** In the event Developer fails to cure any default of this Agreement within the Cure Period (or extended period), the City and the Board may, upon issuance to Developer of a written Notice of Termination, terminate this Agreement in whole or in part. Such notification shall include the reasons for such termination, the effective date of such termination; and, in the case of partial termination, the portion of the Agreement to be terminated.
- 10.7 **Remedies upon Default.** The Parties shall have the right to seek any remedy in law to which they may be entitled, in addition to termination and repayment of funds, if a Party defaults under the material terms of this Agreement. The City and Board shall have the right to recapture all the disbursed funds pursuant to this Agreement and the Developer shall repay all disbursed funds to the TIRZ fund.
- 10.8 **Termination By Law.** If any state or federal law or regulation is enacted or promulgated which prohibits the performance of any of the duties herein, or, if any law is interpreted to prohibit such performance, this Agreement shall automatically terminate as of the effective date of such prohibition.
- 10.9 **Recapture.** Upon Notice of Termination in accordance with Article XVII. Notice, of this Agreement, the City and/or the Board, shall have the right to recapture all disbursed funds

made under this Agreement and Developer shall repay disbursed funds as requested by the City and/or the Board in the said Notice of Termination within sixty (60) days from the effective date of the Notice of Termination. All recaptured funds made under this Agreement shall be deposited into the TIRZ fund of the Mission del Lago TIRZ.

- 10.10 **Close Out.** Regardless of how this Agreement is terminated, Developer shall effect an orderly transfer to City or to such person or entity as the City may designate, at no additional cost to the City, all completed or partially completed documents, records, or reports, produced as a result of or pertaining to this Agreement, regardless of storage medium, if so requested by the City, or shall otherwise be retained by Developer in accordance with Article XIV. Records, of this Agreement. Reimbursements due to Developer will be conditioned upon delivery of all such documents, records, or reports, if requested by the City. Within ninety (90) calendar days of the effective date of completion, or termination or expiration of this Agreement, Developer shall submit to City and/or the Board all requests for reimbursements in accordance with Section 6.12 above through the effective date of termination. Failure by Developer to submit requests for reimbursements within said ninety (90) calendar days shall constitute a Waiver by Developer of any right or claim to collect Available Tax Increment that Developer may be otherwise eligible for pursuant to this Agreement.

XI. INDEMNIFICATION

- 11.1 DEVELOPER covenants and agrees TO FULLY INDEMNIFY AND HOLD HARMLESS, the CITY (and the elected officials, employees, officers, directors, and representatives of the CITY), and the BOARD (and the officials, employees, officers, directors, and representatives of the BOARD), individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal injury or death and property damage, made upon the CITY, and/or upon the BOARD, directly or indirectly arising out of, resulting from or related to DEVELOPER, any agent, officer, director, representative, employee, consultant or subcontractor of DEVELOPER, and their respective officers, agents, employees, directors and representatives while in the exercise of the rights or performance of the duties under this AGREEMENT, all without however, waiving any governmental immunity available to the CITY and/or the BOARD, under Texas Law and without waiving any defenses of the parties under Texas Law. IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF CITY, THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS AND REPRESENTATIVES OF CITY, UNDER THIS AGREEMENT.
- 11.2 It is the EXPRESS INTENT of the parties to this AGREEMENT, that the INDEMNITY provided for in this section, is an INDEMNITY extended by DEVELOPER to INDEMNIFY, PROTECT and HOLD HARMLESS, the CITY, and the BOARD, from the consequences of the CITY'S and/or the Board's OWN NEGLIGENCE, provided however, that the INDEMNITY provided for in this section SHALL APPLY only when the

NEGLIGENT ACT of the City and/or Board is a CONTRIBUTORY CAUSE of the resultant injury, death, or damage, and shall have no application when the negligent act of the City and/or the Board is the sole cause of the resultant injury, death, or damage. DEVELOPER further AGREES TO DEFEND, AT ITS OWN EXPENSE and ON BEHALF OF THE CITY AND/OR THE BOARD AND IN THE NAME OF THE CITY AND IN THE NAME OF THE BOARD, any claim or litigation brought against the CITY and its elected officials, employees, officers, directors, volunteers and representatives, in connection with any such injury, death, or damage for which this INDEMNITY shall apply, as set forth above.

XII. SITE INSPECTION

- 12.1 **Access.** The Developer shall allow the City and/or the Board reasonable access to the Project Property owned or controlled by the Developer for inspections during and upon completion of construction of the Project, and to documents and records necessary for the City and/or the Board to assess the Developer's compliance with this Agreement.

XIII. LIABILITY

- 13.1 **Developer.** As between the City, the Board, any Participating Taxing Entity, and Developer, Developer shall be solely responsible for compensation payable to any employee, contractor, or subcontractor of the Developer, and none of Developer's employees, contractors, or subcontractors will be deemed to be employees, contractors, or subcontractors of the City, the Board, or any Participating Taxing Entity as a result of the Agreement.
- 13.2 **City and Board.** To the extent permitted by Texas law, no director, officer, employee or agent of the City, the Board, or any other Participating Taxing Entity shall be personally responsible for any liability arising under or growing out of this Agreement.

XIV. RECORDS

- 14.1 **Right to Review.** Following notice to the Developer, the City reserves the right to conduct, at its own expense, examinations, during regular business hours, the books and records related to this Agreement including such items as contracts, paper, correspondence, copy, books, accounts, billings and other information related to the performance of the Developer's services hereunder. The City also reserves the right to perform any additional audits relating to Developer's services, provided that such audits are related to those services performed by Developer under this Agreement. These examinations shall be conducted at the offices maintained by Developer.
- 14.2 **Preservation of Records.** All applicable records and accounts of the Developer relating to this Agreement, together with all supporting documentation, shall be preserved and made available in Bexar County, Texas by the Developer throughout the term of this Agreement and for twelve (12) months after the termination of this Agreement, and then transferred for retention to the City at no cost to the City upon request. During this time, at Developer's own expense, may require that any or all of such records and accounts be submitted for audit to the City or to a Certified Public Accountant selected by the City within thirty (30) days following written request.

- 14.3 **Discrepancies.** Should the City discover errors in the internal controls or in the record keeping associated with the Project, Developer shall be notified of such errors and the Parties shall consult on what steps may be necessary to correct such discrepancies within a reasonable period of time, not to exceed sixty (60) days after discovery. The Board shall be informed of the action taken to correct such discrepancies.
- 14.4 **Overcharges.** If it is determined as a result of such audit that Developer has overcharged for the cost of the Public Improvements, then such overcharges shall be immediately returned to the TIRZ fund and become due and payable with interest at the maximum legal rate under applicable law from the date the City paid such overcharges. In addition, if the audit determined that there were overcharges of more than two (2) percent of the greater of the budget or payments to Developer for the year in which the discrepancy occurred, and the TIRZ fund is entitled to a refund as a result of such overcharges, then Developer shall pay the cost of such audit.

XV. NON-WAIVER

- 15.1 **Actions or Inactions.** No course of dealing on the part of the City, the Board, or the Developer nor any failure or delay by the City, the Board, or the Developer in exercising any right, power, or privilege under this Agreement shall operate as a waiver of any right, power or privilege owing under this Agreement.
- 15.2 **Receipt of Services.** The receipt by the City of services from an assignee of the Developer shall not be deemed a waiver of the covenant(s) in this Agreement against assignment or an acceptance of the assignee or a release of the Developer from further performance by Developer of the covenant(s) contained in this Agreement. No provision of this Agreement shall be deemed waived by the City unless such waiver is in writing, and approved by the City through an ordinance passed and approved by its City Council.

XVI. ASSIGNMENT

- 16.1 **Assignment by City.** The City and/or Board may assign their rights and obligations under this Agreement to any governmental entity the City creates without prior consent of Developer. If the City and/or Board assign their rights and obligations under this Agreement then the City and/or the Board shall provide Developer written notice of assignment within thirty (30) days of such assignment.
- 16.2 **Assignment by Developer.** Developer may sell or transfer its rights and obligations under this Agreement only upon approval and written consent by the Board, as evidenced by Board Resolution, when a qualified purchaser or assignee specifically agrees to assume all of the obligations of the Developer under this Agreement.
- 16.3 **Work Subject to Agreement.** Any work or services referenced herein shall be by written contract or agreement and, unless the City grants specific waiver in writing, such written contract or agreement shall be subject by its terms, insofar as any obligation of the City is concerned, to each and every provision of this Agreement. Compliance by Developer's contractor and/or subcontractors with this Agreement shall be the responsibility of Developer.

- 16.4 **No Third Party Obligation.** The City and/or the Board shall in no event be obligated to any third party, including any contractor, subcontractor, or consultant of the Developer, for performance of work or services under this Agreement.
- 16.5 **Lending Institutions.** Any restrictions in this Agreement on the transfer or assignment of the Developer's interest in this Agreement shall not apply to and shall not prevent the assignment of this Agreement to a lending institution or other provider of capital in order to obtain financing for the Project. Developer shall notify the City of all such assignments to a lending or other provider of capital. In no event, shall the City and/or the Board be obligated in any way to the aforementioned financial institution or other provider of capital. The City shall only issue a check or other form of reimbursement to Developer.
- 16.6 **Written Instrument.** Each transfer or assignment to which there has been consent, pursuant to Section 16.2 above, shall be by instrument in writing, in form reasonably satisfactory to the Board, and shall be executed by the transferee or assignee who shall agree in writing, for the benefit of the City and the Board, to be bound by and to perform the terms, covenants and conditions of this Agreement. Four (4) executed copies of such written instrument shall be delivered to the TIF Unit. Failure to obtain, the Board's consent by resolution, or failure to comply with the provisions herein first, shall prevent any such transfer or assignment from becoming effective. In the event the Board approves the assignment or transfer of this Agreement, Developer shall be released from such duties and obligations.
- 16.7 **No Waiver.** Except as set forth in Section 16.3 of this Agreement, the receipt by the City of services from an assignee of the Developer shall not be deemed a waiver of the covenants in this Agreement against assignment or an acceptance of the assignee or a release of further observance or performance by Developer of the covenants contained in this Agreement. No provision of this Agreement shall be deemed waived by the City unless such waiver is in writing, and approved by City Council in the form of a duly passed ordinance.
- 16.8 **Binding Effect of Agreement.** All covenants and agreements contained herein by the City and/or the Board shall bind their successors and assigns and shall inure to the benefit of the Developer and their successors and assigns. Obligated in any way to the aforementioned financial institution or other provider of capital.
- 16.9 **Consent Required.** Each transfer or assignment to which there has been consent, pursuant to Section 16.3 above, shall be by instrument in writing, in form reasonably satisfactory to the City, and shall be executed by the transferee or assignee who shall agree in writing for the benefit of the City and the Board to be bound by and to perform the terms, covenants and conditions of this Agreement. Four (4) executed copies of such written instrument shall be delivered to the City. Failure to first obtain, in writing, the City's consent, or failure to comply with the provisions herein contained shall operate to prevent any such transfer or assignment from becoming effective.
- 16.10 **City Approval.** In the event the City approves the assignment or transfer of this Agreement, as provided in Section 16.3 above, the Developer shall be released from such duties and obligations.

- 16.11 **No Waiver.** Except as set forth in Section 16.3, the receipt by the City of services from an assignee of the Developer shall not be deemed a waiver of the covenant in this Agreement against assignment or an acceptance of the assignee or a release of the Developer from further observance or performance by the Developer of the covenants contained in this Agreement. No provision of this Agreement shall be deemed waived by the City unless such waiver is in writing, and approved by the City Council of the City in the form of a duly passed ordinance.

XVII. NOTICE

- 17.1 **Address.** Any notice sent under this Agreement shall be written and mailed with sufficient postage, sent by certified mail, return receipt requested, documented facsimile or delivered personally to an officer of the receiving party with notice to Board Chair at the following addresses:

CITY

City of San Antonio
City Manager's Office
Box 893366
San Antonio, Texas 78283-3966
FAX: (210) 207-7032

DEVELOPER

SouthStar Mission Del Lago Holdings L.P.
c/o SouthStar Communities
ATTN: Thad Rutherford, President
1114 Lost Creek Blvd, Ste. 270
Austin, Texas 78746

BOARD

Board of Directors, Tax Increment
Reinvestment Zone Number Six,
City of P.O.
San Antonio, Texas
c/o Neighborhood and Housing Services
Department
ATTN: Director
City of San Antonio
1400 S. Flores
FAX: (210) 207-7914

- 17.2 **Notice Requirements.** Each party may change its address by written notice in accordance with this Article. Any communication delivered by facsimile transmission shall be deemed delivered when receipt of such transmission is received if such receipt is during normal business hours or the next business day if such receipt is after normal business hours. Any communication so delivered in person shall be deemed received when receipted for by or actually received by an officer of the party to whom the communication is properly addressed. All notices, requests, or consents under this Agreement shall be (a) in writing, (b) delivered to a principal officer or managing entity of the recipient in person, by courier or mail or by facsimile, telegram, telex, cablegram or similar transmission, and (c) effective only upon actual receipt by such person's business office during normal business hours. If received after normal business hours, the notice shall be considered received on the next business day after such delivery. Whenever any notice is required to be given by applicable law or this Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Each party shall have the right from time to time and at any time to change its address by giving at least fifteen (15) days' written notice to the other party.

XVIII. CONFLICT OF INTEREST

- 18.1 **Charter and Ethics Code Prohibitions.** The Charter of the City of San Antonio and the City of San Antonio Code of Ethics prohibit a City officer or employee, as those terms are defined in Section 2-52 of the Code of Ethics, from having a direct or indirect financial interest in any contract with the City. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale:
- (a) a City officer or employee; his or her spouse, sibling, parent, child or other family member within the first degree of consanguinity or affinity;
 - (b) an entity in which the officer or employee, or his or her parent, child or spouse directly or indirectly owns (i) ten (10) percent or more of the voting stock or shares of the entity, or (ii) ten (10) percent or more of the fair market value of the entity; or
 - (c) an entity in which any individual or entity listed above is (i) a subcontractor on a City contract, (ii) a partner or (iii) a parent or subsidiary entity.
- 18.2 **Certification.** Pursuant to the subsection above, Developer warrants and certifies, and this Agreement is made in reliance thereon, that by contracting with the City, Consultant does not cause a City employee or officer to have a prohibited financial interest in the Contract. Developer further warrants and certifies that it has tendered to the City a Contracts Disclosure Statement in compliance with the City's Ethics Code.

XIX. INDEPENDENT CONTRACTORS

- 19.1 **No Agency.** All Parties expressly agree that in performing their services, the Board and Developer at no time shall be acting as agents of the City and that all consultants or contractors engaged by the Board and/or Developer respectively shall be independent contractors of the Board and/or the Developer. The Parties hereto understand and agree that the City and the Board shall not be liable for any claim that may be asserted by any third party occurring in connection with services performed by Developer, under this Agreement unless any such claim is due to the fault of the City.
- 19.2 **No Authority.** The Parties further understand and agree that no party has authority to bind the others or to hold out to third parties that it has the authority to bind the others.

XX. TAXES

- 20.1 **Duty to Pay.** Developer shall pay, on or before the respective due dates, to the appropriate collecting authority all applicable Federal, State, and local taxes and fees which are now or may be levied upon the TIRZ Property, the Developer or upon the Developer's business conducted on the TIRZ Property or upon any of the Developer's property used in connection therewith, including employment taxes. Developer shall maintain in current status all Federal, State, and local licenses and permits required for the operation of the business conducted by the Developer. The Developer shall include in the CPPR submission evidence of payment of the taxes and fees above.

XXI. PREVAILING WAGES

- 21.1 The TIF Program is a discretionary program, and it is the policy of the City that the requirements of Chapter 2258 of the Texas Government Code, entitled "Prevailing Wage Rates," shall apply to TIF Development Agreements. Developer agrees that the Developer will comply with City Ordinance No. 71312 and its successors such as Ordinance No. 2008-11-20-1045 and will require subcontractors to comply with City Ordinance 71312 and its successors such as Ordinance No. 2008-11-20-1045 and shall not accept affidavits.
- 21.2 In accordance with Chapter 2258, Texas Government Code, and Ordinance No. 2008-11-20-1045, a schedule of the general prevailing rate of per diem wages in this locality for each craft or type of workman needed to perform this Agreement is included as **Exhibit D**, and made a part of this Agreement. Developer is required, and shall require its subcontractors to comply with each updated schedule of the general prevailing rates in effect at the time the Developer calls for bids for construction of a given phase.
- 21.3 Developer is further required to cause the latest prevailing wage determination decision to be included in bids and contracts with the Developer's general contractor and all subcontractors for construction of each Phase. The Developer shall forfeit as a penalty to the City \$60.00 for each laborer, workman, or mechanic employed, for each calendar day, or portion thereof, that such laborer, workman or mechanic is paid less than the said stipulated rates for any work done under said contract, by Developer or any subcontractor under the Developer. The establishment of prevailing wage rates in accordance with Chapter 2258, Texas Government Code shall not be construed to relieve the Developer from his obligation under any Federal or State Law regarding the wages to be paid to or hours worked by laborers, workmen or mechanics insofar as applicable to the work to be performed under this Agreement.

XXII. CHANGES AND AMENDMENTS

- 22.1 **Ordinance and Order Required.** Except when the terms of this Agreement expressly provide otherwise, any alterations, additions, or deletions to the terms hereof shall be by amendment in writing executed by the Presiding Officer of the Mission del Lago TIRZ Board of Directors, the Developer, and City, by and through its TIF Economic Development Manager or NHSD, or successor department, assistant director, and the Developer. However, any alterations, additions, or deletions to the terms hereof that result in a change to the funding level or the deliverables shall be by amendment in writing executed by the City, the Board and the Developer and evidenced by passage of a subsequent City ordinance.
- 22.2 **Construction Schedule.** Notwithstanding the above, the Construction Schedule may be amended, as evidenced by approval of the Director of the City's Neighborhood & Housing Services (or successor) Department. In the event an amendment to the Construction Schedule will result in a material change to this Agreement, then such amendment shall comply with the requirements of Section 22.1, above. No change under this section may result in an increase in the maximum contribution of the City or any other Participating Taxing Entity. Developer may rely on the determination of the Director of the City's Neighborhood & Housing Services (or successor) Department, whether a

change in the Construction Schedule would result in a material change to the overall Project requirements.

- 22.3 **Automatic Incorporation of Laws.** Changes in local, state and federal rules, regulations or laws applicable to the Board's and the Developer's services under this Agreement may occur during the term of this Agreement and any such changes shall be automatically incorporated into this Agreement without written amendment to this Agreement, and shall become a part as of the effective date of the rule, regulation or law.

XXIII. COMPLIANCE WITH SBEDA AND EEO POLICIES

- 23.1 **No Discrimination.** The Board and the Developer are each hereby advised that it is the policy of the City that business enterprises eligible as Small, Minority or Woman-owned Business Enterprises shall have the maximum practical opportunity to participate in the performance of public contracts. Except for those Public Improvements commenced prior to the creation of the TIRZ, the Board and the Developer each understands and agrees for itself to comply with the Non-Discrimination Policy of the City contained in Chapter 2, Article X of the City Code and further shall not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation, veteran status, gender identity, age or disability, unless exempted by State or federal law. The Developer further agrees that with respect to the remaining Public Improvements the Developer will make a good faith effort to comply with the applicable terms and provisions of the City's Non-Discrimination Policy, the City's Small, Minority or Woman-owned Business Advocacy Policy and the City's Equal Opportunity Affirmative Action Policy, these policies being available in the City's Department of Economic Development, Division of Internal Review and the City's Office of the City Clerk.
- 23.2 **Utilization Plan.** The Developer agrees that if material deficiencies in any aspect of its Small Business Economic Development Advocacy utilization plan are found as a result of a review or investigation conducted by the City's Department of Economic Development, the Developer will be required to submit a written report to the City's Department of Economic Development. The Developer will also be required to submit a supplemental Good Faith Effort Plan (GFEP) indicating efforts to resolve any deficiencies. If the City's Department of Economic Development denies a GFEP based on reasonable and published criteria, said denial will constitute failure to satisfactorily resolve any deficiencies by the Developer. Within ninety (90) days following receipt of notice from the City's Department of Economic Development, the Developer's failure to obtain an approved GFEP that includes the specific criteria not previously met shall constitute a default and result in a penalty on the Developer of One Thousand Dollars (\$1,000) per day as liquidated damages for the default until all deficiencies are resolved. The Developer's failure to cure all deficiencies within another ninety (90) days of the date the penalty is initially assessed constitutes a further (additional) condition of default by the Developer and which can, at the option of the Director of the Department of Economic Development, result in termination of this Agreement.

XXIV. CHANGES AND AMENDMENTS

- 24.1 **Ordinance and Order Required.** Except when the terms of this Agreement expressly provide otherwise, any alterations, additions, or deletions to the terms hereof shall be by amendment in writing executed by the Presiding Officer of the Mission del Lago TIRZ Board of Directors, the Developer, and City, by and through its TIF Economic Development Manager or NHSD, or successor department, assistant director, and the Developer. However, any alterations, additions, or deletions to the terms hereof that result in a change to the funding level or the deliverables shall be by amendment in writing executed by the City, the Board and the Developer and evidenced by passage of a subsequent City ordinance.
- 24.2 **Construction Schedule.** Notwithstanding the above, the Construction Schedule may be amended, as evidenced by approval of the Director of the City's Neighborhood & Housing Services (or successor) Department. In the event an amendment to the Construction Schedule will result in a material change to this Agreement, then such amendment shall comply with the requirements of Section 22.1, above. No change under this section may result in an increase in the maximum contribution of the City or any other Participating Taxing Entity. Developer may rely on the determination of the Director of the City's Neighborhood & Housing Services (or successor) Department, whether a change in the Construction Schedule would result in a material change to the overall Project requirements.
- 24.3 **Automatic Incorporation of Laws.** Changes in local, state and federal rules, regulations or laws applicable to the Board's and the Developer's services under this Agreement may occur during the term of this Agreement and any such changes shall be automatically incorporated into this Agreement without written amendment to this Agreement, and shall become a part as of the effective date of the rule, regulation or law.

XXV. SEVERABILITY

- 25.1 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 hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this Agreement shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein. It is also the intent of the parties hereto 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.

XXVI. LITIGATION EXPENSES

- 26.1 City policy on litigation is that, except to the extent prohibited by law, persons who are engaged in litigation or adversarial proceedings related to TIF against the City are ineligible to obtain or continue the use of TIF as principals or participants for the duration of the litigation. A principal or participant includes the TIF applicants and the TIF

applicant's developers, partners, affiliates, sponsors, payroll employees, or relatives of the first degree of consanguinity. Accordingly, the City shall not consider a project proposing the use of TIF, designate a TIRZ, enter into any TIF contracts or agreements with, or authorize or make any TIRZ payment to persons engaged in litigation or adversarial proceedings related to TIF with the City. Ineligible persons shall be excluded from participating as either participants or principals in all TIF projects during the term of their litigation.

- 26.2 During the term of this Agreement, if Developer files or pursues an adversarial proceeding regarding this Agreement against the City and /or the Board, without first engaging in good faith mediation of the dispute, then all access to funding provided hereunder shall withheld and Developer will be ineligible for consideration to receive any future tax increment reinvestment zone funding while any adversarial proceedings remains unresolved.
- 26.3 Under no circumstances will the Available Tax Increment received under this Agreement be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding against the City, the Board or any other public entity. Nothing contained in this Article shall effect or otherwise affect the indemnity provisions contained in Article XII. above.

XXVII. LEGAL AUTHORITY

- 27.1 Each person executing this Agreement on behalf of the City, the Board or the Developer, represents, warrants, assures and guarantees that he has full legal authority to (i) execute this Agreement on behalf of the City, the Board and/or the Developer, respectively and (ii) to bind the City, the Board and/or the Developer to all of the terms, conditions, provisions and obligations herein contained.

XXVIII. VENUE AND GOVERNING LAW

- 28.1 THIS AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.
- 28.2 Venue and jurisdiction arising under or in connection with this Agreement shall lie exclusively in Bexar County, Texas. Any legal action or proceeding brought or maintained, directly or indirectly, as a result of this Agreement shall be heard and determined in Bexar County, Texas.

XXIX. PARTIES' REPRESENTATIONS

- 29.1 This Agreement has been jointly negotiated by the City, the Board and the Developer and shall not be construed against a party because that party may have primarily assumed responsibility for the drafting of this Agreement.

XXX. CAPTIONS

- 30.1 All captions used herein are only for the convenience of reference and shall not be construed to have any effect or meaning as to the agreement between the parties hereto.

XXXI. LICENSES/CERTIFICATIONS

- 31.1 Developer warrants and certifies that to its knowledge, any person providing services hereunder has the requisite training, license, and/or certification to provide said services and meets the competence standards promulgated by all other authoritative bodies, as applicable to the services provided herein.

XXXII. NONDISCRIMINATION AND SECTARIAN ACTIVITY

- 32.1 Developer understands and agrees to comply with the Non-Discrimination Policy of the City of San Antonio contained in Chapter 2, Article X of the City Code, and further shall use reasonable efforts to ensure that no person shall, on the ground of race, color, national origin, religion, sex, age, gender (to include transgender), sexual orientation, veteran status or disability, be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied access to any program or activity funded in whole or in part under Agreement.

XXXIII. ENTIRE AGREEMENT

- 33.1 **No Contradictions.** This written Agreement embodies the final and entire Agreement between the Parties hereto and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the Parties.
- 33.2 **Incorporation of Exhibits.** Each exhibit referenced below shall be incorporated herein for all purposes as an essential part of this Agreement, which governs the rights and duties of the parties, except that if there is a conflict between an Exhibit and a provision of this Agreement, the provision of this Agreement shall prevail over the Exhibit.

EXHIBIT A: Contract Progress Payment Request Form

EXHIBIT B: Project Site

EXHIBIT C: Project Status Report Form

EXHIBIT D: Prevailing Wages

IN WITNESS THEREOF, the parties hereto have caused this instrument to be signed on the date of the each signature below. In accordance with Section 1.11 above, this Agreement will become effective on the date of the last signature below:

CITY OF SAN ANTONIO

Erik Walsh
City Manager
City of San Antonio

Date: _____

DEVELOPER

SouthStar Mission Del Lago Holdings,
L.P.
By: Thad Rutherford , President

Date: _____

BOARD OF DIRECTORS

Tax Increment Reinvestment Zone Number
Six

Name: Virginia Fogel
Title: Chairman, Board of Directors
Address: _____
Date: _____

Approved as to form:

City Attorney

EXHIBIT B

THE STATE OF TEXAS

COUNTY OF BEXAR

§ MISSION DEL LAGO TIRZ

§

§ BEXAR COUNTY

AMENDED AND RESTATED INTERLOCAL AGREEMENT

THIS AMENDED AND RESTATED INTERLOCAL AGREEMENT (the "Agreement") is made by and among the **CITY OF SAN ANTONIO, TEXAS** (hereafter referred to as "City"), a Texas municipal corporation, acting by and through its City Manager pursuant to Ordinance No. 90383, passed and approved by the City Council on August 26, 1999; **BEXAR COUNTY**, a political subdivision of the State of Texas, acting by and through the Bexar County Commissioners Court (hereafter referred to as "County"); and the **BOARD OF DIRECTORS FOR REINVESTMENT ZONE NUMBER SIX (6), CITY OF SAN ANTONIO, TEXAS**, a reinvestment zone created by the City pursuant to Chapter 311, Texas Tax Code, (hereafter defined and referred to as the "Board"). The City, County, and the Board may be referred to singularly as a "Party" or collectively as the "Parties." This Agreement is made pursuant to Chapter 311, Texas Tax Code for the participation of the City, the Board, and the County in the Mission del Lago Project (the "Project").

RECITALS:

WHEREAS, in accordance with the Tax Increment Financing Act, Texas Tax Code, Chapter 311 (the "Act"), the City created Tax Increment Reinvestment Zone Number Six, City of San Antonio, Texas (the "TIRZ"), created a Board 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 County support the City in development activities for the Project and intend to actively participate in implementing the Project; and

WHEREAS, pursuant to said authority above, on September 25, 2006 the Board, the City and the County entered into an Interlocal Agreement to develop and/or redevelop the TIRZ as specified in the Project Plan, Finance Plan, and the Development Agreement; and

WHEREAS, the Project Plan for the TIRZ (the "Project Plan") was approved on August 26, 1999, amended on June 29, 2006, later amended on May 1, 2014, and most recently amended on April 12, 2019; and

WHEREAS, the Finance Plan for the TIRZ (the "Finance Plan") was approved on August 26, 1999, amended on June 29, 2006, later amended on May 1, 2014, and most recently amended on April 12, 2019; and

WHEREAS, the City and the Project developer initially approved the “Mission Del Lago Development Agreement (the “Development Agreement”) on June 29, 2006, and on July 2, 2013, Mission Del Lago Ltd. entered into an “Agreement for Sale and Purchase” with Southstar Development Partners, Inc., a Florida corporation, for the purchase of Mission Del Lago Ltd.’s assets and the two parties entered into an operating agreement designating Southstar Development Partners, Inc. as the “Operating Agent” for the Project; and on January 18, 2018, the City approved that certain Assignment and Assumption Agreement between the parties, formally designating Southstar Mission Del Lago Holdings L.P., as the “Developer” for the Project; and

WHEREAS, pursuant to the authority described above and in pursuit of the public benefits described in the Project Plan, Finance Plan, and the Development Agreement, the Parties hereto agree to amend and restate this Agreement to extend the TIRZ period;

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

I. CONTENTS

A. Table

This Agreement consists of the following sections:

<u>Section</u>	<u>Description</u>	<u>Page</u>
I.	Contents	2
II.	Definitions	3
III.	Background	5
IV.	Rights and Obligations of Bexar COUNTY	7
V.	Rights and Obligations of City and Board	10
VI.	Term and termination	12
VII.	Miscellaneous	12
Exhibit “A”	Development Targets / Construction Schedule	

B. Parts Incorporated

The following documents are hereby incorporated into this Agreement by this reference for all purposes.

1. City of San Antonio Ordinance No. 90312, dated August 19, 1999, which designated the TIRZ and approved the initial Project Plan and Finance Plan;
2. City of San Antonio Ordinance No. 2006-06-29-0801, dated June 29, 2006, which amended the Project Plan and Finance Plan for the TIRZ;

3. City of San Antonio Ordinance No. 2014-05-01-0286, dated May 1, 2014, authorizing that certain Settlement and Release Agreement, amending the Project Plan and Finance Plan, and extending the TIRZ term, with regard to the City's participation, from 2025 to 2027;
4. The Amended and Restated Development Agreement among the City, the Developer, and the Board, approved by Ordinance No. 2019-____-____-____, executed on the ____th day of_____, 2019; and
5. The Project Plan and the Finance Plan effective as of the date of this 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 TIRZ, as described in this Agreement. These costs include, but are not limited to, reasonable costs and expenses for legal review and financial analysis related to the TIRZ incurred prior to entering into this Agreement, as well as any such costs and expenses incurred after this Agreement becomes effective. The startup administrative cost for all of the Participating Tax Entities was a maximum of one hundred forty thousand, three hundred eighty-three dollars and fifty-two cents (\$140,383.52) in the aggregate. That fee was distributed among all five (5) initial Participating Tax Entities, based upon individual invoices submitted by the entities. On May 14, 2015, the City approved Ordinance No. 2015-05-14-0419, amending the 2008 Tax Increment Financing Program Policy which included adjustments to the administrative fees collected by the City. For the remainder of the term, the administrative fees of the City shall be as follows: \$30,000 in 2019, \$50,000 in 2020, and \$75,000 in 2021 and beyond. The administrative fees of the County shall be \$2,000.00 annually
2. 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 implement the Project, as described in City of San Antonio Ordinance No. 90312, dated August 19, 1999.
3. "Captured Taxable Value" means the captured taxable value of the TIRZ, as defined by Section 311.012(b) of the Act (as may be amended from time to time).
4. "Construction Schedule" means the schedule contained in the Project Plan which is incorporated into this document in its entirety by reference, for the construction of all components of the Project, which may be amended from time to time by the Developer, Board and City in accordance with the terms of the Development Agreement. The development targets and a generalized Construction Schedule are attached hereto as Exhibit "A".

5. The “Developer” means Southstar Mission Del Lago Holdings, L.P.; a Florida limited partnership, its successors and assigns.
6. “Development Agreement” means the agreement entered into between the City, the developer, and the Board which was initially approved by the Board on June 20, 2006 and by the City Council on June 29, 2006, and assigned to the Developer by City Council action on January 18, 2018. In 2019, the Development Agreement was amended and restated by the City, the Developer, and the Board through Board approval on February 1, 2019, with additional revisions on April 12, 2019, and City Council action on [date].
7. “Finance Plan” means the Finance Plan for the TIRZ as adopted by the Board on August 24, 1999, and as approved by the City Council on August 26, 1999 amended by the Board on June 20, 2006, and approved by the City Council of the City on June 29, 2006; and later amended again by the Board on April 15, 2014 and approved by the City Council on May 1, 2014. In 2019, the Finance Plan was further amended by the Board on February 1, 2019, with additional revisions on April 12, 2019, and City Council on [date].
8. “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 County, Southside Independent School District (“SISD”), and the University Hospital System (“UHS”). The Alamo Community College District (“ACCD”) was a Participating Taxing Entity until its agreement terminated in 2014. The UHS agreement will terminate in 2025.
9. “Project Costs” means the items set forth and described in Sections 311.002(1), 311.010(b), and 311.011(c)(1) of the Act (which may be amended from time to time), which are included in the Project Plan. The Project Costs include public infrastructure improvements, and related capital costs including streets and approaches, sidewalks, drainage, water, sewer, utilities, street lights, on-site sewer outfall and water infrastructure facilities, Del Lago Parkway, gas, platting fees, drainage fees, sewer impact fees, engineering/surveying fees, park improvements, land and ROW cleaning, contingency, Project Management, offsite sewer and water, landscaping ROW, land, developer formation, legal costs, and performance of the “Street Reconstruction Project” in accordance with that certain Developer Participation Contract. The Project Costs for public improvements are estimated at fifty-nine million, three hundred sixty-nine thousand two hundred sixty-seven dollars and no cents (\$59,369,267.00) for the life of the TIRZ, plus a maximum of fifteen million, six hundred eighty-four thousand, forty-nine dollars and no cents (\$15,684,049.00) in interest on eligible Project Costs.
10. “Project Plan” means the Project Plan for the TIRZ as adopted by the Board on August 24, 1999 and approved by the City Council on August 26, 1999; amended by the Board on June 20, 2006 and approved by the City Council on June 29, 2006; and later amended again by the Board on April 15, 2014 and approved by the City Council on May 1, 2014. In 2019, the Board further amended the Project Plan on February 1, 2019, with additional

revisions on April 12, 2019, and the City Council approved the amended Project Plan on [date].

11. "Tax Increment" means the total amount of ad valorem taxes levied and collected each year by a Participating Taxing Entity each year on the Captured Taxable Value of taxable real property in the TIRZ. Further, with respect to the County, this term means the total amount of ad valorem taxes levied and collected only on behalf of the County of its General Fund Operation and Maintenance tax from the Captured Appraised Value Tax Increment Base each year and shall not include the Flood Control District or the Hospital District. The Parties also acknowledge and agree that this Agreement is entered into subject to the rights of the holders of any outstanding bonds of the County, and the County is not obligating any of those portions of the County's funds which are dedicated to any outstanding bond indebtedness.
12. "Tax Increment Base" means the total appraised value of all real property taxable by a Participating Taxing Entity and located in the TIRZ as of January 1, 1999, the year in which the TIRZ was designated.
13. "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 and the Project Plan and Finance Plan.
14. "Tax Increment Reinvestment Zone" means the tax increment fund created by the City for the deposit of Tax Increments for the TIRZ, entitled "Reinvestment Zone Number Six (6), City of San Antonio, Texas Tax Increment Fund.
15. The "TIRZ" means Reinvestment Zone Number Six (6), City of San Antonio, Texas, created by the City on August 19th, 1999, by Ordinance No. 90312.

III. BACKGROUND

A. City Action.

Resolution of Intent No. 99-22-23, passed and approved by the City Council of the City on May 27, 1999, expressed the City's intent to create a tax increment reinvestment zone in accordance with the Act, to support revitalization activities for the TIRZ, and the development of the Project. On August 19, 1999, the City Council of the City passed and approved Ordinance No. 90312, which created the TIRZ.

B. Project Location.

The Project is located in the southern section of the City, approximately 1.5 miles south of Loop 410 South on U.S. Highway 281 South adjacent to Mitchell Lake, near Mission Del Lago Golf Course. The Project is in the Southside Independent School District and encompasses approximately 812.132 acres.

C. Project Value.

The 1999 Year End Assessed Value for the TIRZ as determined by the Bexar Appraisal District was one million, three hundred twenty-three thousand, four hundred ten dollars (\$1,323,410.00) and the projected Year End Assessed Value of all the taxable real property in the TIRZ in the 2027 Tax Year is estimated to be four hundred thirty two million, three hundred sixty seven thousand, one hundred sixty three dollars (\$432,367,163.00). The Project does not include the issuance of TIF bonds or certificates of obligation.

D. Project Debt.

The Project does not include the issuance of TIF bonds or certificates of obligation. However, as part of that certain Settlement and Release Agreement by and between the City and the initial developer, Mission Del Lago Ltd., the City funded certain street repairs to Unit 8 of the subdivision (the "Street Reconstruction Project") through the issuance of a tax note, which note shall be repaid by TIRZ Tax Increment.

E. Developer Reimbursement.

To date, the Developer has been reimbursed a total of sixteen million, three hundred twenty-six thousand, sixty-three dollars and eighty-one cents (\$16,326,063.81) in approved Project expenses, which has resulted in the development of 866 single family homes; 520 apartment units in two complexes; 101 single family lots; one public park (including tennis courts and a playground); one SISD elementary school; more than one million dollars in common area improvements; a \$2.5 million club house with a pool, playground, dog park (not reimbursable by the TIRZ); and a new convenience store.

F. Project Phasing and Duration.

The approximate 812 acre tract is being developed primarily for single family residential use. The first 16 phases of residential development have been constructed. There are an additional 151 lots scheduled for development in 2019, 125 in 2020, and 125 in 2021. The remaining 1,108 lots are projected to be developed by 2032. The single family homes in the Mission Del Lago development generally sell between \$180,000 and \$240,000. The TIRZ is projected to terminate in Fiscal Year 2032, unless earlier termination occurs under this Agreement (the "term of the TIRZ").

G. Mutual Agreement.

The City and the County agree to participate in the TIRZ, and to deposit their respective Tax Increment Payments to the Tax Increment Fund, in accordance with the terms, and in consideration of the agreements set forth herein. The County hereby acknowledges receipt of notice of the initial creation of the TIRZ. The Parties hereto agree that, except as provided herein, no tax-supported public debt instrument will be issued by a Participating Taxing Entity, or the Board to finance any costs or improvements on the Project.

IV. RIGHTS AND OBLIGATIONS OF BEXAR COUNTY

A. Tax Increment Participation by County

1. Subject to the limitations set out in this Agreement, the County agreed to participate in the TIRZ by contributing to the Tax Increment Fund one hundred percent (100%) of its respective General Fund Operation and Maintenance tax from the Captured Appraised Value Tax Increment Base each year beginning with the 1999 Tax Year through the 2024 Tax Year. From the period from the 2025 Tax Year through the 2031 Tax Year, the County agrees to participate in the TIRZ by contributing seventy-five percent (75%) of its respective maintenance and obligation Tax Increments each year during the term of this Agreement. Beginning in the 1999 Tax Year, the County may withhold its Administrative Costs, as herein defined.
2. The Parties hereto agree that the County's contribution to the Tax Increment Fund shall be used to fund public improvements to support the development and revitalization efforts in the TIRZ, including related Project Costs. It is agreed by the Parties that none of the County's tax increment shall be used for payment of another Participating Taxing Entity's Administrative Costs. The County's contributions to the Tax Increment Fund shall end when it has contributed the maximum total contribution provided for herein, or when it has made contributions of all Tax Increment Payments, as specified in the Project Plan, whichever occurs first. Notwithstanding anything to the contrary, the total County Tax Increment Payments to the Tax Increment Fund over the term of the TIRZ shall not exceed the original cap of ten million, five hundred thirty-nine thousand, one hundred and eighty-eight dollars and no cents (\$10,539,188.00).

B. Tax Increment Payment

1. The County's obligation to contribute its Tax Increment Payment to the Tax Increment Fund, as provided in Section IV.A.1. of this Agreement, shall accrue as the County collects its Tax Increment. The Parties hereto agree that all real property taxes collected each year by the County 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 County agrees to deposit its Tax Increment Payments to the Tax Increment Fund on or before April 15 and September 15 (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 County, and not previously deposited, during the semi-annual periods preceding each deposit date (For example, the first deposit on April 15, 2007 shall be for Tax Increments received, and not previously deposited, through January 31, 2007. The next deposit on September 15, 2007 shall be for Tax Increments received, and not previously deposited, through June 30, 2007.) The Parties agree that the County's obligation to deposit Tax Increment Payments after September 30, 2032 shall only be for taxes collected and received after such date that are attributable to the time period during which the County agreed to participate. Under no

circumstances shall the County be required to participate in the TIRZ after September 30, 2032.

2. One month prior to a payment required under Section IV B. 1. of this Agreement, the City shall provide to the County 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 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 by the Developer, and a report showing Board or City approved expenses. Also prior to the County's payment, the City shall provide a statement of TIF Fund activity, including a tally of requests for reimbursement, City and Board approved payments, payments not approved by the City and the Board, outstanding balance due to the Developer, or if the maximum contribution has been reached, the pro rata balance due to each participating entity.
3. Pursuant to the Act, in the event there is a conflict between the Parties in regards to the amount of the Tax Increment owed by Bexar County, the Parties agree that the County will make a reasonable determination as to the amount of any Tax Increment owed by the County under this Agreement and the County will be responsible for reasonably determining which tax collections will be apportioned for purposes of determining the County's Tax Increment. The annual Total Appraised Value of all real property taxable by the County located in the. The TIRZ shall be determined through an independent third party verification obtained from the Bexar County Appraisal District. The Bexar County Tax Office will verify taxes levied and collected in regards to the property contained with the TIRZ.
4. Any delinquent deposit of a Tax Increment Payment under this Agreement by the County shall be administered as provided in Section 311.013(c) of the Texas Tax Code (or its successor provision). The Parties expressly agree that the County shall not owe any penalty or interest on Tax Increments that have been levied, but not received by the County. In addition, the County shall not be obligated to contribute its Tax Increment Payments from any non-Tax Increment revenue sources. Furthermore, the County shall not be obligated to contribute its Tax Increment Payment to the Tax Increment Fund in the event a Participating Taxing Entity, other than the County, 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 written amendment to this Agreement.
5. The City and the Board agree to comply with the Project Plan and the Development Agreement. The City and the Board agree to provide prior written notice to all Participating Taxing Entities of a proposed material change (by which is meant any change that would constitute a seven percent (7%) increase or decrease in either the Project Cost or the scope and scale of the Project) to the Project Plan or the Development Agreement. The City shall have the right to amend and modify the Project Plan and the

Development Agreement without providing prior written notice to the Participating Taxing Entities so long as such amendment or modification does not constitute a material change. The Participating Taxing Entities shall have a period of thirty (30) business days from the date of receipt of such notice of a material change to provide comment(s) and objection(s) to the proposed change. The absence of written objections or comments by the Participating Taxing Entity to the City will constitute approval of the proposed material change by the Participating Taxing Entity. If a Participating Taxing Entity provides written notice to the City that it objects to the proposed material change to the Project Plan or the Development Agreement, 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.

6. If any Party to this Agreement materially breaches this Agreement, then a Participating Taxing Entity may provide written notice to the City and the Board (with a copy to any other Participating Taxing Entity 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 concerns as set out in the notice is not resolved within ninety (90) business days from the date of such notice, then the Participating Taxing Entity providing the notice may discontinue its Tax Increment Payments and terminate its participation in the TIRZ. Pursuant to Section IV. B. 4 in the event a Participating Tax Entity discontinues its Tax Increment Payment and terminates its participation in the TIRZ under this provision, then the County will have no further obligation to contribute its Tax Increment Payment to the Tax Increment Fund.
7. Except for contributing its respective Tax Increment Payments to the Tax Increment Fund as set out in this Agreement, the County 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. Management of the TIRZ

1. The City is the only Participating Taxing Entity with any responsibility for managing or administering the Project. The Participating Taxing Entities, during the term of this Agreement, may inspect the Project site and review Project plans and drawings at times and intervals that will not interfere with ongoing operations.
2. The Board shall be composed of nine (9) members, as provided under the Act, and as provided in City Ordinance 90312. Accordingly, the County shall have the right to appoint one (1) member to the Board.

D. Expansion of the TIRZ

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

V. RIGHTS AND OBLIGATIONS OF CITY AND BOARD

A. Tax Increment Participation by CITY

Subject to the terms of this Agreement, the City agreed to participate in the TIRZ by contributing to the Tax Increment Fund one hundred percent (100%) of its Tax Increment each year during the initial term of this Agreement, beginning with the 1999 Tax Year and running through the 2026 Tax Year. Beginning in the 2027 Tax Year, the City agrees to participate in the TIRZ by contributing to the Tax Increment Fund seventy-five percent (75%) of its Tax Increment each year through the 2031 Tax Year. The City's contributions to the Tax Increment Fund shall end when City has contributed the maximum total contribution provided for herein or on the TIRZ termination date of September 30, 2032, whichever occurs first. Notwithstanding anything herein to the contrary, the total City Tax Increment Payments over the term of the TIRZ shall not exceed twenty-one million, two hundred twelve thousand, eight hundred thirteen dollars (\$21,212,813.00).

B. Tax Increment Payment

1. The City's obligation to contribute its Tax Increment Payment to the Tax Increment Fund as provided above in Section V of this Agreement shall accrue as the City collects its Tax Increment. The City agrees to deposit its Tax Increment Payment to the Tax Increment Fund on or before April 15 and September 15 (or the first business day thereafter) of each year. The amount of the first Tax Increment Payment shall be based on the Tax Increments that were received by City, and not previously deposited, prior to the first day of the month preceding each deposit date. (For example, the first deposit on April 15, 2007 shall be for the Tax Increments received, and not previously deposited, through January 31, 2007. The next deposit on September 15, 2007 shall be for Tax Increments received, and not previously deposited, through June 31, 2007) Any delinquent deposit of a Tax Increment Payment by the City under this Agreement shall be administered as provided in Section 311.013(c) of the Act (or its successor provision).
2. The County and the Board 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 Payment from any non-Tax Increment revenue sources. Furthermore, the City shall not be obligated to contribute its Tax Increment Payment to the Tax Increment Fund in the event a Participating Taxing Entity, other than the City, discontinues its contribution to the Tax Increment Fund (except as permitted under this Agreement) during the term of this

Agreement, unless the discontinuance is in compliance with and authorized by a written amendment to this Agreement.

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.

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 notice of such agreement(s) (and upon written request, will provide copies of such agreement(s) and all applicable exhibits) to each Participating Taxing Entity. However, except as provided herein, neither 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, interests of obligations, or other similar debt interests without the prior written authorization by and consent of the Participating Taxing Entity.

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.
2. The County recognizes that the Participating Taxing Entities and 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 each Participating Taxing Entity for its startup Administrative Costs, if a Participating Taxing Entity provides an invoice for its Administrative Costs with its request 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 each Participating Taxing Entity 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 Participating Taxing Entity. The Parties agree and understand that under no circumstances shall Administrative Costs, in the aggregate, exceed the amount set out and described in Section II.1 of this agreement.
3. The County further recognizes that, in addition to Project Costs and any other allowable costs, the City and the Board have represented that they may use funds in the Tax Increment Fund to pay expenditures in the following order or priority of payment: (i) to reimburse eligible startup Administrative Costs incurred by each Participating Taxing

Entity, (ii) to reimburse the City for its financial and legal advisor fees until the full amount has been paid in full; (iii) to pay all other ongoing Administrative Costs to the City for administering the Tax Increment Fund and/or the TIRZ, including coordinating all meetings of the Board; and (iv) to reimburse the Developer for public improvements, including financing costs, 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.

VI. TERM AND TERMINATION

A. Agreement Term and Termination

This Agreement shall become effective as of the last date of execution by the Parties hereto, and shall remain in effect until September 30, 2032, unless earlier terminated as provided herein (the "Agreement Term"). Subject to the terms of this Agreement, the County agrees to participate under this Agreement, beginning with the 1999 Tax Year and ending in accordance with the terms provided herein. The Parties agree and understand that the County's Tax Increment Payments will not be made after September 30, 2032, as set out in Section IV.A.2. of this Agreement.

B. Early Termination

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. The City and the Board shall not be required to pay tax increment into the tax increment fund of the TIRZ if the conditions of Section 311.013(d) of the Act are met. Either party may terminate this Agreement for a material breach of contract.

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.

VII. MISCELLANEOUS

A. Understanding

Any and all costs incurred by the Developer are not, and shall never become general obligations or debt of any Participating Taxing Entity. The eligible public improvement infrastructure costs incurred by 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. No Participating Taxing Entity shall be obligated above and beyond what is actually collected as tax increment funds. The City and the

Board each represent that the Developer understands and agrees that the Project Plan does not forecast sufficient tax revenues in the Tax Increment Fund to reimburse the Developer for all its estimated contributions or costs.

B. Severability

1. In the event any term, covenant, or condition herein contained shall be held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant, or condition herein contained, provided that such invalidity does not materially prejudice any Party hereto in its respective rights and obligations contained in the valid terms, covenants, or conditions hereof.
2. In the event any term, covenant, or condition shall be held invalid and said invalidity substantially impairs a material right of a Participating Taxing Entity or Board, then this Agreement shall be void as to that Participating Taxing Entity and that Participating Taxing Entity shall have no further obligation to contribute any future Tax Increment Payments to the Tax Increment Fund. In such a situation, the Parties hereto agree that the Tax Increment Fund shall not refund any prior Tax Increment Payments under this provision of this Agreement.

C. Entire Agreement

This Agreement 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 hereof.

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 the City Council of the City and only the Commissioners Court of the County have authority to approve a change or amendment to this Agreement on behalf of the City or the County, 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

Erik Walsh
City Manager
City of San Antonio
100 Military Plaza
San Antonio, Texas 78205

Re: Mission Del Lago TIRZ

COUNTY

David Smith
County Manager
Bexar County
100 Dolorosa Street
San Antonio, Texas 78221

Re: Mission Del Lago TIRZ

With copies to:

Verónica R. Soto, AICP
Director
Neighborhood Services Department
1400 South Flores St.
San Antonio, Texas 78204-1452
RE: Mission del Lago TIRZ

With copies to:

Bexar County Criminal District
Attorney's Office-Civil Section
Criminal Justice Center
300 Dolorosa Street
San Antonio, Texas 78205
Re: Mission Del Lago TIRZ

With copies to:

Andy Segovia
City Attorney
City of San Antonio
100 Military Plaza
San Antonio, Texas 78205
Re: Mission Del Lago TIRZ

and

BOARD

Virginia Rogers
Chairman
Reinvestment Zone Number Six
P.O. Box 13223
Austin, Texas 78711

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 (certified mail, return receipt requested) addressed to the respective other Party at the address prescribed in Section I 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 default 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 default 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 and only the Commissioners Court of the County have authority to approve a delegation or assignment (of any kind) of this Agreement on behalf of the City or the County, 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 County acknowledges that it was permitted to review and comment upon the Project Plan before it was submitted to the City Council for approval. The Parties agree an amendment to the Project Plan shall not apply to the County unless the County 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 County 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 County. 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 County in accordance with Section 311.016 of the Act.

L. Development Agreement

1. The City and the Board have entered into a written Development Agreement with the Developer related to the Project and the development of the TIRZ. The City hereby represents that it will enforce the provisions of this Agreement, as required, including, to

the extent contained in the Development Agreement, the Developer's compliance (i) with all 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 TIRZ (if applicable); (ii) the TIF Guidelines and Criteria in effect on the date the TIRZ was designated by City and the Construction Schedule (attached hereto as Exhibit "A" and as may be amended in accordance with the terms of the Development Agreement); and, (iii) with the same competitive bidding processes, payment of prevailing wages, non-discrimination, and payment and performance bonding procedures. The City and the Board agree to promptly provide the County with a copy of any notice of default that is delivered or sent to any party under the Development Agreement.

2. For those 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) of the Act, and that said designation also complies with Texas Attorney General Opinion No. JC-0152 (December 8, 1999).

*(Remainder of page intentionally blank;
party signatures on following page)*

IN WITNESS HEREOF, CITY OF SAN ANTONIO; BEXAR COUNTY; AND REINVESTMENT ZONE NUMBER SIX (6), CITY OF SAN ANTONIO, TEXAS have made and executed this Agreement in triplicate originals on this____ day of _____ 2019.

CITY OF SAN ANTONIO

BEXAR COUNTY

Erik Walsh
City Manager

Nelson W. Wolf
County Judge

ATTEST/SEAL

Leticia M. Vacek
City Clerk

**APPROVED AS TO FINANCIAL
CONTENT**

Leo Caldera,
County Auditor

David Smith,
County Manager


APPROVED AS TO FORM:

APPROVED AS TO FORM:

Andy Segovia
City Attorney

Gerard Calderon
Assistant Criminal District Attorney
Civil Section

**BOARD OF DIRECTORS REINVESTMENT ZONE NUMBERS SIX
CITY OF SAN ANTONIO, TEXAS (MISSION DEL LAGO TIRZ)**


Name: _____
Chairman/Presiding Officer, Board of Directors

ATTEST/SEAL:

Name: _____
Secretary, Board of Directors

Exhibit A

**Mission Del Lago Project
Development Targets / Construction Schedule**

[follows on separate page]

MISSION DEL LAGO DEVELOPMENT TARGETS / CONSTRUCTION SCHEDULE

Phase	Year	Number of Units Single Family	Number of Units Multi Family	Square Footage Commercial
1	2003	0	0	0
2	2004	64	280	0
3	2005	50	0	0
4	2006	52	0	0
5	2007	69	0	0
6	2008	41	0	0
7	2009	4	0	0
8	2010	32	0	0
9	2011	70	0	0
10	2012	51	0	0
11	2013	78	0	0
12	2014	67	0	0
13	2015	98	0	0
14	2016	100	240	4,500
15	2017	90	0	0
16	2018	136	0	0
17	2019	150	0	0
18	2020	125	0	0
19	2021	125	0	48,000
20	2022	114	0	53,000
21	2023	100	0	10,600
22	2024	100	0	75,000
23	2025	100	0	7,500
24	2026	100	0	40,000
25	2027	100	0	30,000
26	2028	100	0	20,000
27	2029	100	0	0
28	2030	100	0	0
29	2031	100	0	0
30	2032	94	0	0
	TOTAL	2510	520	288,600

EXHIBIT C

THE STATE OF TEXAS	§	MISSION DEL LAGO TIRZ
	§	COUNTY OF BEXAR
COUNTY OF BEXAR	§	SOUTHSIDE INDEPENDENT SCHOOL DISTRICT

AMENDED AND RESTATED INTERLOCAL AGREEMENT

THIS AMENDED AND RESTATED INTERLOCAL AGREEMENT (the "Agreement") is made by and among the **CITY OF SAN ANTONIO, TEXAS** (hereafter referred to as the "City"), a Texas Municipal Corporation, acting by and through its City Manager pursuant to Ordinance No. 90383, passed and approved by the City Council on August 26, 1999; the **SOUTHSIDE INDEPENDENT SCHOOL DISTRICT** (the "School District"), a public school district located in Bexar County acting through its Superintendent; and **THE BOARD OF DIRECTORS FOR REINVESTMENT ZONE NUMBER SIX (6), CITY OF SAN ANTONIO, TEXAS**, a reinvestment zone created by the City pursuant to Chapter 311, Texas Tax Code, (hereafter defined and referred to as the "Board"). The City, the School District, and the Board may be referred to singularly as a "Party" or collectively as the "Parties." This Agreement is made pursuant to Chapter 311, Texas Tax Code for the participation of the City, the Board, and the School District in the Mission del Lago Project (the "Project").

RECITALS:

WHEREAS, in accordance with the Tax Increment Financing Act, Texas Tax Code, Chapter 311 (the "Act"), the City created Tax Increment Reinvestment Zone Number Six, City of San Antonio, Texas (the "TIRZ"), created 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 School District support the City in development activities for the Project and intend to actively participate in implementing the Project; and

WHEREAS, pursuant to said authority above, on March 23, 2000 the Board, the City, and the School District each entered into that certain Interlocal Agreement with the others to develop and/or redevelop the TIRZ as specified in the Project Plan, Finance Plan, and the Development Agreement; and

WHEREAS, the Project Plan for the TIRZ (the "Project Plan") was approved on August 26, 1999, amended on June 29, 2006, later amended on May 1, 2014, and most recently amended on April 12, 2019; and

WHEREAS, the Finance Plan for the TIRZ (the “Finance Plan”) was approved on August 26, 1999, amended on June 29, 2006, later amended on May 1, 2014, and most recently amended on April 12, 2019; and

WHEREAS, the City and Mission Del Lago Ltd, the Project developer, initially approved the “Mission Del Lago Development Agreement” (the “Development Agreement”) on June 29, 2006; and, in July 2, 2013, Mission Del Lago Ltd entered into an “Agreement for Sale and Purchase” with Southstar Development Partners, Inc., a Florida corporation, for the purchase of Mission Del Lago Ltd.’s assets and, with the consent of the City, the two parties entered into an Operating Agreement designating Southstar Development Partners, Inc., on May 13, 2014 as the “Operating Agent” for the Project; and, on January 18, 2018, the City approved that certain Assignment and Assumption Agreement between the parties, formally designating Southstar Mission Del Lago Holdings L.P., as the “Developer” for the Project; and

WHEREAS, pursuant to the authority described above and in pursuit of the public benefits described in the Project Plan, Finance Plan, and the Development Agreement, the Parties hereto agree to amend and restate this Agreement to extend the TIRZ period;

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

I. CONTENTS

A. Table

This Agreement consists of the following sections:

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Exhibit “A”	Development Targets / Construction Schedule	

B. Parts Incorporated

The following documents are hereby incorporated into this Agreement by this reference for all purposes.

1. City of San Antonio Ordinance No. 90312, dated August 19, 1999, which designated the TIRZ and approved the initial Project Plan and Finance Plan;

2. City of San Antonio Ordinance No. 2006-06-29-0801, dated June 29, 2006, which amended the Project Plan and Finance Plan for the TIRZ;
3. City of San Antonio Ordinance No. 2014-05-01-0286, dated May 1, 2014, authorizing that certain Settlement and Release Agreement, amending the Project Plan and Finance Plan, and extending the TIRZ term from 2025 to 2027;
4. The Amended and Restated Development Agreement among the City, the Developer, and the Board, approved by Ordinance No. 2019- - -, executed on the ____ day of _____, 2019; and
5. The Project Plan and the Finance Plan effective as of the date of this 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 TIRZ, as described in this Agreement. These costs include, but are not limited to, reasonable costs and expenses for legal review and financial analysis related to the TIRZ incurred prior to entering into this Agreement, as well as any such costs and expenses incurred after this Agreement becomes effective. The startup administrative cost for all of the Participating Tax Entities was a maximum of one hundred forty thousand, three hundred eighty-three dollars and fifty-two cents (\$140,383.52) in the aggregate. That \$140,383.52 was distributed among all five (5) initial Participating Tax Entities, based upon individual invoices submitted by the entities. On May 14, 2015, the City approved Ordinance No. 2015-05-14-0419, amending the 2008 Tax Increment Financing Program Policy which included adjustments to the administrative fees collected by the City. For the remainder of the term, the administrative fees of the City shall be as follows: \$30,000 in Fiscal Year 2019, \$50,000 in Fiscal Year 2020, and \$75,000 in Fiscal Year 2021 and beyond. The administrative fees of the County shall be \$2,000 annually. The Administrative fees for the School District shall be \$5,000 annually.
2. 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 implement the Project, as described in City of San Antonio Ordinance No. 90312, dated August 19, 1999.
3. "Captured Taxable Value" means the captured taxable value of the TIRZ, as defined by Section 311.012(b) of the Act (as may be amended from time to time).
4. "Construction Schedule" means the schedule contained in the Project Plan which is incorporated into this document in its entirety by reference, for the construction of all components of the Project, which may be amended from time to time by the Developer, Board and City in accordance with the terms of the Development Agreement. The

development targets and a generalized Construction Schedule are attached hereto as Exhibit "A".

5. The "Developer" means Southstar Mission Del Lago Holdings, L.P; a Florida limited partnership, its successors and assigns.
6. "Development Agreement" means the agreement entered into between the City, the developer, and the Board which was initially approved by the Board on June 20, 2006 and by the City Council on June 29, 2006, and First Amendment; Board date was on April 15, 2014 and City Council date on May 1, 2014, and later assigned to the Developer by City Council action on January 18, 2018. In 2019, the Development Agreement was amended and restated by the City, the Developer, and the Board through Board approval on February 1, 2019 and City Council action on March 7, 2019.
7. "Finance Plan" means the Finance Plan for the TIRZ as initially adopted by the Board on August 24, 1999, and as approved by the City Council on August 26, 1999 amended by the Board on June 20, 2006, and approved by the City Council of the City on June 29, 2006; and later amended again by the Board on April 15, 2014 and approved by the City Council on the May 1, 2014. In 2019, the Finance Plan was further amended by the Board on February 1, 2019 and City Council on March 7, 2019.
8. "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, Southside Independent School District ("SISD"), and the University Hospital System ("UHS"). The Alamo Community College District (ACCD) was a Participating Taxing Entity until its agreement terminated in 2014.
9. "Project Costs" means the items set forth and described in Section 311.002(1), 311.010(b) and 311.011(c)(1) of the Act (which may be amended from time to time), which are included in the Project Plan. The Project Costs include public infrastructure improvements, and related capital costs including streets and approaches, sidewalks, drainage, water, sewer, utilities, street lights, on-site sewer outfall, Del Lago Parkway, gas, park improvements, land and ROW clearing, contingency, Project Management, offsite sewer and water, landscaping ROW, land, Developer formation, legal costs, platting fees, drainage fees, sewer impact fees, engineering/surveying fees, performance of the "Street Reconstruction Project" in accordance with that certain Developer Participation Contract. The Project Costs for public improvements are estimated at fifty nine million, three hundred sixty-nine thousand two hundred sixty-seven dollars (\$59,369,267.00) for the life of the TIRZ, plus a maximum of fifteen million, six hundred eighty-four thousand, forty-nine dollars and no cents (\$15,684,049.00) in interest on eligible Project Costs.
10. "Project Plan" means the Project Plan for the TIRZ as adopted by the Board on August 24, 1999 and approved by the City Council on August 26, 1999; amended by the Board on June 20, 2006 and approved by the City Council on June 29, 2006; and later amended

again by the Board on April 15, 2014 and approved by the City Council on May 1, 2014. In 2019, the Board further amended the Project Plan on February 1, 2019 and the City Council approved the amended Project Plan on March 7, 2019.

11. "School District" is defined in Section I of this Agreement and includes its successors and assigns.
12. "Tax Increment" means the total amount of ad valorem taxes levied and collected each year by a Participating Taxing Entity each year on the Captured Taxable Value of taxable real property in the TIRZ. Further, with respect to the School District, this term means the applicable percentage of ad valorem taxes levied and collected only on behalf of the School District each year. The Parties also acknowledge and agree that this Agreement is entered into subject to the rights of the holders of any outstanding bonds of the School District and the School District is not obligating any of those portions of funds which are dedicated to any outstanding bond indebtedness.
13. "Tax Increment Base" means the total appraised value of all real property taxable by a Participating Taxing Entity and located in the TIRZ as of January 1, 1999, the year in which the TIRZ was designated.
14. "Tax Increment Fund" means the tax increment fund created by the City for the deposit of Tax Increments for the TIRZ, entitled "Reinvestment TIRZ Number Six (6), City of San Antonio, Texas Tax Increment Fund.
15. "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 and the Project Plan and Finance Plan.
16. The "TIRZ" means Reinvestment Zone Number Six (6), City of San Antonio, Texas, created by the City on August 19th, 1999, by Ordinance No. 90312.

Otherwise, the terms used herein shall have the meanings ascribed to them in Chapter 311 Texas Tax Code, or the Texas Education Code, as applicable.

III. BACKGROUND

A. City Action.

Resolution of Intent No. 99-22-23, passed and approved by the City Council of the City on May 27, 1999, expressed the City's intent to create a tax increment reinvestment zone in accordance with Chapter 311, Texas Tax Code, to support revitalization activities for the TIRZ, and the development of the Project. On August 19, 1999, the City Council of the City passed and approved Ordinance No. 90312, which created the TIRZ.

B. Project Location.

The Project is located in the southern section of the City of San Antonio, approximately 1.5 miles south of Loop 410 South on U.S. Highway 281 South adjacent to Mitchell Lake, near Mission del Lago Golf Course. The Project is in the Southside Independent School District and encompasses approximately 812.132 acres.

C. Project Value.

The Year End Assessed Value TIRZ as determined by the Bexar Appraisal District is one million, three hundred twenty-three thousand, four hundred ten dollars (\$1,323,410.00) and the projected Year End Assessed Value of all the taxable real property in the TIRZ in Tax Year 2027 is estimated to be four hundred thirty-two million, three hundred sixty-seven thousand, one hundred sixty-three dollars (\$432,367,163.00). The Project does not include the issuance of TIF bonds or certificates of obligation.

D. Project Debt.

The Project does not include the issuance of TIF bonds or certificates of obligation. However, as part of the Settlement and Release Agreement by and between the City and the initial developer, Mission Del Lago Ltd., the City funded certain street repairs to Unit 8 of the subdivision (the "Street Reconstruction Project") through the issuance of a tax note, which note shall be paid by TIRZ Tax Increment.

E. Developer Reimbursement.

To date, the Developer has been reimbursed a total of \$16,326,063.81 in approved Project costs, which resulted in the development of 866 single family homes; 240 apartment units in two complexes; 101 single family lots; one public park (including tennis courts and a playground); one SISD elementary school.

F. Project Phasing and Duration.

The approximate 812 acre tract is being developed primarily for single family residential use. The first 16 phases of residential development have been constructed. There are an additional 150 lots scheduled for development in 2019, 125 in 2020, and 125 in 2021. The remaining 1,108 lots are projected to be developed by 2032. The single family homes in the Mission Del Lago development sell between \$180,000 and \$240,000. The TIRZ is projected to terminate in fiscal year 2032, unless earlier termination occurs under this Agreement (the "term of the TIRZ").

G. Mutual Agreement.

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

provided herein, no tax-supported public debt instrument will be issued by a Participating Taxing Entity, or the Board to finance any costs or improvements on the Project.

IV. RIGHTS AND OBLIGATIONS OF THE SCHOOL DISTRICT

A. Tax Increment Participation by the School District

The School District initially agreed to participate in the TIRZ by contributing one hundred percent (100%) of the ad valorem Tax Increment produced in the TIRZ attributable to the School District to the Tax Increment Fund during the initial term of this Agreement, through Tax Year 2016. The School District was reimbursed thirty-five percent (35%) of such Tax Increment for construction of Educational Facilities. Subject to the limitations set out in this Agreement, from the period from the 2017 Tax Year to the 2031 Tax Year, the School District agrees to participate in the TIRZ by contributing the net sixty-five percent (65%) of the ad valorem tax increment to the Tax Increment Fund, the total School District Tax Increment payments to the TIRZ fund over the term of the TIRZ shall not exceed the original CAP of seventy-four million, eighteen thousand, one hundred and sixty-five dollars (\$74,018,165).

B. Tax Increment Payment

1. The School District's obligation to contribute its Tax Increment Payment to the Tax Increment Fund, as provided in Section IV.A.1. of this Agreement, shall accrue as the School District collects its Tax Increment. The Parties hereto agree that all real property taxes collected each year by the School 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. The School District agrees to deposit its Tax Increment Payments to the Tax Increment Fund on or before April 15 and September 15 (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 School District, and not previously deposited, during the semi-annual periods preceding each deposit date (For example, the first deposit on April 15, 2007 was for Tax Increments received, and not previously deposited, through January 31, 2007. The next deposit on September 15, 2007 was for Tax Increments received, and not previously deposited, through June 30, 2007.) The Parties agree that the School District's obligation to deposit Tax Increment Payments after September 30, 2032 shall only be for taxes collected and received after such date that are attributable to the time period during which the School District agreed to participate. Under no circumstances shall the School District be required to participate in the TIRZ after September 30, 2032.
2. One month prior to a payment required under Section IV B. 1. of this Agreement, the City shall provide to the School 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 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 by the Developer, and a report showing Board or City approved expenses. Also prior to the School Districts payment, the City shall provide a statement of TIF Fund activity, including a tally of requests for reimbursement, City and Board approved payments, payments not approved by the City and the Board, outstanding balance due to the Developer, or if the maximum contribution has been reached, the pro rata balance due to each participating entity.

3. Pursuant to the Act, in the event there is a conflict between the Parties in regards to the amount of the Tax Increment owed by the School District, the Parties agree that the School District will make a reasonable determination as to the amount of any Tax Increment owed by the School District under this Agreement and the School District will be responsible for reasonably determining which tax collections will be apportioned for purposes of determining the School District's Tax Increment. The annual Total Year End Assessed Value of all real property taxable by the School District located in the TIRZ shall be determined through an independent third party verification obtained from the Bexar County Appraisal District. The Bexar County Tax Office will verify taxes levied and collected in regards to the property contained within the TIRZ. Any delinquent deposit of a Tax Increment Payment under this Agreement by the School District shall be administered as provided in Section 311.013(c) of the Texas Tax Code (or its successor provision). The Parties expressly agree that the School District shall not owe any penalty or interest on Tax Increments that have been levied, but not received.
4. The School District's Tax Increment Participation and obligation to participate in the TIRZ shall be restricted to its Tax Increment collected on the Captured Taxable Value in the TIRZ. The School District shall not be obligated to pay its School District Tax Increment Participation from other School District taxes or revenues or until the School District Tax Increment Participation in the TIRZ is actually collected. The obligation to pay the School District Tax Increment Participation shall accrue as taxes representing the School District tax increment are collected on behalf of the School District and payment shall be due on the first day of each calendar quarter. The School District shall not be obligated to pay its School District Tax Increment Participation in the event that the City discontinues its contribution to the Tax Increment Fund during the Agreement Term described in Section VI of this Agreement unless the discontinuance is in compliance with and authorized by a written amendment to this Agreement.
5. The City and the Board agree to comply with the Project Plan and the Development Agreement. The City and the Board agree to provide prior written notice to all Participating Taxing Entities of a proposed material change (by which is meant any change that would constitute a seven percent (7%) increase or decrease in either the Project Cost or the scope and scale of the Project) to the Project Plan or the Development Agreement. The City shall have the right to amend and modify the Project Plan and the Development Agreement without providing prior written notice to the Participating Taxing Entities so long as such amendment or modification does not constitute a material change. The Participating Taxing Entities shall have a period of thirty (30) business days from the date of receipt of such notice of a material change to provide comment(s) and objection(s) to the proposed change. The absence of written objections or comments by

the Participating Taxing Entity to the City will constitute approval of the proposed material change by the Participating Taxing Entity. If a Participating Taxing Entity provides written notice to the City that it objects to the proposed material change to the Project Plan or the Development Agreement, 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.

6. If any Party to this Agreement materially breaches this Agreement, then a Participating Taxing Entity may provide written notice to the City and the Board (with a copy to any other Participating Taxing Entity 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 concerns as set out in the notice is not resolved within ninety (90) business days from the date of such notice, then the Participating Taxing Entity providing the notice may discontinue its Tax Increment Payments and terminate its participation in the TIRZ. Pursuant to Section IV. B. 4 in the event a Participating Tax Entity discontinues its Tax Increment Payment and terminates its participation in the TIRZ under this provision, then the School District will have no further obligation to contribute its Tax Increment Payment to the Tax Increment Fund.

Except for contributing its respective Tax Increment Payments to the Tax Increment Fund as set out in this Agreement, the School District 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. Changes in Applicable Laws

Notwithstanding any other provision of this Agreement, in the event and to the extent that Texas law applicable to the School District or tax increment reinvestment TIRZs is changed subsequent to the effective date of this Agreement, or there is an interpretation, ruling, order, decree, or court decision interpreting existing or subsequently enacted law applicable to the School District or tax increment reinvestment TIRZs, whether administratively by the Texas Education Agency, the Comptroller of Public Accounts of the State of Texas, the Attorney General of the State of Texas, or by a court of competent jurisdiction, or for any other reason, with the result that the participation of the School District in the TIRZ decreases the aggregate amount of the state and local funds available to or received in any school year by the School District during the term of this Agreement that would otherwise be available to or received by the School District in such school year if the School District was not participating in the TIRZ during that year, as determined by the School District subject to the review by the City as to the accuracy of the calculations, the School District's Tax Increment Participation shall, at the option of the School District, be reduced in an amount equal to the amount of the decrease in the aggregate state and/or local funding available to or received in that school year by the School District during the term of this Agreement as a result of the School District's participation in the TIRZ. The School

District shall provide the City sufficient information for the City to review the accuracy of the calculation of loss. Such a reduction in the participation level of the School District will not create any further obligation on the part of the other participating taxing entities.

For any School District fiscal year that the School District intends to decrease its participation in the TIRZ pursuant to this Article, the School District will give written notice to the City and TIRZ Board of any interpretation, ruling order, decree or court decision which will decrease the aggregate amount of state and local funds available to the School District no later than two (2) months after the School District has actual knowledge of such event and will provide the School District's calculation of the decrease no later than ten (10) months following the end of the fiscal year in which the event occurs. The City shall have two (2) months to review the School District's calculations. If the School District submits the calculation after the payment of its tax increment for the applicable year, the deductions shall be made from the School District's future payments of the School District Tax Increment Participation.

At any time the School District may make a demand for reimbursement of funds previously deposited by the School District in the Tax Increment Fund when it determines that, by virtue of its previous payments into the Fund, the School District received a reduction in the combined revenues from both local and state sources that the School District would have received had the School District not participated in this Agreement. Any demand for reimbursement shall be accompanied by written explanation showing the calculations underlying the claim for reimbursement and a reference to any rule, statute, or administrative interpretation, which explains the calculations. In the event that the City receives a claim for reimbursement, the City or TIRZ Board shall, within thirty (30) calendar days, return the funds claimed for refund to the School District, provided said funds are available. If the City or TIRZ Board wishes to contest the claim for reimbursement, it shall, within thirty (30) calendar days of receipt of a request send a written objection to the reimbursement request and shall immediately segregate and maintain the contested amounts, provided said funds are available, in an interest bearing reserve account pending the resolution of the dispute.

D. Management of the TIRZ

1. The City is the only Participating Taxing Entity with any responsibility for managing or administering the Project. The Participating Taxing Entities, during the term of this Agreement, may inspect the Project site and review Project plans and drawings at times and intervals that will not interfere with ongoing operations.
2. The Board shall be composed of nine (9) members, as provided under Section 311.009(b) of the Act. The School District shall have the unequivocal right to appoint to, and maintain one member on, the Board. Failure of the School District to appoint a person to the Board shall not be deemed a waiver of the School District's right to make an appointment by a later date.

E. Expansion of the TIRZ

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

V. RIGHTS AND OBLIGATIONS OF CITY AND BOARD

A. Tax Increment Participation by CITY

Subject to the terms of this Agreement, the City agreed to participate in the TIRZ by contributing to the Tax Increment Fund one hundred percent (100%) of its Tax Increment each year during the initial term of this Agreement, beginning with the 1999 Tax Year and running through the 2026 Tax Year. Beginning in the 2027 Tax Year, the City agrees to participate in the TIRZ by contributing to the Tax Increment Fund seventy-five percent (75%) of its Tax Increment each year through the 2031 Tax Year. The City's contributions to the Tax Increment Fund shall end when City has contributed the maximum total contribution provided for herein or on the TIRZ termination date of September 30, 2032, whichever occurs first. Notwithstanding anything herein to the contrary, the total City Tax Increment Payments over the term of the TIRZ shall not exceed twenty-one million, two hundred twelve thousand, and eight hundred thirteen dollars (\$21,212,813.00).

B. Tax Increment Payment

1. The City's obligation to contribute its Tax Increment Payment to the Tax Increment Fund as provided above in Section V of this Agreement shall accrue as the City collects its Tax Increment. The City agrees to deposit its Tax Increment Payment to the Tax Increment Fund on or before April 15 and September 15 (or the first business day thereafter) of each year. The amount of the first Tax Increment Payment shall be based on the Tax Increments that were received by City, and not previously deposited, prior to the first day of the month preceding each deposit date. (For example, the first deposit on April 15, 2007 was for the Tax Increments received, and not previously deposited, through January 31, 2007. The next deposit on September 15, 2007 was for Tax Increments received, and not previously deposited, through June 31, 2007) Any delinquent deposit of a Tax Increment Payment by the City under this Agreement shall be administered as provided in Section 311.013(c) of the Act (or its successor provision).
2. The School District and the Board 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 Payment from any non-Tax Increment revenue sources. Furthermore, the City shall not be obligated to contribute its Tax Increment Payment to the Tax Increment Fund in the event a Participating Taxing Entity, other than the City, discontinues its contribution to the Tax Increment Fund (except as permitted under this Agreement) during the term of this

Agreement, unless the discontinuance is in compliance with and authorized by a written amendment to this Agreement.

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.

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 notice of such agreement(s) (and upon written request, will provide copies of such agreement(s) and all applicable exhibits) to each Participating Taxing Entity. However, except as provided herein, neither 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, interests of obligations, or other similar debt interests without the prior written authorization by and consent of the Participating Taxing Entity.

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.
2. the School District recognizes that the Participating Taxing Entities and 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 each Participating Taxing Entity for its startup Administrative Costs, if a Participating Taxing Entity provides an invoice for its Administrative Costs with its request 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 each Participating Taxing Entity 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 Participating Taxing Entity. The Parties agree and understand that under no circumstances shall Administrative Costs, in the aggregate, exceed the amount set out and described in Section 2.1 of this Agreement.
3. The School District further recognizes that, in addition to Project Costs and any other allowable costs, the City and the Board have represented that they may use funds in the Tax Increment Fund to pay expenditures in the following order or priority of payment: (i) to reimburse eligible startup Administrative Costs incurred by each Participating Taxing

Entity, (ii) to reimburse the City for its financial and legal advisor fees until the full amount has been paid in full; (iii) to pay all other ongoing Administrative Costs to the City for administering the Tax Increment Fund and/or the TIRZ, including coordinating all meetings of the Board; and (iv) to reimburse the Developer for public improvements, including financing costs, 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. Financing of Project Costs

The City and the School District shall participate in the payment of Project Costs only to the extent described above. The City and the TIRZ Board shall be entitled to enter into any other agreements to pay Project Costs, principal and interest on bonds, and other obligations from the tax increments paid into the Tax Increment Fund by the City without the consent of the School District.

F. Financing and Construction of Educational Facilities

A portion of the School District Tax Increment Participation equal to thirty-five percent (35%) of the amount of tax collected by the School District each year during the initial term of this Agreement (through the 2016 Tax Year) was reserved by levying a tax at a rate of up to \$1.58 per \$100 valuation on the Captured Taxable Value, and interest earned thereon, and applied toward the payment of Educational Facilities Project Costs are held in a reserve fund for such purpose. To the extent the School District retains any such funds for Educational Facilities Project Costs as of the date of this Agreement; those funds are hereby released to be used for any educational purpose permissible under state law.

G. Additional Tax under Chapter 23, Texas Tax Code

The parties agree that any additional tax provided for in Chapter 23, Texas Tax Code, and its successor statutes, which becomes due during the term of the TIRZ, shall not be a part of the School District's Tax Increment Participation and shall be retained by the School District.

H. School District Administrative Costs

The parties agree that School District Administrative Costs shall be paid by the City or the TIRZ Board to the School District from the Tax Increment Fund. In addition to the capital costs, other costs to be paid from TIRZ revenues include the City's financial and legal advisor, City Administrator fees, the School District's financial and legal advisor and other participating taxing entities administrative costs. Revenues derived from the TIRZ will be used to pay costs in the following order of priority of payment: (i) first, to the payment of eligible costs incurred by the participating taxing entities participating in the TIRZ; (ii) second, to the City's financial and legal advisor and the School District's financial and legal advisor until the total amount due has

been paid; (iii) third, administrative fees pertaining to the City or its administrator; and (iv) to the developer, on an annual basis to the extent such revenues are available for such payments.

I. Conveyance of Land

The City and the TIRZ Board agree, as a precondition to any obligation of the School District hereunder, that two (2) separate tracts of land of up to twenty-five (25) contiguous acres each within the TIRZ shall be given as gifts from the owners of property within the TIRZ to the School District for construction of Educational Facilities. The size of each tract shall be determined by the following formula: (1) if a tract is to be used for an elementary school, the tract shall be ten (10) acres plus one (1) acre for each one hundred (100) students planned to attend the school; (2) if a tract is to be used for a middle school, the tract shall be fifteen acres plus one (1) acre for each one hundred students planned to attend the school; (3) but no tract shall exceed twenty-five (25) acres and the total gift of the two tracts shall not exceed fifty (50) acres. The School District shall be responsible for determining the number of students planned to attend each school. The School District may develop and construct each school in phases, with the initial construction to serve a lesser number of students than the School District ultimately plans to attend the school. In such event, the size of each tract shall be determined by the ultimate number of students the School District plans to serve on that tract. The first tract shall be platted within 180 days of the approval of the Plan. The first tract has been conveyed to the School District for a Julian C. Gallardo Elementary School, located at 1300 Del Lago Parkway. The second tract shall be platted upon a determination by the Board of Trustees of the School District that a second school is necessary. The second tract shall be at a location mutually agreeable to the TIRZ Board and the School District.

The tracts shall be suitable for the construction of public school facilities. The transfer of each of the two tracts of property shall occur within 90 days following the approval of a final design plan for the Educational Facility to be constructed on the subject tract by the Board of Trustees of the School District. The conveyance of the designated property to the School District shall be by special warranty deed without encumbrance or restriction. If construction of an educational facility is not begun within three (3) years of the conveyance of the tract to the School District, the School District shall convey the property back to the grantors or their successors.

VI. TERM AND TERMINATION

A. Agreement Term and Termination

This Agreement shall become effective as of the last date of execution by the Parties hereto, and shall remain in effect until September 30, 2032, unless earlier terminated as provided herein (the "Agreement Term"). Subject to the terms of this Agreement, the School District agrees to participate under this Agreement, beginning with the 1999 Tax Year and ending in accordance with the terms provided herein. The Parties agree and understand that the School District's Tax Increment Payments will not be made after September 30, 2032, as set out in Section IV.A.2. of this Agreement.

B. Early Termination

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. The City and the Board shall not be required to pay tax increment into the tax increment fund of the TIRZ if the conditions of Section 311.013(d) of the Act are met. Either party may terminate this Agreement for a material breach of contract.

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.

VII. MISCELLANEOUS

A. Understanding

Any and all costs incurred by the Developer are not, and shall never become general obligations or debt of any Participating Taxing Entity. The eligible public improvement infrastructure costs incurred by 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. No Participating Taxing Entity shall be obligated above and beyond what is actually collected as tax increment funds. The City and the Board each represent that the Developer understands and agrees that the Project Plan does not forecast sufficient tax revenues in the Tax Increment Fund to reimburse the Developer for all its estimated contributions or costs.

B. Severability

1. In the event any term, covenant, or condition herein contained shall be held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant, or condition herein contained, provided that such invalidity does not materially prejudice any Party hereto in its respective rights and obligations contained in the valid terms, covenants, or conditions hereof.
2. In the event any term, covenant, or condition shall be held invalid and said invalidity substantially impairs a material right of a Participating Taxing Entity or Board, then this Agreement shall be void as to that Participating Taxing Entity and that Participating Taxing Entity shall have no further obligation to contribute any future Tax Increment Payments to the Tax Increment Fund. In such a situation, the Parties hereto agree that the Tax Increment Fund shall not refund any prior Tax Increment Payments under this provision of this Agreement.

C. Entire Agreement

This Agreement 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 hereof.

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 the City Council of the City and only the Board of Trustees of the School District have authority to approve a change or amendment to this Agreement on behalf of the City or the School 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

Erik Walsh
City Manager
City of San Antonio
100 Military Plaza
San Antonio, Texas 78205
Re: Mission del Lago TIRZ

THE SCHOOL DISTRICT

Dr. Mark Eads
Superintendent of Schools
Southside ISD
1610 Martinez-Losoya Rd.
San Antonio, Texas 78221-9614
Re: Mission del Lago TIRZ

With copies to:

Verónica R. Soto, AICP
Neighborhood Services Department
1400 South Flores St.
San Antonio, Texas 78204-1452
Re: Mission del Lago TIRZ

And

BOARD

Virginia Rogers
Chairman
Reinvestment TIRZ Number Six
P.O. Box 13223
Austin, Texas 78711
Re: Mission Del Lago TIRZ

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 (certified mail, return receipt requested) addressed to the respective other Party at the address prescribed in Section I 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 default 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 default 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 School District have authority to approve a delegation or assignment (of any kind) of this Agreement on behalf of the City or the School 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 School 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 School District unless the School 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 School 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 School 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 School District in accordance with Section 311.016 of the Act.

L. Development Agreement

The City and the Board have entered into a written Development Agreement with the Developer related to the Project and the development of the TIRZ. The City hereby represents that it will enforce the provisions of this Agreement, as required, including, to the extent contained in the Development Agreement, the Developer's compliance (i) with all 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 TIRZ (if applicable); (ii) the TIF Guidelines and Criteria in effect on the date the TIRZ was designated by City and the Construction Schedule (attached hereto as Exhibit "A" and as may be amended in accordance with the terms of the Development Agreement); and, (iii) with the same competitive bidding processes, payment of prevailing wages, non-discrimination and payment and performance bonding procedures. The City and the Board agree to promptly provide the School District with a copy of any notice of default that is delivered or sent to any party under the Development Agreement.

M. TIRZ Designation

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

*(Remainder of page intentionally left blank;
party signatures on following page)*

IN WITNESS HEREOF, the CITY OF SAN ANTONIO; SOUTHSIDE INDEPENDENT SCHOOL DISTRICT; AND REINVESTMENT ZONE NUMBER SIX (6), CITY OF SAN ANTONIO, TEXAS have made and executed this Agreement in triplicate originals on this ____ day of _____ 2019.

CITY OF SAN ANTONIO

City Manager
City of San Antonio

ATTEST/SEAL:

Leticia M. Vacek
City Clerk

APPROVED AS TO FORM:

Andy Segovia
City Attorney

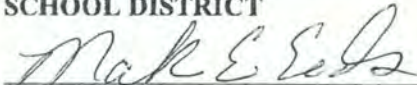
**BOARD OF DIRECTORS
REINVESTMENT ZONE NUMBER SIX (6)
CITY OF SAN ANTONIO, TEXAS
(MISSION DEL LAGO TIRZ)**

Name: Virginia Rogers
Chairman/Presiding Officer, Board of Directors

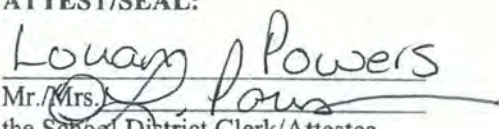
ATTEST/SEAL:

Name: _____
Secretary, Board of Directors

**SOUTHSIDE INDEPENDENT
SCHOOL DISTRICT**


Dr. Mark Eads
Superintendent
Southside ISD

ATTEST/SEAL:


Mr./Mrs. _____
the School District Clerk/Attestee

IN WITNESS HEREOF, the CITY OF SAN ANTONIO; SOUTHSIDE INDEPENDENT SCHOOL DISTRICT; AND REINVESTMENT ZONE NUMBER SIX (6), CITY OF SAN ANTONIO, TEXAS have made and executed this Agreement in triplicate originals on this ____ day of _____ 2019.

CITY OF SAN ANTONIO

Erik Walsh
City Manager
City of San Antonio

ATTEST/SEAL:

Leticia M. Vacek
City Clerk

APPROVED AS TO FORM:

Andy Segovia
City Attorney

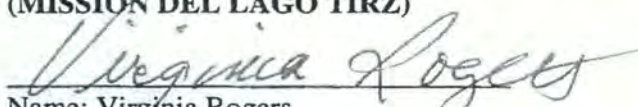
**SOUTHSIDE INDEPENDENT
SCHOOL DISTRICT**

Dr. Mark Eads
Superintendent
Southside ISD

ATTEST/SEAL:

Mr./Mrs. _____
the School District Clerk/Attestee

**BOARD OF DIRECTORS
REINVESTMENT ZONE NUMBER SIX (6)
CITY OF SAN ANTONIO, TEXAS
(MISSION DEL LAGO TIRZ)**



Name: Virginia Rogers
Chairman/Presiding Officer, Board of Directors

ATTEST/SEAL:

Name: _____
Secretary, Board of Directors

Exhibit A

**Mission Del Lago Project
Development Targets / Construction Schedule**

MISSION DEL LAGO DEVELOPMENT TARGETS / CONSTRUCTION SCHEDULE

Phase	Year	Number of Units Single Family	Number of Units Multi Family	Square Footage Commercial
1	2003	0	0	0
2	2004	64	280	0
3	2005	50	0	0
4	2006	52	0	0
5	2007	69	0	0
6	2008	41	0	0
7	2009	4	0	0
8	2010	32	0	0
9	2011	70	0	0
10	2012	51	0	0
11	2013	78	0	0
12	2014	67	0	0
13	2015	98	0	0
14	2016	100	240	4,500
15	2017	90	0	0
16	2018	136	0	0
17	2019	150	0	0
18	2020	125	0	0
19	2021	125	0	48,000
20	2022	114	0	53,000
21	2023	100	0	10,600
22	2024	100	0	75,000
23	2025	100	0	7,500
24	2026	100	0	40,000
25	2027	100	0	30,000
26	2028	100	0	20,000
27	2029	100	0	0
28	2030	100	0	0
29	2031	100	0	0
30	2032	94	0	0
	TOTAL	2510	520	288,600

EXHIBIT D

THE STATE OF TEXAS

§ MISSION DEL LAGO TIRZ

COUNTY OF BEXAR

§
§ UNIVERSITY HEALTH SYSTEM

AMENDED AND RESTATED INTERLOCAL AGREEMENT

THIS AMENDED AND RESTATED INTERLOCAL AGREEMENT (the "Agreement") is made by and among the **CITY OF SAN ANTONIO, TEXAS** (hereafter referred to as the "City"), a Texas Municipal Corporation, acting by and through its City Manager pursuant to Ordinance No. 90383, passed and approved by the City Council on August 26, 1999; **BEXAR COUNTY HOSPITAL DISTRICT**, a political subdivision of the State of Texas established pursuant to Article IX, Section 4 of the Texas Constitution, acting through its President/CEO pursuant to authority granted by the Board of Managers on September 28, 1999 and October 23, 2001 (hereafter referred to as "UHS"); and **THE BOARD OF DIRECTORS FOR REINVESTMENT ZONE NUMBER SIX (6), CITY OF SAN ANTONIO, TEXAS**, a reinvestment zone created by the City pursuant to Chapter 311, Texas Tax Code, (hereafter defined and referred to as the "Board"). The City, UHS, and the Board may be referred to singularly as a "Party" or collectively as the "Parties." This Agreement is made pursuant to Chapter 311, Texas Tax Code for the participation of the City, the Board, and UHS in the Mission del Lago Project (the "Project").

RECITALS:

WHEREAS, in accordance with the Tax Increment Financing Act, Texas Tax Code, Chapter 311 (the "Act"), the City created Tax Increment Reinvestment Zone Number Six, City of San Antonio, Texas (the "TIRZ"), created 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 UHS support the City in development activities for the Project and intend to actively participate in implementing the Project; and

WHEREAS, pursuant to said authority above, on September 6, 2006 the Board, the City and UHS each entered into that certain Interlocal Agreement with the others to develop and/or redevelop the TIRZ as specified in the Project Plan, Finance Plan, and the Development Agreement; and

WHEREAS, the Project Plan for the TIRZ (the "Project Plan") was approved on August 26, 1999, amended on June 29, 2006, later amended on May 1, 2014, and most recently amended on the 12th day of April, 2019; and

WHEREAS, the Finance Plan for the TIRZ (the “Finance Plan”) was approved on August 26, 1999, amended on June 29, 2006, later amended on May 1, 2014, and most recently amended on 12th day of April, 2019; and

WHEREAS, the City and the Project developer initially approved the “Mission Del Lago Development Agreement (the “Development Agreement”) on June 29, 2006; and, on July 2, 2013, Mission Del Lago Ltd entered into an “Agreement for Sale and Purchase” with Southstar Development Partners, Inc., a Florida corporation, for the purchase of Mission Del Lago Ltd.’s assets and the two parties entered into an Operating Agreement on May 13, 2014 designating Southstar Development Partners, Inc. as the “Operating Agent” for the Project on May 13, 2014; and, on January 18, 2018, the City approved that certain Assignment and Assumption Agreement between the parties, formally designating Southstar Mission Del Lago Holdings L.P., as the “Developer” for the Project; and

WHEREAS, pursuant to the authority described above and in pursuit of the public benefits described in the Project Plan, Finance Plan, and the Development Agreement, the Parties hereto agree to amend and restate this Agreement to extend the TIRZ period;

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

I. CONTENTS

A. Table

This Agreement consists of the following sections:

<u>Section</u>	<u>Description</u>	<u>Page</u>
I.	Contents	2
II.	Definitions	3
III.	Background	5
IV.	Rights and Obligations of UHS	6
V.	Rights and Obligations of City and Board	9
VI.	Term and termination	11
VII.	Miscellaneous	12
Exhibit “A”	Development Targets / Construction Schedule	

B. Parts Incorporated

The following documents are hereby incorporated into this Agreement by this reference for all purposes.

1. City of San Antonio Ordinance No. 90312, dated August 19, 1999, which designated the TIRZ and approved the initial Project Plan and Finance Plan;
2. City of San Antonio Ordinance No. 2006-06-29-0801, dated June 29, 2006, which amended the Project Plan and Finance Plan for the TIRZ;

3. City of San Antonio Ordinance No. 2014-05-01-0286, dated May 1, 2014, authorizing that certain Settlement and Release Agreement, amending the Project Plan and Finance Plan, and extending the TIRZ term from 2025 to 2027;
4. The Amended and Restated Development Agreement among the City, the Developer, and the Board, approved by Ordinance No. 2019-_____-_____, executed on the 9th day of May, 2019; and
5. The Project Plan and the Finance Plan effective as of the date of this Agreement

II. DEFINITIONS

As used in this Agreement, the following 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 TIRZ, as described in this Agreement. These costs include, but are not limited to, reasonable costs and expenses for legal review and financial analysis related to the TIRZ incurred prior to entering into this Agreement, as well as any such costs and expenses incurred after this Agreement becomes effective. The startup administrative cost for all of the Participating Tax Entities is a maximum of one hundred forty thousand, three hundred eighty-three dollars and fifty two cents (\$140,383.52) in the aggregate. That \$140,383.52 shall be distributed among all five (5) Participating Tax Entities, based upon individual invoices submitted by the entities. On May 14, 2015, the City approved Ordinance No. 2015-05-14-0419, amending the 2008 Tax Increment Financing Program Policy which included adjustments to the administrative fees collected by the City. For the remainder of the term, the City's administrative fees shall be as follows: \$30,000 in Fiscal Year 2019, \$50,000 in Fiscal Year 2020, and \$75,000 in Fiscal Year 2021 and beyond. The administrative fees of the County shall be \$2,000 annually.
2. 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 implement the Project, as described in City of San Antonio Ordinance No. 90312, dated August 19, 1999.
3. "Captured Taxable Value" means the captured taxable value of the TIRZ, as defined by Section 311.012(b) of the Act (as may be amended from time to time).
4. "Construction Schedule" means the schedule contained in the Project Plan which is incorporated into this document in its entirety by reference, for the construction of all components of the Project, which may be amended from time to time by the Developer, Board and City in accordance with the terms of the Development Agreement. The development targets and a generalized Construction Schedule are attached hereto as Exhibit "A".

5. The “Developer” means Southstar Mission Del Lago Holdings, L.P.; a Florida limited partnership, its successors and assigns.
6. “Development Agreement” means the agreement entered into between the City, the developer, and the Board which was initially approved by the Board on June 20, 2006 and by the City Council on June 29, 2006, and First Amendments; Board date on April 15, 2014 and City Council date on May 1, 2014, and assigned to the Developer by City Council action on January 18, 2018. In 2019, the Development Agreement was amended and restated by the City, the Developer, and the Board through Board approval on February 1, 2019 and City Council action on March 7th, 2019.
7. “Finance Plan” means the Finance Plan for the TIRZ as adopted by the Board on August 24, 1999, and as approved by the City Council on August 26, 1999 amended by the Board on June 20, 2006, and approved by the City Council of the City on June 29, 2006; and later amended again by the Board on April 15, 2014 and approved by the City Council on May 1, 2014. In 2019, the Finance Plan was further amended by the Board on February 1, 2019 and City Council on March 7th, 2019.
8. “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, Southside Independent School District (“SISD”), and the University Hospital System (“UHS”). The Alamo Community College District (ACCD) was a Participating Taxing Entity until its agreement terminated in 2014.
9. “Project Costs” means the items set forth and described in Section 311.002(1), 311.010(b) and 311.011(c)(1) of the Act (which may be amended from time to time), which are included in the Project Plan. The Project Costs include public infrastructure improvements, and related capital costs including streets and approaches, sidewalks, drainage, water, sewer, utilities, street lights, on-site sewer outfall, Del Lago Parkway, gas, park improvements, land and ROW clearing, contingency, Project Management, offsite sewer and water, landscaping ROW, land, Developer formation, legal costs, platting fees, drainage fees, sewer impact fees, engineering/surveying fees, performance of the “Street Reconstruction Project” in accordance with that certain Developer Participation Contract. The Project Costs for public improvements are estimated at fifty nine million, three hundred sixty-nine thousand two hundred sixty-seven dollars (\$59,369,267.00) for the life of the TIRZ, plus a maximum of fifteen million, six hundred eighty-four thousand, forty-nine dollars and no cents (\$15,684,049.00) in interest on eligible Project Costs.
10. “Project Plan” means the Project Plan for the TIRZ as adopted by the Board on August 24, 1999 and approved by the City Council on August 26, 1999; amended by the Board on June 20, 2006 and approved by the City Council on June 29, 2006; and later amended again by the Board on April 15, 2014 and approved by the City Council on May 1, 2014. In 2019, the Board further amended the Project Plan on February 1, 2019 and the City Council approved the amended Project Plan on [date].

11. "Tax Increment" means the total amount of ad valorem taxes levied and collected each year by a Participating Taxing Entity each year on the Captured Taxable Value of taxable real property in the TIRZ. Further, with respect to UHS, this term means the total amount of ad valorem taxes levied and collected only on behalf of UHS each year and shall not include Bexar County. The Parties also acknowledge and agree that this Agreement is entered into subject to the rights of the holders of any outstanding bonds of UHS, and UHS is not obligating any of those portions of UHS's funds which are dedicated to any outstanding bond indebtedness.
12. "Tax Increment Base" means the total taxable value of all real property taxable by a Participating Taxing Entity and located in the TIRZ as of January 1, 1999, the year in which the TIRZ was designated.
13. "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 Six (6), City of San Antonio, Texas Tax Increment Fund.
14. "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 and the Project Plan and Finance Plan.
15. The "TIRZ" means Reinvestment Zone Number Six (6), City of San Antonio, Texas, created by the City on August 19th, 1999, by Ordinance No. 90312.

III. BACKGROUND

A. City Action.

Resolution of Intent No. 99-22-23, passed and approved by the City Council of the City on May 27, 1999, expressed the City's intent to create a tax increment reinvestment TIRZ in accordance with Chapter 311, Texas Tax Code, to support revitalization activities for the TIRZ, and the development of the Project. On August 19, 1999, the City Council of the City passed and approved Ordinance No. 90312, which created the TIRZ.

B. Project Location.

The Project is located in the southern section of the City of San Antonio, approximately 1.5 miles south of Loop 410 South on U.S. Highway 281 South adjacent to Mitchell Lake, near Mission del Lago Golf Course. The Project is in the Southside Independent School District and encompasses approximately 812.132 acres.

C. Project Value.

The Year-End Assessed Value as determined by the Bexar Appraisal District is one million, three hundred twenty-three thousand, four hundred ten dollars (\$1,323,410.00) and the projected Year End Assessed of all the taxable real property in the TIRZ in Tax Year 2027 is estimated to be four hundred thirty-two million, three hundred sixty-seven thousand, one hundred sixty-three

dollars (\$432,367,163.00). The Project does not include the issuance of TIF bonds or certificates of obligation.

D. Project Debt.

The Project does not include the issuance of TIF bonds or certificates of obligation. However, as part of the Settlement and Release Agreement by and between the City and the initial developer, Mission Del Lago Ltd., the City funded certain street repairs to Unit 8 of the subdivision (the "Street Reconstruction Project") through the issuance of a tax note, which note shall be repaid by TIRZ Tax Increment.

E. Developer Reimbursement.

To date, the Developer has been reimbursed a total of \$16,326,063.81 in approved Project costs, which resulted in the development of 866 single family homes; 240 apartment units in two complexes; 101 single family lots; one public park (including tennis courts and a playground); one SISD elementary school.

F. Project Phasing and Duration.

The approximate 812 acre tract is being developed primarily for single family residential use. The first 16 phases of residential development have been constructed. There are an additional 150 lots scheduled for development in 2019, 125 in 2020, and 125 in 2021. The remaining 1,108 lots are projected to be developed by 2032. The single family homes in the Mission Del Lago development sell between \$180,000 and \$240,000. The TIRZ is projected to terminate in fiscal year 2032, unless earlier termination occurs under this Agreement (the "term of the TIRZ").

G. Mutual Agreement.

The City and UHS agree to participate in the TIRZ, and to deposit their respective Tax Increment Payments to the Tax Increment Fund, in accordance with the terms, and in consideration of the agreements set forth herein. UHS hereby acknowledges receipt of notice of the initial creation of the TIRZ. The Parties hereto agree that, except as provided herein, no tax-supported public debt instrument will be issued by a Participating Taxing Entity, or the Board to finance any costs or improvements on the Project.

IV. RIGHTS AND OBLIGATIONS OF UHS

A. Tax Increment Participation by UHS

1. Subject to the limitations set out in this Agreement, UHS agrees to participate in the TIRZ by contributing to the Tax Increment Fund seventy-five percent (75%) of its respective Tax Increments each year during the term of this Agreement, beginning with the 1999 Tax Year, and ending on the 2024 Tax Year.

2. The Parties hereto agree that UHS's contribution to the Tax Increment Fund shall be used to fund public improvements to support the development and revitalization efforts in the TIRZ, including related Project Costs. It is agreed by the Parties that none of UHS's tax increment shall be used for payment of another Participating Taxing Entities Administrative Costs. UHS's contributions to the Tax Increment Fund shall end when it has contributed the maximum total contribution provided for herein, or when it has made contributions of all Tax Increment Payments, as specified in the Project Plan, whichever occurs first. Notwithstanding anything to the contrary, the total UHS Tax Increment Payments to the Tax Increment Fund over the term of the TIRZ shall not exceed six million seven hundred six thousand, seven hundred and seventy-one dollars (\$6,706,771.00).

B. Tax Increment Payment

1. UHS's obligation to contribute its Tax Increment Payment to the Tax Increment Fund, as provided in Section IV.A.1. of this Agreement, shall accrue as UHS collects its Tax Increment. The Parties hereto agree that all real property taxes collected each year by the UHS 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. UHS agrees to deposit its Tax Increment Payments to the Tax Increment Fund on or before April 15 and September 15 (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 UHS, and not previously deposited, during the semi-annual periods preceding each deposit date. (For example, the first deposit on April 15, 2007 shall be for Tax Increments received, and not previously deposited, through January 31, 2007. The next deposit on September 15, 2007 shall be for Tax Increments received, and not previously deposited, through June 30, 2007.) The Parties agree that UHS's obligation to deposit Tax Increment Payments after September 30, 2025 shall only be for taxes collected and received after such date that are attributable to the time period during which UHS agreed to participate. Under no circumstances shall UHS be required to participate in the TIRZ after September 30, 2025.
2. One month prior to a payment required under Section IV B. 1. of this Agreement, the City shall provide to UHS 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 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 by the Developer, and a report showing Board or City approved expenses. Also prior to UHS's payment, the City shall provide a statement of TIF Fund activity, including a tally of requests for reimbursement, City and Board approved payments, payments not approved by the City and the Board, outstanding balance due to the Developer, or if the maximum contribution has been reached, the pro rata balance due to each participating entity.

3. Pursuant to the Act, in the event there is a conflict between the Parties in regards to the amount of the Tax Increment owed by UBS, the Parties agree that UHS will make a reasonable determination as to the amount of any Tax Increment owed by UHS under this Agreement and UHS will be responsible for reasonably determining which tax collections will be apportioned for purposes of determining UHS's Tax Increment. The annual Year-End Assessed Value of all real property taxable by UHS located in the TIRZ shall be determined through an independent third party verification obtained from the Bexar County Appraisal District. The Bexar County Tax Office will verify taxes levied and collected in regards to the property contained with the TIRZ.
4. Any delinquent deposit of a Tax Increment Payment under this Agreement by UHS shall be administered as provided in Section 311.013(c) of the Texas Tax Code (or its successor provision). The Parties expressly agree that UHS shall not owe any penalty or interest on Tax Increments that have been levied, but not received by UHS. In addition, UHS shall not be obligated to contribute its Tax Increment Payments from any non-Tax Increment revenue sources. Furthermore, UHS shall not be obligated to contribute its Tax Increment Payment to the Tax Increment Fund in the event a Participating Taxing Entity, other than UHS, 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 written amendment to this Agreement.
5. The City and the Board agree to comply with the Project Plan and the Development Agreement. The City and the Board agree to provide prior written notice to all Participating Taxing Entities of a proposed material change (by which is meant any change that would constitute a seven percent (7%) increase or decrease in either the Project Cost or the scope and scale of the Project) to the Project Plan or the Development Agreement. The City shall have the right to amend and modify the Project Plan and the Development Agreement without providing prior written notice to the Participating Taxing Entities so long as such amendment or modification does not constitute a material change. The Participating Taxing Entities shall have a period of thirty (30) business days from the date of receipt of such notice of a material change to provide comment(s) and objection(s) to the proposed change. The absence of written objections or comments by the Participating Taxing Entity to the City will constitute approval of the proposed material change by the Participating Taxing Entity. If a Participating Taxing Entity provides written notice to the City that it objects to the proposed material change to the Project Plan or the Development Agreement, 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.
6. If any Party to this Agreement materially breaches this Agreement, then a Participating Taxing Entity may provide written notice to the City and the Board (with a copy to any other Participating Taxing Entity 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 concerns as set out in the notice is not resolved within

ninety (90) business days from the date of such notice, then the Participating Taxing Entity providing the notice may discontinue its Tax Increment Payments and terminate its participation in the TIRZ. Pursuant to Section IV. B. 4 in the event a Participating Tax Entity discontinues its Tax Increment Payment and terminates its participation in the TIRZ under this provision, then UHS will have no further obligation to contribute its Tax Increment Payment to the Tax Increment Fund.

7. Except for contributing its respective Tax Increment Payments to the Tax Increment Fund as set out in this Agreement, UHS 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. School District Provisions

UHS understands that the Project is located in the Southside Independent School District. UHS further understands that the Southside Independent School District is participating by contributing tax increment to the TIRZ.

D. Management of the TIRZ

1. The City is the only Participating Taxing Entity with any responsibility for managing or administering the Project. The Participating Taxing Entities, during the term of this Agreement, may inspect the Project site and review Project plans and drawings at times and intervals that will not interfere with ongoing operations.
2. The Board shall be composed of nine (9) members, as provided under Section 311.009(b) of the Act. While the statute does not provide UHS a position on the board, the parties agree that UHS shall have the option to obtain the appointment of an UHS representative to the Board by providing the City with the name of a qualified candidate to fill one of the City's available appointed positions.

E. Expansion of the TIRZ

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

V. RIGHTS AND OBLIGATIONS OF CITY AND BOARD

A. Tax Increment Participation by CITY

Subject to the terms of this Agreement, the City agreed to participate in the TIRZ by contributing to the Tax Increment Fund one hundred percent (100%) of its Tax Increment each year during the initial term of this Agreement, beginning with the 1999 Tax Year and running through the

2026 Tax Year. Beginning in the 2027 Tax Year, the City agrees to participate in the TIRZ by contributing to the Tax Increment Fund seventy-five percent (75%) of its Tax Increment each year through the 2031 Tax Year. The City's contributions to the Tax Increment Fund shall end when City has contributed the maximum total contribution provided for herein or on the TIRZ termination date of September 30, 2032, whichever occurs first. Notwithstanding anything herein to the contrary, the total City Tax Increment Payments over the term of the TIRZ shall not exceed twenty-one million, two hundred twelve thousand, and eight hundred thirteen dollars (\$21,212,813.00).

B. Tax Increment Payment

1. The City's obligation to contribute its Tax Increment Payment to the Tax Increment Fund as provided above in Section V of this Agreement shall accrue as the City collects its Tax Increment. The City agrees to deposit its Tax Increment Payment to the Tax Increment Fund on or before April 15 and September 15 (or the first business day thereafter) of each year. The amount of the first Tax Increment Payment shall be based on the Tax Increments that were received by City, and not previously deposited, prior to the first day of the month preceding each deposit date. (For example, the first deposit on April 15, 2007 shall be for the Tax Increments received, and not previously deposited, through January 31, 2007. The next deposit on September 15, 2007 shall be for Tax Increments received, and not previously deposited, through June 31, 2007) Any delinquent deposit of a Tax Increment Payment by the City under this Agreement shall be administered as provided in Section 311.013(c) of the Act (or its successor provision).
2. UHS and the Board 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 Payment from any non-Tax Increment revenue sources. Furthermore, the City shall not be obligated to contribute its Tax Increment Payment to the Tax Increment Fund in the event a Participating Taxing Entity, other than the City, discontinues its contribution to the Tax Increment Fund (except as permitted under this Agreement) during the term of this Agreement, unless the discontinuance is in compliance with and authorized by a written amendment to this Agreement.
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.

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 notice of such agreement(s) (and upon written request, will provide copies of such agreement(s) and all applicable exhibits) to each Participating Taxing Entity.

However, except as provided herein, neither 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, interests of obligations, or other similar debt interests without the prior written authorization by and consent of the Participating Taxing Entity.

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.
2. UHS recognizes that the Participating Taxing Entities and 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 each Participating Taxing Entity for its startup Administrative Costs, if a Participating Taxing Entity provides an invoice for its Administrative Costs with its request 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 each Participating Taxing Entity 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 Participating Taxing Entity. The Parties agree and understand that under no circumstances shall Administrative Costs, in the aggregate, exceed the amount set out and described in Section II.1 of this agreement.
3. UHS further recognizes that, in addition to Project Costs and any other allowable costs, the City and the Board have represented that they may use funds in the Tax Increment Fund to pay expenditures in the following order or priority of payment: (i) to reimburse eligible startup Administrative Costs incurred by each Participating Taxing Entity, (ii) to reimburse the City for its financial and legal advisor fees until the full amount has been paid in full; (iii) to pay all other ongoing Administrative Costs to the City for administering the Tax Increment Fund and/or the TIRZ, including coordinating all meetings of the Board; and (iv) to reimburse the Developer for public improvements, including financing costs, 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.

VI. TERM AND TERMINATION

A. Agreement Term and Termination

This Agreement shall become effective as of the last date of execution by the Parties hereto, and shall remain in effect until September 30, 2032, unless earlier terminated as provided herein (the "Agreement Term"). Subject to the terms of this Agreement, UHS agrees to participate under

this Agreement, beginning with the 1999 Tax Year and ending in accordance with the terms provided herein. The Parties agree and understand that UHS's Tax Increment Payments will not be made after September 30, 2025, as set out in Section IV.A.2. of this Agreement.

B. Early Termination

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. The City and the Board shall not be required to pay tax increment into the tax increment fund of the TIRZ if the conditions of Section 311.013(d) of the Act are met. Either party may terminate this Agreement for a material breach of contract.

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.

VII. MISCELLANEOUS

A. Understanding

Any and all costs incurred by the Developer are not, and shall never become general obligations or debt of any Participating Taxing Entity. The eligible public improvement infrastructure costs incurred by 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. No Participating Taxing Entity shall be obligated above and beyond what is actually collected as tax increment funds. The City and the Board each represent that the Developer understands and agrees that the Project Plan does not forecast sufficient tax revenues in the Tax Increment Fund to reimburse the Developer for all its estimated contributions or costs.

B. Severability

1. In the event any term, covenant, or condition herein contained shall be held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant, or condition herein contained, provided that such invalidity does not materially prejudice any Party hereto in its respective rights and obligations contained in the valid terms, covenants, or conditions hereof.
2. In the event any term, covenant, or condition shall be held invalid and said invalidity substantially impairs a material right of a Participating Taxing Entity or Board, then this Agreement shall be void as to that Participating Taxing Entity and that Participating Taxing Entity shall have no further obligation to contribute any future Tax Increment Payments to the Tax Increment Fund. In such a situation, the Parties hereto agree that the Tax Increment Fund shall not refund any prior Tax Increment Payments under this provision of this Agreement.

C. Entire Agreement

This Agreement 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 hereof.

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 the City Council of the City and only the Board of Directors of UHS have authority to approve a change or amendment to this Agreement on behalf of the City or UHS, 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

Erik Walsh
City Manager
City of San Antonio
100 Military Plaza
San Antonio, Texas 78205
Re: Mission del Lago TIRZ

UHS

Mr. George B. Hernandez, Jr.
President/CEO
University Health System
4502 Medical Drive
San Antonio, Texas 78229-4493
Re: Mission del Lago TIRZ

With copies to:

Verónica R. Soto, AICP
Director
Neighborhood Services Department
1400 South Flores St.
San Antonio, Texas 78204-1452
Re: Mission del Lago TIRZ

Serina Rivela, Vice President
Chief Legal Officer
University Health System
4502 Medical Drive
San Antonio, Texas 78229-4493
Re: Mission del Lago TIRZ

And

BOARD

Virginia Rogers
Chairman
Reinvestment Zone Number Six
P.O. Box 13223
Austin, Texas 78711
Re: Mission Del Lago TIRZ

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 (certified mail, return receipt requested) addressed to the respective other Party at the address prescribed in Section I 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 default 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 default 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 Directors of UHS have authority to approve a delegation or assignment (of any kind) of this Agreement on behalf of the City or UHS, 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

UHS 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 UHS unless UHS 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 UHS 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 UHS. 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 UHS in accordance with Section 311.016 of the Act.

L. Development Agreement

1. The City and the Board have entered into a written Development Agreement with the Developer related to the Project and the development of the TIRZ. The City hereby represents that it will enforce the provisions of this Agreement, as required, including, to the extent contained in the Development Agreement, the Developer's compliance (i) with all 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 TIF Guidelines and Criteria in effect on the date the TIRZ was designated by City and the Construction Schedule (attached hereto as Exhibit "A" and as may be amended in accordance with the terms of the Development Agreement); and, (iii) with the same competitive bidding processes, payment of prevailing wages, non-discrimination, and payment and performance bonding procedures. The City and the Board agree to promptly provide UHS with a copy of any notice of default that is delivered or sent to any party under the Development Agreement.
2. For those 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.
3. The City agrees to notify any future developers or other contractors desiring to implement a Tax Increment Reinvestment Zone subsequent to the adoption of the resolution by the County on August 22, 2000, related to UHS's participation in such zones, that, to the best of City's knowledge, the County's and UHS' current policy is for UHS not to participate in such zones.

M. TIRZ Designation

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

*(Remainder of page intentionally blank;
party signatures on following page)*

IN WITNESS HEREOF, the CITY OF SAN ANTONIO, UNIVERSITY HEALTH SYSTEM;
AND REINVESTMENT ZONE NUMBER SIX (6), CITY OF SAN ANTONIO, TEXAS have
made and executed this Agreement in triplicate originals on this ____ day of _____ 2019.

CITY OF SAN ANTONIO

**BEXAR COUNTY HOSPITAL
DISTRICT, d/b/a UNIVERSITY
HEALTH SYSTEM**

Erik Walsh
City Manager
City of San Antonio

George B. Hernandez, Jr.
President/Chief Executive Officer
University Health System

ATTEST/SEAL:

ATTEST/SEAL:

Leticia M. Vacek
City Clerk

Mr./Mrs. _____
UHS Clerk/Attestee

APPROVED AS TO FORM:

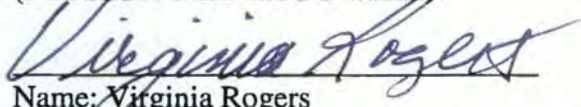
APPROVED AS TO FORM:

Andy Segovia
City Attorney

Serina Rivela
Chief Legal Officer, UHS
Legal Affairs

**BOARD OF DIRECTORS
REINVESTMENT ZONE NUMBER SIX (6)
CITY OF SAN ANTONIO, TEXAS
(MISSION DEL LAGO TIRZ)**

ATTEST/SEAL:


Name: Virginia Rogers
Chairman/Presiding Officer, Board of Directors

Name: _____
Secretary, Board of Directors

Exhibit A

Mission Del Lago Project
Development Targets / Construction Schedule

MISSION DEL LAGO DEVELOPMENT TARGETS / CONSTRUCTION SCHEDULE

Phase	Year	Number of Units Single Family	Number of Units Multi Family	Square Footage Commercial
1	2003	0	0	0
2	2004	64	280	0
3	2005	50	0	0
4	2006	52	0	0
5	2007	69	0	0
6	2008	41	0	0
7	2009	4	0	0
8	2010	32	0	0
9	2011	70	0	0
10	2012	51	0	0
11	2013	78	0	0
12	2014	67	0	0
13	2015	98	0	0
14	2016	100	240	4,500
15	2017	90	0	0
16	2018	136	0	0
17	2019	150	0	0
18	2020	125	0	0
19	2021	125	0	48,000
20	2022	114	0	53,000
21	2023	100	0	10,600
22	2024	100	0	75,000
23	2025	100	0	7,500
24	2026	100	0	40,000
25	2027	100	0	30,000
26	2028	100	0	20,000
27	2029	100	0	0
28	2030	100	0	0
29	2031	100	0	0
30	2032	94	0	0
	TOTAL	2510	520	288,600

EXHIBIT E

**AMENDED FINAL PROJECT PLAN
FOR**

**REINVESTMENT ZONE NUMBER SIX
CITY OF SAN ANTONIO, TEXAS**

“MISSION DEL LAGO”



City of San Antonio

Approved August 26, 1999

Amended:

June 29, 2006

May 1, 2014

February 1, 2019

April 12, 2019

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1. EXECUTIVE SUMMARY

The City of San Antonio Tax Increment Reinvestment Zone Number Six (“TIRZ”), known as the Mission Del Lago TIRZ, was designated by City Council, through Ordinance 90312, on August 19, 1999. The TIRZ is located south of Loop 410 along the Interstate and US Highway 281, adjacent to Mitchell Lake, and surrounds the Mission Del Lago Municipal Golf Course (see Exhibit A: TIRZ Boundary). The TIRZ is in the Southside Independent School District. The zone includes approximately 812 acres (see Exhibit B: Vicinity/School Districts Map).

TIRZ HISTORY

The original project and finance plans, adopted in 1999, called for the construction of public infrastructure to support 3,200 single-family homes. After a change in the Mission Del Lago Ltd. Partnership in 2006, the scope of the project was revised to reduce the number of homes to be developed to 2,734 and decrease the cost of proposed infrastructure as reflected in amendments to the project and finance plans. The project and finance plans were further amended in May 2014 as the result of a Settlement and Release Agreement between the City of San Antonio and Mission Del Lago Ltd., the initial developer; and, the single-family unit total was further reduced to 2,241 (the “2014 Amendment”). The 2014 Amendment also added street repairs to Unit 8 of the subdivision and the City of San Antonio’s (the “City”) tax reimbursement agreement with the developer of the Villa Espada apartment project (approved by the TIRZ Board in May 2013). In addition, the 2014 Amendment extended the term of the TIRZ for the City by two years until September 2027. The current projection is to construct 2,510 single-family homes and 520 multi-family units, as well as 288,600 sq. ft. of commercial space. The TIRZ term was extended to September 30, 2032 after City Council authorized the extension through Ordinance _____.

DEVELOPER

In April 2014, Mission Del Lago Ltd., entered into an "Agreement for Sale and Purchase" with SouthStar Development Partners, Inc., a Florida corporation, for the purchase of the initial developer's assets. In addition, Mission Del Lago Ltd. entered into an operating agreement, approved by the City, delegating authority to SouthStar to serve as the "Operating Agent" for the TIRZ. On January 18, 2018, the City approved the Assignment and Assumption Agreement between Mission Del Lago, Ltd. and SouthStar Mission Del Lago Holdings L.P. (“SouthStar”), formally designating SouthStar as the “Developer” for the TIRZ. This 2019 Project Plan reflects SouthStar’s development plan for the TIRZ.

PARTICIPATING JURISDICTIONS

Participating Taxing Entities (PTEs) in the TIRZ include; the City of San Antonio, Bexar County, Southside Independent School District, and University Health System. Alamo Community College District was an initial participant in the TIRZ until its commitment terminated in 2014. After this amendment, the maximum length contribution of the City, Bexar County, and Southside ISD are being extended to September 30, 2032.

TABLE – TIRZ Contributions		
Participating Taxing Entities	Maximum Dollar Contribution **	Max. Length of Contribution
City of San Antonio	\$ 21,212,813	September 30, 2032
Bexar County	\$ 10,539,188	September 30, 2032
University Health System	\$ 6,706,771	September 30, 2025
Southside ISD*	\$ 74,018,165	September 30, 2032
Alamo Community College District	\$ 365,066	September 30, 2014
Maximum Reimbursable Amt.	\$ 112,842,003	

PROJECT PLAN SUMMARY

The Project and Finance Plans approved by City Council on [Click here to enter a date](#), will support public improvements that will facilitate the development of 2,510 single-family homes, 520 multi-family units and 288,600 square feet of commercial space. On February 1, 2019 the TIRZ #6 Board approved amendments to the Project and Finance Plans authorizing the term extension to September 30, 2032, contingent upon City Council approval.

Under the current Project and Finance Plans the total cost of public improvement is estimated to be approximately \$63,894,632.17 of which, \$59,369,267.00 is reimbursable through the TIRZ. The Developer is eligible for interest accrued on outstanding invoices up to \$15,684,049.00. TIRZ expenses also include administrative fees for all Participating Taxing Entities pursuant to the initial 1999 Project Plan approved by City Council, August 26, 1999 by Ordinance #90383. Revised, on-going administrative fees are included in the 2019 Finance Plan.

The public infrastructure improvements and related capital costs include all work which facilitates the development of the project.

2. 2018 PROJECT PLAN

2.1. Overview

The Mission Del Lago TIRZ will support public improvements to develop 2510 single-family homes, 520 multi-family units, and 288,600 square feet of commercial space.

Up to November 2018, the Developers have been reimbursed a total of \$16,326,063.81 in approved project expenses, and Unit 8 street repairs which resulted in the development of 866 single-family homes; 520 apartment units in two complexes; 101 single-family lots; one public park, including tennis court and playground; one Southside ISD elementary school; more than \$1 million in non-reimbursable common area improvements; a non-reimbursable \$2.5 million club house with a pool, tot pool, playground, dog park; and a convenience store.



The approximate 812 acre tract is being developed for single-family residential uses. The first 12 phases of the residential development have been constructed. There are an additional 136 lots scheduled for development in 2018, 150 in 2019, and 125 in 2020. The remaining 1,233 lots are projected to be developed by 2032. The development is committed to varied, affordable housing options for different lifestyles and incomes. The single family homes in the Mission Del Lago development currently sell from \$180,000 to \$240,000. The community is enhanced by an active, on-site home owner's association (the "HOA") which is active and pulls the community together through events and upkeep.

The area directly adjacent to US Highway 281 will be developed for office, retail, and other commercial services, which could include a second school site on the southeast corner.

The Major Thoroughfare Plan calls for the extension of the Del Lago Parkway near the northern boundary of the site. The Del Lago Parkway expansion proposed in this project plan will provide increased ingress and egress connectivity to US 281. It will also provide additional direct access from the community to Julian Gallardo Elementary School, as well as a second potential school site. The streets within the zone are being developed as public streets.

The Development supports the SA Tomorrow Guiding Principles, by providing the framework for the amenities that create a great, strong, engaged neighborhood.

- The community is being developed as walkable, with sidewalks and street lights. Landscaping is designed to enhance the pedestrian walks from adjacent residential areas to the commercial areas.
- The project will provide pedestrian linkages between park facilities and the hike/bike trails to area schools, institutions, and neighborhoods.
- Safety throughout the TIRZ is promoted through the HOA, including funding supplemental patrols and encouraging engagement with SAFFE officers (San Antonio Fear Free Environment), a program of the San Antonio Police Department.
- The Developer has provided a \$2.5 million clubhouse for the neighborhood that includes a pool, tot pool, playground, and dog park. (This project was not reimbursed with any public dollars.)
- Over 29 acres have been dedicated and/or allocated to public parks and public school sites. The HOA provides legacy maintenance funds for parkland donated to the City.
- 75% of home purchasers have children enrolled in Southside ISD.
- The TIRZ project includes connections and extensions to the Medina River Trail.
- Residents have safe and convenient access to jobs, housing, and a variety of amenities and basic services, including great parks, strong schools, and convenient shopping.
- The HOA creates a sense of community through such things as an annual lunch, monthly meetings, community garage sale, annual barbeque, pool party, dive-in movie nights, national night out activities, and back to school events. In coordination with San Antonio Water System (SAWS) and Audubon Society, environmental buffers, conservation easements and/or protection zones will be developed between Mitchell Lake (the western boundary of the TIRZ) and the proposed residential development. These buffers or zones will help to protect existing natural resources.
- Housing is varied and affordable, and includes single-family and multi-family. The average home price is currently \$180,000 to \$240,000.
- A portion of the site is dedicated to commercial and retail projects (288,600 sf). The initial retail project, a convenience store and gas station, has already opened.
- The TIRZ is located directly across from the planned TJ Maxx distribution center, providing nearby employment opportunity.

Using the TIRZ program allows the developer to construct the public infrastructure necessary to create an attractive residential subdivision to encourage San Antonian's to relocate to the south side. Without the creation of the TIRZ, the development would not be financially feasible.

2.2. Boundaries

The TIRZ is located about seven miles south of downtown San Antonio in close proximity to Loop 410. The TIRZ is roughly bound by Mitchell Lake to the south and west, US Highway 281 to the east, northern parcel boundary of P-40 of NCB 11166 to the north. An internal boundary is created by an existing municipal golf course. The location of the zone is shown in Exhibit A: Vicinity/School Districts Map. The boundaries of the zone are shown in Exhibit B: Boundary/Floodplain Map.

2.3. Land Use and Existing Conditions

The primary land use south of the TIRZ prior to designation was agricultural. The land directly east of the TIRZ includes the TJ Maxx site, a 200 acre site including a \$150 million distribution center designed to employ 1,000 people. The western boundary of the TIRZ is Mitchell Lake (see Exhibit D: Existing Land Use). The Mission Del Lago municipal Golf Course is a full service golf facility with 18 holes. A large practice green and driving range is located in the middle of the TIRZ.

The eastern boundary of the TIRZ is US Highway 281, which serves as a major transportation artery in the area. The Mission Del Lago is located approximately seven miles from Brooks City Base and approximately six miles from the new Texas A&M San Antonio campus. Downtown San Antonio is accessible to the area from Highway 37 or directly from 281/South Presa.

Since designation, 866 single-family homes have been developed. In addition, the 280 unit Rancho Sierra multifamily project and the 240 unit Villa Espada multifamily project were developed off Clubhouse Drive. In 2011, the Southside Independent School District built the Julian Gallardo Elementary School at the intersection of Del Lago Parkway and Club House Boulevard. A second school site is under consideration at the southeast corner of the site.

The development of the site requires utilities (gas and electricity), streets, street lighting, water, sewer, pedestrian malls and walkways, hike/bike trails, recreational facilities, drainage, monuments, educational facilities and parking facilities.

A portion of the property near Mitchell Lake is located within the 100 year FEMA floodplain (see Exhibit B: Boundary/Floodplain Map). Permanent development is not contemplated within the identified 100 year FEMA floodplain.

2.4. Project Plan Objective

The objective of the plan is to develop approximately 812 acres of land into 2,510 single-family homes, 520 multi-family units, and 288,600 square feet of commercial space. In addition, 29 acres are allocated for public parks and schools. This development will help to increase area population (including school-aged children), provide additional housing for a variety of incomes, and encourage economic development.

The use of TIRZ #6 funds will facilitate the development of an attractive residential subdivision which, includes parks and trails and a major thoroughfare, encouraging San Antonian's to relocate to the Southside. Without the creation of the Tax Increment incentives, the development would not be financially feasible.

2.5. Relocation

The Plan does not call for the relocation or displacement of residents.

2.6. Municipal Ordinances

There are no anticipated changes to Municipal Ordinances as a result of this Plan. The City adopted a Universal Design Policy (Ord. No. 95641) on April 18, 2002, requiring that any person receiving financial assistance from city, state, or federal funds administered by the City of San Antonio for the construction of new single-family homes, duplexes, or triplexes, shall construct the units in accordance with specific features including entrance with no steps, wider doorways (2' 8"), lever door handles, lever controls on kitchen and lavatory faucets, and light switches and electrical receptacles within reachable height. The Mission Del Lago TIRZ is required to comply with the Universal Design Policy and all City Codes, regulations and ordinances. Per approved amendments to the TIRZ Development Agreement and the Settlement & Release Agreement, the city has waived the Universal Design requirement on numerous non-compliant units by Ordinance 2014-05-01-0286 (see Exhibit E: Non-Compliant Universal Design List and Universal Design Requirements).

2.7. Non-Project Costs

Non-Project costs included one-time start-up fee for all PTE's and annual administrative fees for the City of San Antonio and Bexar County.

On May 14, 2015, City Council approved Ordinance No. 2015-05-14-0419, amending the 2008 Tax Increment Financing Program Policy, which included adjustments to the administrative fees collected by the City for newly created TIRZs and allowed for renegotiation of TIRZs administrative fees.

Mission Del Lago annual administration fee for the City will be amended as indicated by the table below:

	FY18	FY19	FY20	FY21 and beyond
COSA Admin Fee	15,000	30,000	50,000	75,000

The annual administrative fee for Bexar County remains the same at \$2,000.

Exhibits

EXHIBIT A

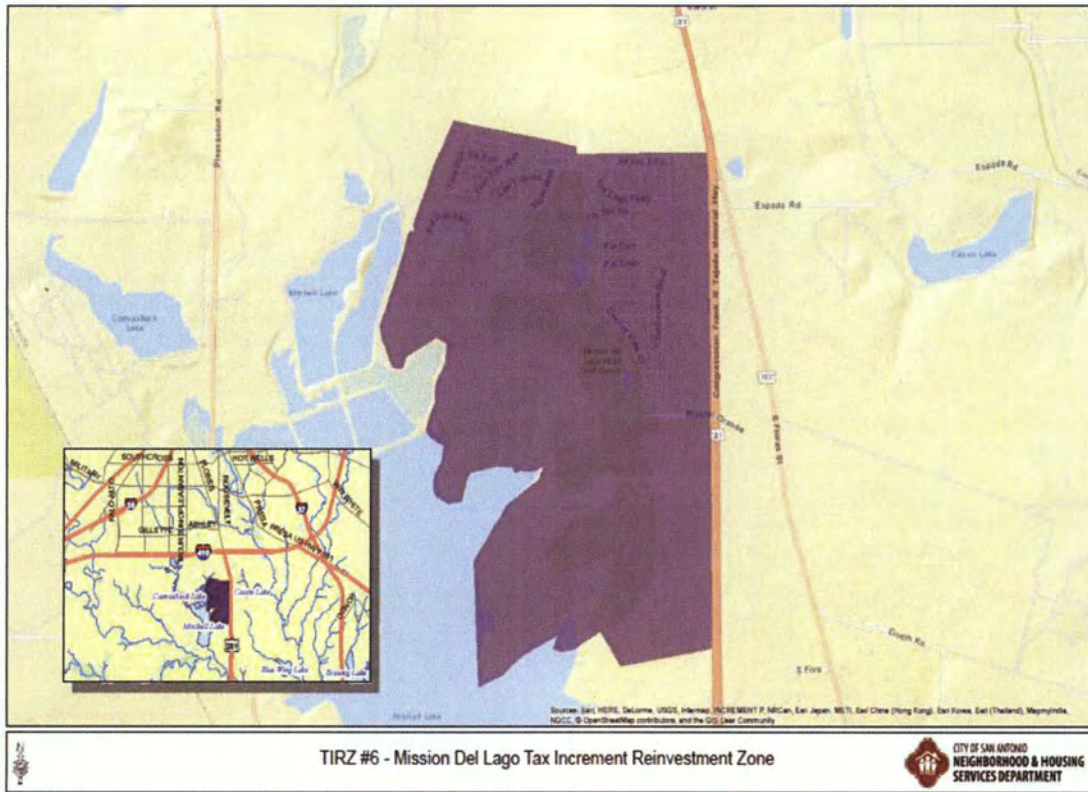


EXHIBIT B

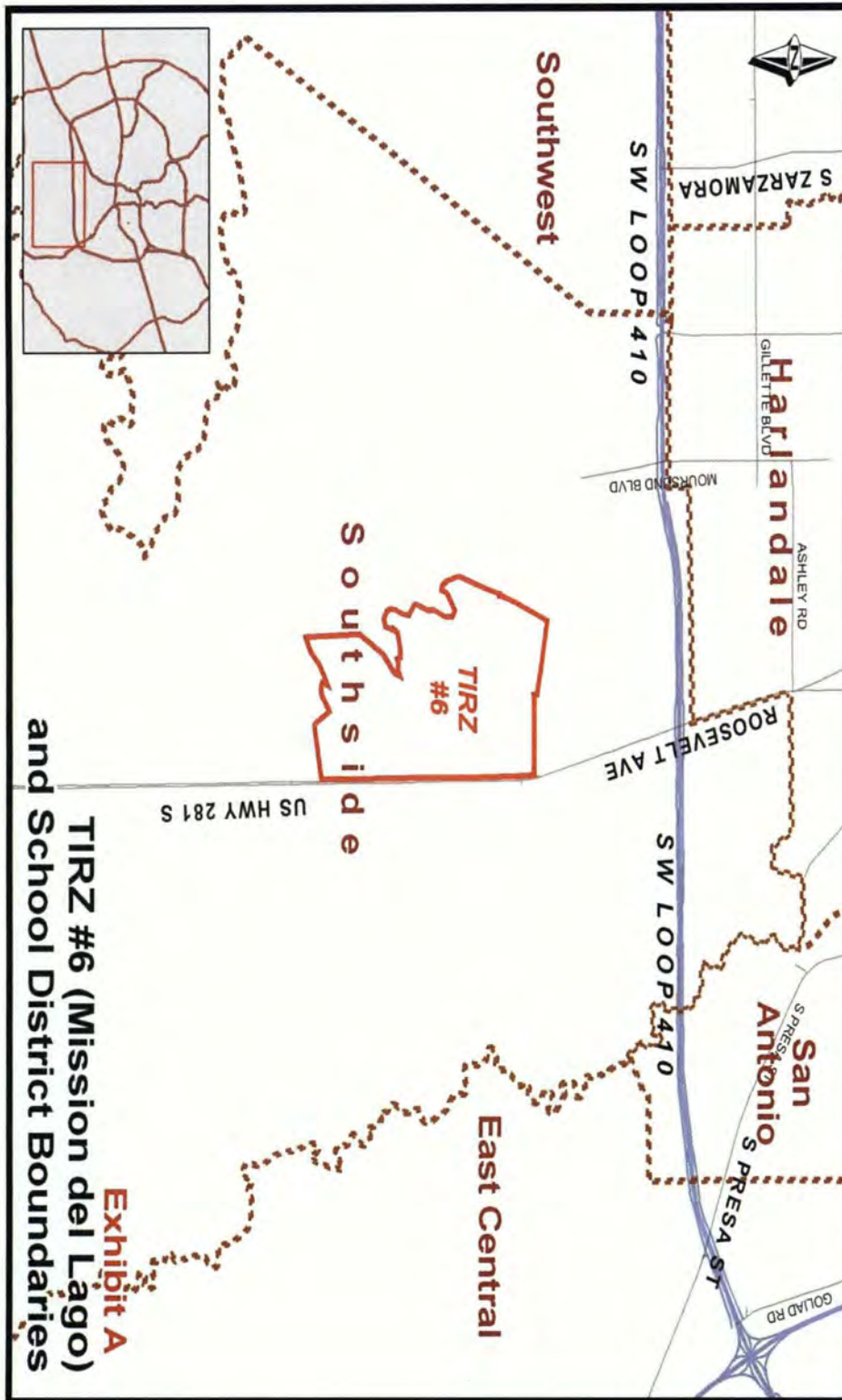


EXHIBIT C

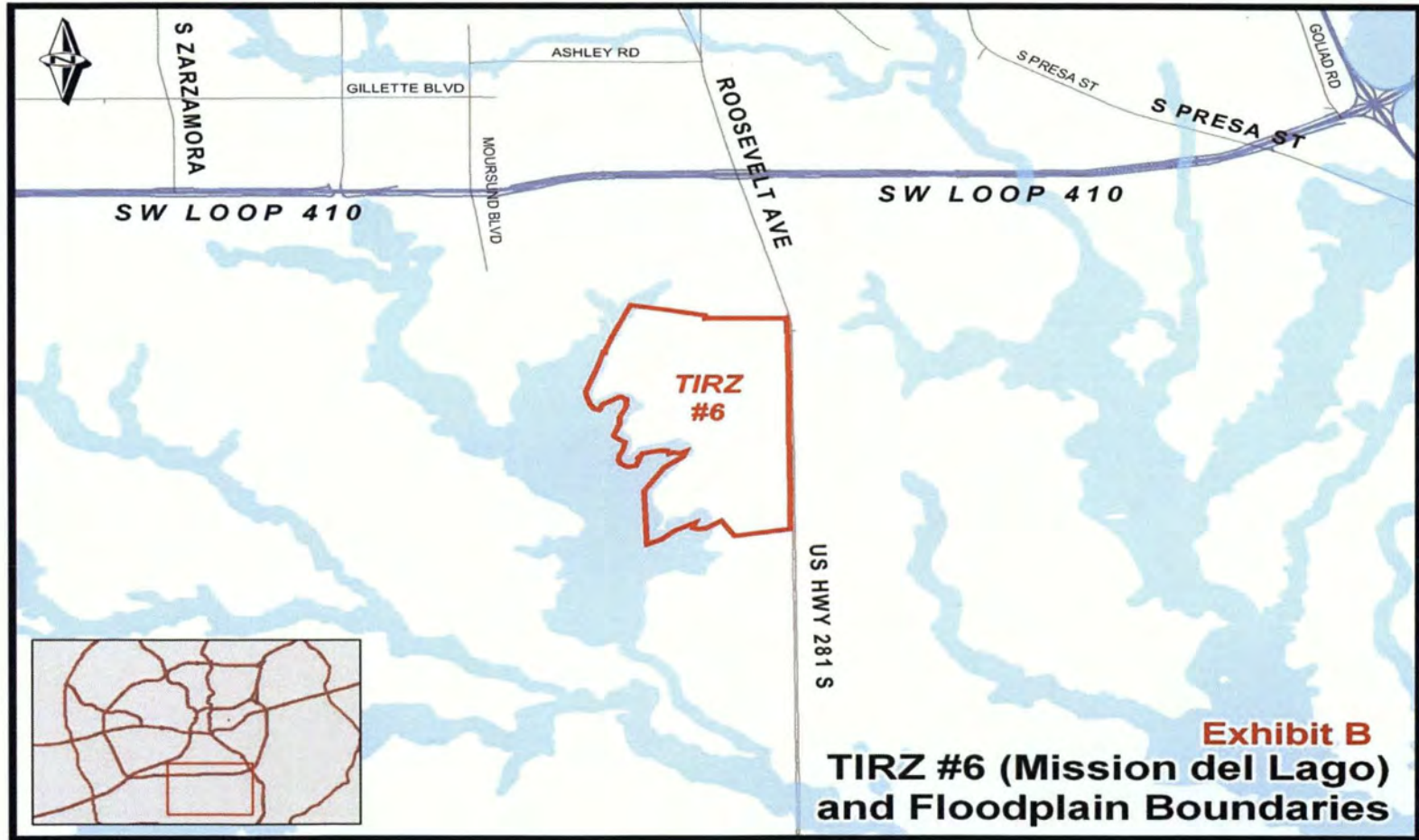


EXHIBIT D

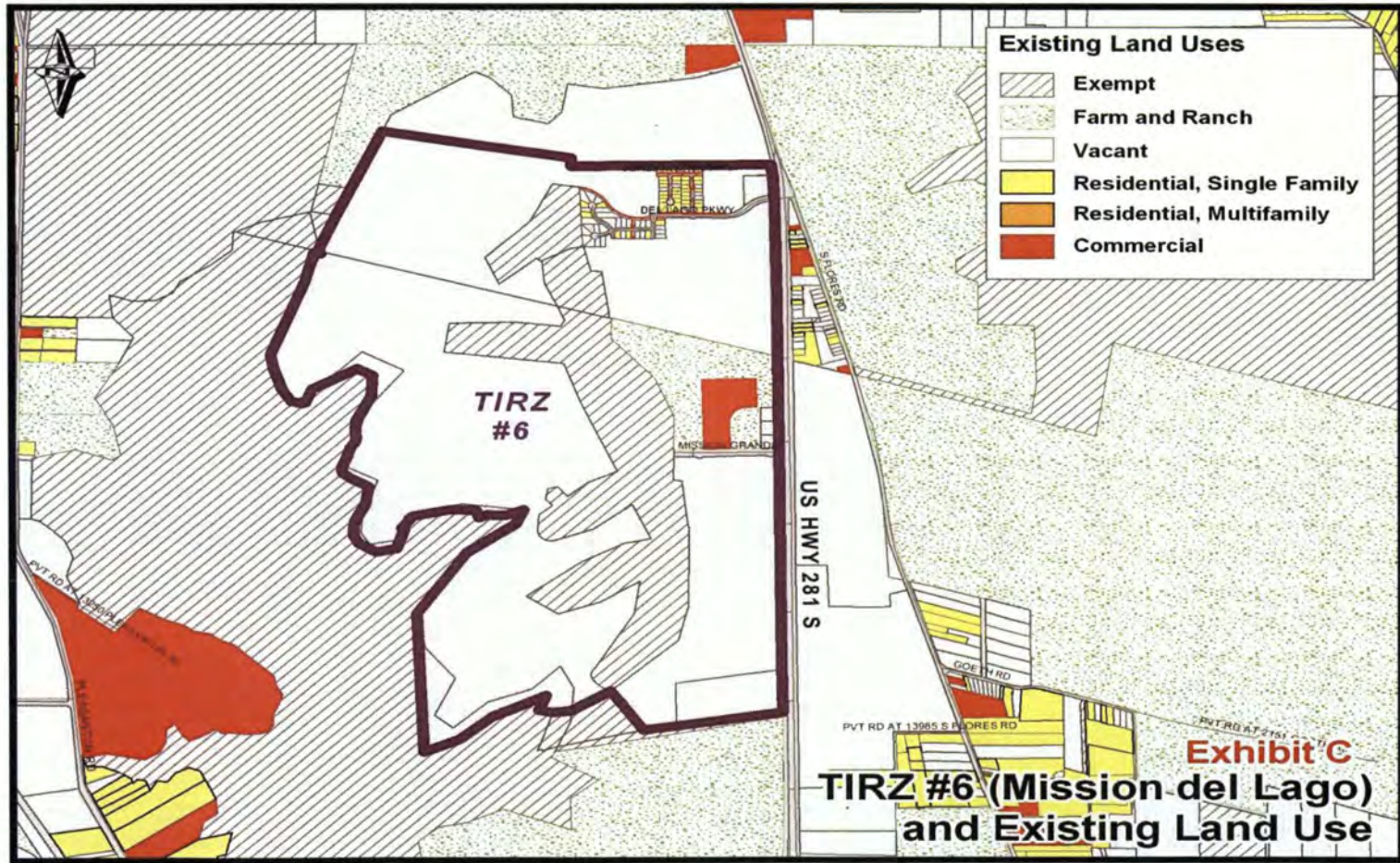


EXHIBIT E

EXHIBIT F

CITY OF SAN ANTONIO, TEXAS



Mission del Lago Tax Increment Reinvestment Zone Number Six

Participation Levels:

City (100%)

Bexar County (100% O&M)

University Health System (75%)

Southside Independent School District (65%)

Alamo Colleges (Expired September 30, 2014)

Finance Plan

Approved: August 26, 1999

Amended: June 29, 2006

Amended: May 1, 2014

Amended: April 12, 2019

Mission del Lago Development

Tax Increment Reinvestment Zone #6 – Finance Plan

Introduction

The Mission del Lago Development is located in the southern section of the City of San Antonio ("City"), approximately 1.5 miles south of Loop 410 South on Hwy 281 South adjacent to Mitchell Lake, near Mission del Lago Golf Course. The development is in the Southside Independent School District ("Southside ISD") and encompasses approximately 812 acres. The Tax Year 1999 Year End Assessed Value was \$1,323,410.00 and the projected Tax Year 2027 Year End Assessed Value is \$432,367,163.00

The Project was approved in 1999, and amended in 2006 and 2014. The project plans to construct 2,510 single-family homes with average values ranging from \$114,000.00 to \$204,000.00, 520 multi-family homes with average values ranging from \$35,000.00 to \$75,000.00, and 288,600 square feet of commercial space with an average price per square foot of \$100.00. Currently, 866 single-family homes, 520 multi-family homes and 4,500 square feet of commercial space have been built. The total Public Improvement Infrastructure capital cost was estimated at \$69,858,270.71, and is currently projected at \$63,894,632.17. However, total reimbursement for Public Improvements may not exceed \$60,228,267.00, per section 7.3 in the Development Agreement, with the remainder paid by the Developer, which will be amended to \$59,369,267.00 due to the increase in administrative fees. Per Ordinance 2019-__-__, the life of the TIRZ has been extended to 33.11 years, with a termination date of September 30, 2032.

The Developer was Mission Del Lago, a duly authorized Texas Limited Partnership and its affiliate Mission Del Lago, Ltd. In July 2013, the Developer, Mission Del Lago Ltd., entered into an "Agreement for Sale and Purchase" with Southstar Development Partners, Inc., a Florida corporation, for the purchase of the Developer's assets. In addition, Mission Del Lago Ltd. entered into an operating agreement delegating authority to Southstar to serve as their "Operating Agent". Notwithstanding the agreements between Mission Del Lago Ltd. and Southstar, Mission Del Lago Ltd. continued to be subject to all of the rights and responsibilities under the Development Agreement, including receiving TIRZ revenue payments from the City. In January 2018, Mission Del Lago, Ltd. transferred its rights and obligations to Southstar Mission Del Lago Holdings L.P.

Chapter 380 Economic Development Grant (380) Agreement

The City entered into a 380 Agreement with 210 Developers L.L.C on September 20, 2013, for the Villa Espada Project located in the TIRZ. The construction project included the development of 240 multi-family units. The Assignment and Assumption executed on November 20, 2013 removed 210 Developers, LLC and added Villa Espada MDL, LLC and Villa Espada Townhomes, LLC as Assignees. The Assignment required Villa Espada MDL, LLC to construct 240 units ("Apartments" or "Phase 1") of which 40-48 units were allocated to be student housing; the project resulted in a new value of \$22,683,770.00 in real property improvements. The 2013 Assignment also required Villa Espada Townhomes, LLC, to construct 40-60 units ("Townhomes" or "Phase 2"). However, Phase 2 has not commenced and the Board unencumbered unexpended fund on April 25, 2017. The City agreed to provide property tax reimbursement to Villa Espada Development Partners LTD, the governing entity for Villa Espada MDL, LLC for the Villa Espada Apartments. The Assignment and Assumption executed on June

4, 2016 removed Villa Espada MDL, LLC and added 12910 Clubhouse Boulevard, LLC as Assignee for the Apartments. The total amount of tax reimbursements for both Apartments and Townhomes are not to exceed \$1,087,476.70, which will be paid exclusively from the City's tax increment applicable to the TIRZ. Phase 1 Assignees are eligible for up to 78% of the property tax reimbursements or \$848,231.83.

Public Infrastructure

The Public Infrastructure Improvements and related capital costs include streets and approaches, sidewalks, drainage, water, sewer, utilities, street lights, on-site sewer outfall, Del Lago Parkway, gas, platting fees, drainage fees, sewer impact fees, engineering/surveying fees, park improvements, land clearing, contingency, project management, offsite sewer and water, landscaping ROW, land, Developer formation legal costs, performance of Street Reconstruction Project in accordance with the terms of the Developer Participation Contract.

In accordance with the Settlement and Release Agreement between Mission Del Lago, Ltd. and the City of San Antonio, the expenses for Unit 8 Street repairs included a Construction Fund Transfer of \$339,506.52 from the TIRZ Fund in Fiscal Year 2014, a reimbursement of \$35,000.00 to Mission Del Lago, Ltd. in Fiscal Year 2015, Tax Notes in the amount of \$1,400,000.00; plus interest of \$92,800.00 that was issued by the City in Tax Year 2014 (Fiscal Year 2015). An additional amount of \$30,106.52 was transferred to Debt Service in Fiscal Year 2015 that reduced the February 2015 Debt Service Transfer required from the TIRZ Fund.

Finance Plan

The Tax Year 1999 Year End Assessed Value for the TIRZ was \$1,323,410.00. Projected Captured Taxable Values will be taxed to produce revenues to pay for the TIRZ expenses commenced in Tax Year 2000 with collections commencing in Tax Year 2002 (Fiscal Year 2003). The City's Captured Taxable Values were \$30,761.00 in Tax Year 2000 and are projected to reach \$407,765,129.00 in Tax Year 2027.

The City of San Antonio, Bexar County, University Health System, and Southside ISD are the participating taxing entities at this time. Alamo Colleges participation expired on September 30, 2014. The City's current participation is at 100% of the tax rate which is \$0.558270 in Tax Year 2018, Bexar County's current participation is at 100% Operations & Maintenance portion of the Tax Rate which is 0.236250 in Tax Year 2018, University Health System's current participation is at 75% of the tax rate which is \$0.276235 in Tax Year 2018, and Southside ISD's current participation is at 65% of the tax rate which is 1.575900 in Tax Year 2018. Annual Tax Increment was \$475.76 in Fiscal Year 2003 and is projected to reach \$6,231,930.51 in Fiscal Year 2028. No growth in tax rate or Assessed Values is assumed at this time.

Revenues derived from the TIRZ will be used to pay costs in the following order of priority of payment:

- (i) To fund the Construction Fund Transfer related to the Unit 8 Street Repairs for the Settlement and Release Agreement between Mission Del Lago, Ltd. and the City, which payment shall be from the City tax increment only;
- (ii) To pay annual principal and interest payments due on the tax notes issued for the Settlement and Release Agreement between Mission Del Lago, Ltd. and the City, which payments shall be from the City tax increment only;
- (iii) Payment of eligible costs including any administrative fees incurred by the participating taxing entities per the applicable Development and Interlocal Agreements;

- (iv) Reimbursements of tax increment collections to the Southside ISD as per the executed Interlocal Agreement (which has been fulfilled and is not applicable starting in Tax Year 2017);
- (v) Reimbursements for infrastructure improvements to the Developer, on an annual basis, as TIRZ revenues are available and eligible expenses have been approved by the TIRZ Board of Directors and the City for payment, which payments shall be made from TIRZ revenues not attributable to City tax increment from the Villa Espada Apartments for the duration of said Chapter 380 Agreement;
- (vi) Payments to the Developer, for interest accrued on the unpaid infrastructure improvements during the period between TIRZ Board approval of the invoice and the final reimbursement of said invoice; to be paid on an annual basis after all Board Approved invoices for infrastructure improvements have been paid and as TIRZ revenues are available which payments shall be made from TIRZ revenues not attributable to City tax increment from the Villa Espada Apartments; and
- (vii) Payments to the Developer of the Villa Espada Apartments after receipt by the City Tax Increment Finance Unit of prior year's tax invoice and evidence of full payment of all taxes owed for the Villa Espada Apartments, which payments shall be from the City tax increment only.

The administrative fees include the startup fee for the participating taxing entities totaling \$140,383.52, and \$2,000.00 annually for Bexar County from Fiscal Year 2001 to Fiscal Year 2032, and \$5,000.00 annually for Alamo Colleges from Fiscal Year 2001 to Fiscal Year 2014, and \$15,000.00 annually for the City from Fiscal Year 2001 to Fiscal Year 2018. The administrative fees for the City will be amended to \$30,000.00 in Fiscal Year 2019, \$50,000.00 in Fiscal Year 2020, and \$75,000.00 for Fiscal Year 2021 to Fiscal Year 2032. Due to the increase and extension, the total administrative expense will be amended from \$665,383.52 to \$1,524,383.52.

The total Public Improvement Infrastructure capital cost was estimated at \$69,858,270.71; and the current projection is \$63,894,632.17 which includes public improvements of \$63,859,632.17 and Unit 8 street repair reimbursement of \$35,000.00. However, total reimbursement for Public Improvements may not exceed \$60,228,267.00, per section 7.3 in the Development Agreement, which will be amended to \$59,367,267.00 due to Administrative Fees increase. Revenues from the TIRZ are used to pay the amended amount plus financing costs, if any, on the unpaid infrastructure improvements during the period between TIRZ Board approval of the invoice and the final public improvement infrastructure cost reimbursement of said invoice at a rate of 9.25% for the Tax Years 1999-2006 and 4.54% for the remainder of the term, not to exceed \$15,684,049.00 per section 7.3 in the Development Agreement. Currently, the interest expense is estimated at \$6,935,353.81 and subject to change. Based on the dates the actual invoices were received for this TIRZ, no interest will be calculated at 9.25% and all currently approved invoices and future invoices will be calculated at 4.54%. The earliest projected payoff of the capital cost would occur in Fiscal Year 2031 and includes the Developer contribution. Any remaining balance in Fiscal Year 2032, currently is estimated at \$3,500,468.46 will be refunded to the Participating Taxing Entities.

The TIRZ collections for this project shall not extend beyond September 30, 2032 and may be terminated earlier once each taxing entity has deposited its respective maximum dollar amount or reached its maximum length of contribution as described in the table below.

TABLE – TIRZ Contributions		
Participating Taxing Entities	Max. Dollar Contribution	Max. Length of Contribution
City of San Antonio ^{1,2}	\$ 21,212,813.00	September 30, 2032
Bexar County ^{1, 2}	\$ 10,539,188.00	September 30, 2032
University Health System ²	\$ 6,706,771.00	September 30, 2025
Southside ISD ^{1,2,3}	\$ 74,018,165.00	September 30, 2032
Alamo Colleges ²	\$ 365,066.00	September 30, 2014
Maximum Reimbursable Amount	\$112,842,003.00	

¹ Per Ordinance - - - , Maximum Length of Contribution extended to September 30, 2032.

² Maximum Dollar Contribution is based on respective taxing entities Interlocal Agreements.

³ Southside ISD to receive 35% reimbursement of its tax increment contributions, with potential increase to 50% after all other plan expenses are paid, per the Interlocal Agreement. Starting in Fiscal Year 2018 Southside ISD will pay the net of Tax Increment at 65%. Pending an Amended Agreement, Final Board, and City Council approval.

Limited Obligation of the City or Participating Taxing Entities

The City and Participating Taxing Entities shall have a limited obligation to impose, collect taxes, and deposit such tax receipts into a TIRZ fund so long as the project is viable and capital costs incurred by the Developer have not been fully paid. The TIRZ collections for this project shall not extend beyond September 30, 2032, and may be terminated prior to September 30, 2032, upon payment of Public Improvements capital costs incurred by the Developer up to the amended amount of \$59,369,267.00 or for the failure of the Developer to perform. Only housing and/or commercial components count towards completion of the construction schedule, infrastructure construction does not. Furthermore, any default of the terms contained in the Interlocal and/or Development Agreements that is not cured within the timeframe contained in the Interlocal and/or Development Agreements may also result in TIRZ termination.

Any costs incurred by the Developer are not and shall never in any event become general obligations or debt of the City or any of the Participating Taxing Entities. The Public Improvement Infrastructure costs incurred by the Developer shall be paid solely from the TIRZ revenues and shall never constitute a debt, indebtedness or a pledge of the faith and credit or taxing power of the State, the City, the Participating Taxing Entities, any political corporation, subdivision, or agency of the State.

**Mission del Lago
Tax Increment Reinvestment Zone #6
Summary Fact Sheet**

Mission del Lago
Finance Plan
February 2019

Finance Plan:	Amended Finance Plan - FY 2014				Amended Finance Plan - FY 2019			
Site Area (Acres)	812.132				812.132			
Beginning Assessed Value (1999)	1,323,410.00				1,323,410.00			
	2003 - 2012	2013-2027			2003 - 2012	2013-2017	2018-2032 ¹	
Average Value for Single-Family	\$ 114,000	\$ 137,000			\$ 114,000	\$ 137,000	\$ 204,000	
Average Value for Multi-Family Unit (Villa Espada)	N/A	\$ 80,907			N/A	\$ 105,100	N/A	
Average Value for Multi-Family Unit	\$ 35,000	\$ 75,000			\$ 35,000	\$ 75,000	\$ 50,000	
Average Value Commercial (per sq. ft.)	\$ 100	\$ 100			\$ 100	\$ 100	\$ 100	

Project:	Projected Completion Tax Year	Projected Number ²	Projected Square Feet	Actual Number	Actual Square Feet	Projected Number ²	Projected Square Feet	Actual Number	Actual Square Feet
Structure Type ¹									
Single Family Homes	1999 - 2003			-				-	
Single Family Homes	2004			64				64	
Multi-Family Homes				280				280	
Single Family Homes	2005			50				50	
Single Family Homes	2006			52				52	
Single Family Homes	2007			69				69	
Single Family Homes	2008			41				41	
Single Family Homes	2009			4				4	
Single Family Homes	2010			32				32	
Single Family Homes	2011			70				70	
Single Family Homes	2012			51				51	
Single Family Homes	2013			53				78	
Single Family Homes	2014	115						67	
Commercial			3,500						
Multi-Family Homes		70						-	
Single Family Homes	2015	150						98	
Multi-Family Homes		-							
Single Family Homes	2016	150						100	
Commercial			48,000						4,500
CH380 / Villa Espada Apartments ³		240						240	
Single Family Homes	2017	160						90	
Single Family Homes	2018	160				136			
Commercial			53,000				-		
Multi-Family Homes		280					-		
Single Family Homes	2019	100				150			
Commercial			10,600				-		
Single Family Homes	2020	100				125			
Commercial			75,000				-		
Single Family Homes	2021	170				125			
Commercial			7,500				48,000		
Single Family Homes	2022	170				114			
Commercial			40,000				53,000		
Single Family Homes	2023	180				100			
Commercial			30,000				10,600		
Single Family Homes	2024	180				100			
Commercial			20,000				75,000		
Single Family Homes	2025					100			
Commercial							7,500		
Single Family Homes	2026					100			
Commercial							40,000		
Single Family Homes	2027					100			
Commercial							30,000		
Single Family Homes	2028					100			
Commercial							20,000		
Single Family Homes	2029					100			
Single Family Homes	2030					100			
Single Family Homes	2031					100			
Single Family Homes	2032					94			

	Projected	Actual	Total	Projected	Actual	Total
Total Number of Single Family Homes	1,755	486	2,241	1,644	866	2,510
Total Number of Multi-Family Homes	350	280	630	-	280	280
Total Number of Villa Espada Apartments	240	-	240	-	240	240
Total Square Feet of Commercial	287,600	-	287,600	284,100	4,500	288,600

Villa Espada Apartments Developer:⁴

The original Developer, 210 Developers, L.L.C. transferred its rights and obligations to Villa Espada MDL, LLC in 2013. Villa Espada MDL, LLC transferred its rights and obligations to 12910 Clubhouse Boulevard, LLC in 2016.

Mission del Lago Housing Developer:⁵

Mission Del Lago, Ltd. has transferred its rights and obligations to SouthStar Mission Del Lago Holdings L.P.

Performance and Payment Bonds:⁶

No Performance and Payment Bonds were available for the finished Units 3 & 4 at the time of this Finance Plan update. Performance and Payment Bonds were received for the following Units: 5, 6, 7A in the amount of \$996,064.62; 7B in the amount of \$1,911,809.37; 8 in the amount of \$4,333,210.20; 9A in the amount of \$18,871.60; 9B in the amount of \$463,260.80; 9C in the amount of \$193,270.59; 10A in the amounts of \$863,502.05 and \$34,186.60; and 10B in the amount of \$343,120.41.

Assumptions:	Amended Finance Plan - FY 2014		Amended Finance Plan - FY 2019	
Captured Value	\$370,822,879		\$339,299,694	
Growth Factor	0.00%		0.00%	
Collection Rate	97.50%		98.00%	
Estimated Total Tax Increment Revenues	\$ 59,468,364		\$ 72,947,991	
Estimated TIF Life (Years)	28.13		33.11	
	(08/19/99 to 09/30/27)		(08/19/99 to 09/30/32)	

¹ Single-Family Homes may include Garden Homes in Fiscal Year (hereafter, "FY") FY 2015 - FY 2032.

² Amended Construction Schedule provided by Mission Del Lago, Ltd.

³ Projected Average Values and Unit Numbers/Square Feet were based on Recent and Future Activity report provided by the Developer on January 3, 2019.

⁴ On September 20, 2013, the City entered into a CH380 Economic Development Agreement with 210 Developers, L.L.C. for the Villa Espada Apartments in an amount not to exceed \$1,087,476.70 per Article IV.B. Per the Assignment executed on November 20, 2013 and the Assignment Agreement on June 4, 2016, the project is limited to the incentive amount of \$848,231.83 for Phase I of 240 Units.

⁵ Ordinance No. 2018-01-18-0029 authorized the execution of an Assignment and Assumption Agreement between Mission Del Lago, Ltd., and SouthStar Mission Del Lago Holdings L.P.

⁶ The Development Agreement, Section 5.4, outlines that the Developer shall obtain a payment and performance bond prior to beginning construction on any phase (unit) of the project.

⁷ Southside ISD to receive 35% reimbursement of its tax increment contributions, with potential increase to 50% after all other plan expenses are paid, as per the Interlocal Agreement.

Mision del Lago
Tax Increment Reinvestment Zone #6
Sources and Uses

Mision del Lago
Finance Plan
February 2019

	Amended Finance Plan - FY 2014	Amended Finance Plan - FY 2019														
Sources of Funds:																
Tax Increment Revenues	\$ 72,647,215.98	\$ 76,628,804.56														
Interest Earned in TIRZ Fund	37,121.43	1,031,913.91														
SIND Reimbursement ¹	(13,178,851.70)	(3,680,813.85)														
Refund to PTE's		(3,500,468.46)														
Developer's Contribution	20,080,638.28	(0.00)														
Total Sources of Funds:	<u>\$ 85,586,143.99</u>	<u>\$ 70,479,436.16</u>														
Uses of Funds:																
	Total Infrastructure Improvements	Total Infrastructure Improvements	Tax Year	Approved Actuals												
				Pending Board Approval												
				2003 - 2005	2006	2007	2008 - 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Number of Single Family Homes	2,241	2,510		114	52	69	77	70	51	78	67	98	100	90	136	
Number of Multi-Family Homes	630	280		280	-	-	-	-	-	-	-	-	-	-	-	
Number of Villa Espada Apartments	240	240		-	-	-	-	-	-	-	-	-	240	-	-	
Square Feet of Commercial	287,600	288,600		-	-	-	-	-	-	-	-	-	4,500	-	-	
				Units 5, 6, 7A	Units 3 & 4	Unit 7H	Unit 8	Unit 7 and Unit 8	Unit 10A	Unit 9A	Unit 10H	Unit 9H	Unit 9A & 9H	Unit 9C	Unit 10C & 12A	
Streets & Approaches	\$ 18,660,357.13	\$ 20,507,659.50	\$	359,141.52	\$ 666,119.28	\$ 1,460,320.56	\$ 2,852,482.34	\$ -	\$ 1,508,063.61	\$ 389,633.23	\$ 751,605.75	\$ 723,206.38	\$ -	\$ 671,490.83	\$ 837,505.00	
Sidewalks	436,728.73	172,969.22		8,137.35	81,500.63	17,858.90	23,118.34	-	-	-	-	1,955.00	-	-	-	
Drainage	1,984,105.62	3,541,384.35		111,492.97	38,393.10	92,964.40	615,197.04	-	68,785.74	47,987.58	316,710.81	174,360.28	-	133,194.44	190,100.00	
Water	8,988,482.81	8,196,358.56		608,987.31	261,100.66	563,639.09	1,357,419.83	-	164,039.53	109,487.31	283,838.27	206,662.35	-	262,349.19	214,339.00	
Sewer	8,539,770.59	6,485,757.33		130,542.74	493,630.05	196,840.08	536,262.35	-	208,111.13	104,842.42	301,496.38	246,180.48	-	250,743.40	1,510,321.00	
Utilities	1,846,663.58	2,094,002.37		61,541.79	16,360.15	107,443.93	534,419.12	-	450.00	2,007.61	3,945.00	74,877.61	-	111,066.76	138,660.00	
Street Lights	567,792.41	1,473,632.46		17,124.00	23,310.00	132,254.26	119,068.80	-	76,259.17	-	82,476.71	130,154.27	43,574.71	79,574.52	-	
On-Site Sewer Outfall	39,327.84	-		-	-	-	-	-	-	-	-	-	-	-	-	
Ded Lago Parkway	4,005,087.34	4,506,946.21		13,672.96	1,565.71	175.97	113.47	-	52,623.35	10,695.75	-	-	-	-	78,099.00	
Gas	44,902.52	-		-	-	-	5,374.68	-	-	-	-	-	-	-	-	
Plating Fees	433,064.10	204,204.05		-	14,164.74	9,529.00	17,037.00	-	9,750.00	11,752.70	-	11,937.61	-	16,751.00	12,802.00	
Drainage Fees	496,669.60	338,405.00		35,400.00	-	43,206.00	81,847.00	-	-	-	-	-	-	-	-	
Sewer Impact Fees	219,927.89	3,851,087.45		59,512.00	27,940.00	79,240.00	18,670.00	181,594.00	-	-	430,322.05	363,623.40	67,122.00	601,098.00	-	
Engineering/Surveying Fees	5,787,008.49	3,836,718.57		218,819.00	293,969.40	187,449.92	452,343.00	-	66,707.45	88,099.49	196,235.31	156,472.00	-	225,179.85	449,909.00	
Park Improvements	58,591.73	2,084,194.00		-	-	-	-	-	-	-	-	-	-	-	18,000.00	
Land & ROW Clearing	266,236.38	51,784.31		-	45,655.97	-	4,277.34	-	-	-	-	600.00	-	-	1,250.00	
Contingency	296,105.57	1,883,856.00		-	288,240.00	-	-	-	-	-	-	-	-	-	-	
Project Management	9,469,748.96	1,944,976.94		31,829.72	14,145.19	14,414.35	120,668.71	-	67,022.33	44,279.84	12,557.48	81,711.37	-	43,047.95	-	
Subtotal	<u>\$ 66,081,461.29</u>	<u>\$ 61,188,086.00</u>	<u>\$</u>	<u>1,656,261.47</u>	<u>\$ 2,136,684.94</u>	<u>\$ 2,925,146.76</u>	<u>\$ 6,738,499.02</u>	<u>\$ 181,594.00</u>	<u>\$ 2,221,814.31</u>	<u>\$ 808,805.93</u>	<u>\$ 2,379,187.78</u>	<u>\$ 2,171,740.15</u>	<u>\$ 110,696.71</u>	<u>\$ 2,403,493.93</u>	<u>\$ 3,451,147.00</u>	
Additional Uses of TIRZ Revenue:																
Offsite Sewer and Water	\$ 1,750,000.00	\$ -	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Landscape ROW	1,590,848.46	2,130,264.18		1,126.34	-	80,801.63	80,439.63	-	-	5,745.81	732,150.77	-	-	-	-	
Land	196,214.79	32,719.46		-	-	16,436.79	7,000.00	-	495.00	-	4,000.00	4,807.67	-	-	-	
Developer Formation Legal Costs	259,746.17	508,542.53		8,331.17	9,148.27	14,560.58	80,173.66	-	-	2,657.00	52,343.56	244,774.76	-	96,151.53	-	
Subtotal	<u>\$ 3,796,809.42</u>	<u>\$ 2,671,546.17</u>	<u>\$</u>	<u>9,457.51</u>	<u>\$ 9,148.27</u>	<u>\$ 92,199.00</u>	<u>\$ 167,613.29</u>	<u>\$ -</u>	<u>\$ 495.00</u>	<u>\$ 8,402.81</u>	<u>\$ 788,494.33</u>	<u>\$ 249,582.41</u>	<u>\$ -</u>	<u>\$ 96,151.53</u>	<u>\$ -</u>	
Total	<u>\$ 69,878,270.71</u>	<u>\$ 63,859,632.17</u>	<u>\$</u>	<u>1,665,718.98</u>	<u>\$ 2,145,833.21</u>	<u>\$ 3,017,335.76</u>	<u>\$ 6,906,112.31</u>	<u>\$ 181,594.00</u>	<u>\$ 2,222,309.31</u>	<u>\$ 817,208.74</u>	<u>\$ 3,167,682.11</u>	<u>\$ 2,421,322.58</u>	<u>\$ 110,696.71</u>	<u>\$ 2,499,649.46</u>	<u>\$ 3,451,147.00</u>	
Special Payment to Developer for Unit 8 Street Repairs		35,000.00														
Grand Total		<u>\$ 63,894,632.17</u>														
Total Infrastructure ²	\$ 69,858,270.71	\$ 59,369,267.00														
Interest Cost @ 4.54% ³	\$ 12,180,218.35	\$ 6,935,353.81														
Total Payments to Mission/Ded Lago Developer	<u>\$ 82,038,489.06</u>	<u>\$ 66,304,620.81</u>														
Total Payments to Villa Espada Developer ⁴	\$ 1,087,476.70	\$ 848,231.83														
Total Administrative Expenses ⁵	\$ 665,383.52	\$ 1,524,383.52														
Total Debt Services for Unit 8 Street Repairs ⁶	\$ 1,455,288.19	\$ 1,492,800.00														
Less: Additional Transfer		\$ (30,106.52)														
Total Construction Fund Transfer for Unit 8 Street Repairs ⁷	\$ 339,506.52	\$ 339,506.52														
Grand Total	<u>\$ 85,586,143.99</u>	<u>\$ 70,479,436.16</u>														
Adjustment		\$ -														
Project Financing Surplus/(Shortage)	\$ -	\$ -														

¹ Southside ISD to receive 35% reimbursement of its tax increment contributions, with a potential increase to 50% after all other plan expenses are paid, per the Interlocal Agreement.

Starting in FY 2018 Southside ISD will pay the net transfer of Tax Increment at 65%. Pending an Amended Agreement, Final Board, and City Council approval.

² Total reimbursement for public improvements may not exceed \$60,228,267; per section 7.3 in the Development Agreement. Pending an Amendment to the total reimbursement amount of \$59,369,267.00.

³ Total reimbursement for interest may not exceed \$15,684,049 per section 7.3 in the Development Agreement. The Amended Final Finance Plan, dated June 29, 2006, states an interest rate of 9.25%.

For Tax Year 1999 - Tax Year 2006, and 4.54% for the remainder of the TIRZ. Interest is assumed to be reimbursed after all Developer project reimbursements have been made.

⁴ On September 20, 2013, the City entered into a CDDMO Agreement with 210 Developers, L.L.C. for the Villa Espada Apartments in an amount not to exceed \$1,087,476.70 per Article IV B.

Per the Agreement executed on November 20, 2013 and the Assignment executed on June 4, 2016, the project is limited to the incentive amount of \$848,231.83 for Phase I.

⁵ Administrative fees include: startup fees for all taxing entities, \$2,000 annually for Bexar County (amended to extend to Fiscal Year 2022), \$5,000 annually for Alamo Colleges (ending FY 2014) and \$15,000 annually for the City (through FY 2018).

Starting in FY 2019 the City's Admin Fee will be amended to \$30,000, \$50,000 for FY 2020, and \$75,000 for 2021 through 2032. (see page 12)

⁶ 2014 Tax Notes Debt Service for Unit 8 Street Repairs, per the Developer Participation Contract. An additional amount of \$30,106.52 was transferred to the Debt Service in FY 2015 that reduced the

February 2015 Debt Service required from the Mission del Lago TIRZ fund.

⁷ Construction Fund transfer of City's April/May 2013 tax increment, per the Settlement and Release Agreement

Misión del Lago
Tax Investment Reinvestment Zone #6
Sources and Uses

Sources of Funds											
Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Number of Single-Family Homes	150	125	125	114	100	100	100	100	100	100	100
Number of Multi-Family Homes	-	-	-	-	-	-	-	-	-	-	-
Number of Villa-Style Apartments	-	-	-	-	-	-	-	-	-	-	-
Square Foot of Commercial	-	-	-	-	-	-	-	-	-	-	-
Streets & Approaches	\$ 1,299,054.00	\$ 1,142,608.00	\$ 825,000.00	\$ 660,352.00	\$ 660,352.00	\$ 660,352.00	\$ 660,352.00	\$ 660,352.00	\$ 685,564.00	\$ 813,381.00	\$ 813,381.00
Manholes	11,415.00	10,040.00	7,249.00	5,275.00	5,275.00	5,275.00	5,275.00	5,275.00	6,024.00	7,147.00	7,147.00
Drainage	221,246.00	194,601.00	140,308.00	102,248.00	102,248.00	102,248.00	102,248.00	102,248.00	116,560.00	138,529.00	138,529.00
Water	525,766.00	462,442.00	333,099.00	242,978.00	242,978.00	242,978.00	242,978.00	242,978.00	279,196.00	329,196.00	329,196.00
Sewer	129,201.00	117,641.00	82,651.00	59,710.00	59,710.00	59,710.00	59,710.00	59,710.00	68,185.00	80,897.00	80,897.00
Utilities	129,201.00	117,641.00	82,651.00	59,710.00	59,710.00	59,710.00	59,710.00	59,710.00	68,185.00	80,897.00	80,897.00
Street Lights	97,206.00	83,499.00	61,713.00	44,923.00	44,923.00	44,923.00	44,923.00	44,923.00	51,299.00	60,864.00	60,864.00
On-Street Sewer Collection	-	-	-	-	-	-	-	-	-	-	-
Gas	757.00	666.00	481.00	350.00	350.00	350.00	350.00	350.00	399.00	474.00	474.00
Planning Fees	12,676.00	11,150.00	8,050.00	5,858.00	5,858.00	5,858.00	5,858.00	5,858.00	6,690.00	7,917.00	7,917.00
Drainage Fees	22,462.00	19,757.00	14,265.00	10,381.00	10,381.00	10,381.00	10,381.00	10,381.00	11,854.00	14,064.00	14,064.00
Sewer Impact Fees	224,851.00	162,483.00	118,142.00	87,621.00	87,621.00	87,621.00	87,621.00	87,621.00	100,657.00	118,712.00	118,712.00
Engineering Surveying Fees	189,596.00	166,762.00	120,408.00	87,621.00	87,621.00	87,621.00	87,621.00	87,621.00	100,657.00	118,712.00	118,712.00
Park Improvements	260,893.00	229,473.00	165,687.00	120,571.00	120,571.00	120,571.00	120,571.00	120,571.00	137,684.00	163,354.00	163,354.00
Land & Paving Clearing	-	-	-	-	-	-	-	-	-	-	-
Project Management	197,696.00	238,750.00	197,750.00	82,500.00	82,500.00	82,500.00	82,500.00	82,500.00	93,500.00	110,000.00	110,000.00
Subtotal	\$ 4,448,917.00	\$ 5,063,751.00	\$ 4,202,749.00	\$ 3,732,501.00	\$ 3,732,501.00	\$ 3,732,501.00	\$ 3,732,501.00	\$ 3,732,501.00	\$ 3,963,500.00	\$ 4,710,000.00	\$ 4,710,000.00
Additional Uses of THZ Revenue	-	-	-	-	-	-	-	-	-	-	-
Landscaping (KRM)	50,000.00	50,000.00	50,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
Developer Reimbursement Legal Costs	-	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
Special Payment to Developer for Unit 8 Street Repair	-	-	-	-	-	-	-	-	-	-	-
Grand Total	\$ 4,498,917.00	\$ 5,113,751.00	\$ 4,252,749.00	\$ 3,832,501.00	\$ 3,832,501.00	\$ 3,832,501.00	\$ 3,832,501.00	\$ 3,832,501.00	\$ 4,063,500.00	\$ 4,810,000.00	\$ 4,810,000.00
Adjustment	-	-	-	-	-	-	-	-	-	-	-
Project Financing Surplus (Shortage)	-	-	-	-	-	-	-	-	-	-	-

**Mission del Lago
Tax Increment Reinvestment Zone #6
Revenues**

Mission del Lago
Finance Plan
February 2019

Tax Year	Tax Increment Zone					City of San Antonio										Fiscal Year Ending
	Beginning Assessed Value ¹	New Values ²	Villa Espada New Values	Appraisal Growth	Year-End Assessed Value	Tax Exemptions	Year-End Taxable Value	Base Taxable Value	Captured Taxable Value	Tax Rate Contribution ³	Actual Tax Increment	Projected Tax Increment				
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$				
1999	\$ 1,323,410.00	\$ -	\$ -	-	\$ 1,323,410.00	\$ (1,063,647.00)	\$ 259,763.00	\$ -	\$ -	0.579790	\$ -	\$ -	2000			
2000	1,323,410.00	-	-	83,536.00	1,406,946.00	(1,116,422.00)	290,524.00	259,763.00	30,761.00	0.579790	-	-	2001			
2001	1,406,946.00	-	-	41,064.00	1,448,010.00	(759,567.00)	688,443.00	259,763.00	428,680.00	0.578540	-	-	2002			
2002	1,448,010.00	-	-	214,190.00	1,662,200.00	(868,537.00)	793,663.00	259,763.00	533,900.00	0.578540	475.76	-	2003			
2003	1,662,200.00	63,900.00	-	1,168,500.00	2,894,600.00	(858,589.00)	2,036,011.00	259,763.00	1,776,248.00	0.578540	12,284.28	-	2004			
2004	2,894,600.00	5,101,900.00	-	5,400,200.00	13,396,700.00	(1,118,291.00)	12,278,409.00	259,763.00	12,018,646.00	0.578540	69,710.38	-	2005			
2005	13,396,700.00	3,592,130.00	-	2,503,470.00	19,492,300.00	(1,782,340.00)	17,709,960.00	259,763.00	17,450,197.00	0.578540	99,110.82	-	2006			
2006	19,492,300.00	7,725,746.00	-	2,055,746.00	29,273,792.00	(2,798,950.00)	26,474,842.00	259,763.00	26,215,079.00	0.578540	147,543.61	-	2007			
2007	29,273,792.00	9,625,446.00	-	8,878,228.00	47,777,466.00	(6,539,467.99)	41,237,998.01	259,763.00	40,978,235.01	0.572300	234,146.92	-	2008			
2008	47,777,466.00	8,679,265.00	-	1,964,289.00	58,421,020.00	(7,129,278.83)	51,291,741.17	259,763.00	51,031,978.17	0.567140	287,594.02	-	2009			
2009	58,421,020.00	3,542,390.00	-	(3,005,675.00)	58,957,735.00	(7,105,645.80)	51,852,089.20	259,763.00	51,592,326.20	0.565690	288,926.34	-	2010			
2010	58,957,735.00	1,637,590.00	-	(1,257,665.00)	59,337,660.00	(6,272,637.01)	53,065,022.99	259,763.00	52,805,259.99	0.565690	297,785.05	-	2011			
2011	59,337,660.00	4,078,850.00	-	(1,509,555.00)	61,906,955.00	(6,205,591.05)	55,701,363.95	259,763.00	55,441,600.95	0.565690	311,465.22	-	2012			
2012	61,906,955.00	7,280,510.00	-	(4,037,965.00)	65,149,500.00	(2,731,534.00)	62,417,966.00	259,763.00	62,158,203.00	0.565690	348,530.11	-	2013			
2013	65,149,500.00	7,913,430.00	-	11,153,750.00	84,216,680.00	(6,890,941.00)	77,325,739.00	259,763.00	77,065,976.00	0.565690	433,247.49	-	2014			
2014	84,216,680.00	7,809,890.00	-	(173,667.00)	91,852,903.00	(4,053,241.00)	87,799,662.00	259,763.00	87,539,899.00	0.565690	488,925.79	-	2015			
2015	91,852,903.00	9,251,670.00	9,913,230.00	8,787,264.00	119,805,067.00	(5,665,001.00)	114,140,066.00	259,763.00	113,880,303.00	0.558270	628,957.82	-	2016			
2016	119,805,067.00	14,332,930.00	12,770,540.00	13,260,138.00	160,168,675.00	(8,075,144.00)	152,093,531.00	259,763.00	151,833,768.00	0.558270	840,499.95	-	2017			
2017	160,168,675.00	14,389,640.00	-	11,513,718.00	186,072,033.00	(10,467,355.00)	175,604,678.00	259,763.00	175,344,915.00	0.558270	877,122.23	-	2018			
2018	186,072,033.00	14,385,130.00	-	-	200,457,163.00	(11,285,738.00)	189,171,425.00	259,763.00	188,911,662.00	0.558270	-	1,033,544.39	2019			
2019	200,457,163.00	28,200,000.00	-	-	228,657,163.00	(12,873,398.00)	215,783,765.00	259,763.00	215,524,002.00	0.558270	-	1,179,141.73	2020			
2020	228,657,163.00	24,000,000.00	-	-	252,657,163.00	(14,224,598.00)	238,432,565.00	259,763.00	238,172,802.00	0.558270	-	1,303,054.36	2021			
2021	252,657,163.00	29,300,000.00	-	-	281,957,163.00	(15,874,188.00)	266,082,975.00	259,763.00	265,823,212.00	0.558270	-	1,454,331.02	2022			
2022	281,957,163.00	28,100,000.00	-	-	310,057,163.00	(17,456,218.00)	292,600,945.00	259,763.00	292,341,182.00	0.558270	-	1,599,412.05	2023			
2023	310,057,163.00	21,460,000.00	-	-	331,517,163.00	(18,664,416.00)	312,852,747.00	259,763.00	312,592,984.00	0.558270	-	1,710,210.59	2024			
2024	331,517,163.00	28,300,000.00	-	-	359,817,163.00	(20,257,706.00)	339,559,457.00	259,763.00	339,299,694.00	0.558270	-	1,856,324.23	2025			
2025	359,817,163.00	21,950,000.00	-	-	381,767,163.00	(21,493,491.00)	360,273,672.00	259,763.00	360,013,909.00	0.558270	-	1,969,652.66	2026			
2026	381,767,163.00	25,600,000.00	-	-	407,367,163.00	(22,934,771.00)	384,432,392.00	259,763.00	384,172,629.00	0.558270	-	2,101,826.13	2027			
2027	407,367,163.00	25,000,000.00	-	-	432,367,163.00	(24,342,271.00)	408,024,892.00	259,763.00	407,765,129.00	0.418703	-	1,638,990.05	2028			
2028													2029			
2029													2030			
2030													2031			
2031													2032			
<div><div>\$ 351,320,417.00</div><div>\$ 22,683,770.00</div></div>														<div><div>\$ 5,366,325.79</div><div>\$ 15,846,487.21</div></div>		
Existing Annual Value Growth Factors					0.00%	Participation Level *					100%	Tax Year 2027-2031		75%		
Thereafter					0.00%	Tax Rate Growth Factor								0.00%		
Combined Compound Growth Rate					0.00%	Tax Rate Collection Factor								98.00%		

¹ Tax Year 1999 Base Value changed from \$1,287,240 to \$1,323,410 due to increased market value.

² New Values through Tax Year 2018 are based on Hecar County Appraisal District. Projected New Values from Tax Year 2019 through Tax Year 2027 are calculated based on Future Buildout schedule provided by the Developer on September 12, 2018.

³ Starting in Fiscal Year 2028 the City's participation will change to 75%.

Mission del Lago
Finance Plan
February 2019

Mission del Lago
Finance Plan
February 2019

University Health System ³											
Fiscal Year	Tax	Exemptions	Year-End Taxable Value	Base Taxable Value	Capitated Taxable Value	Tax Rate Contribution	Actual Tax Increment	Projected Tax Increment			
2000	\$ (1,063,647.00)	\$ -	\$ 259,763.00	\$ -	\$ -	0.182902	\$ -	\$ -			
2001	(1,116,422.00)	290,524.00	259,763.00	259,763.00	30,761.00	0.182902	-	-			
2002	(759,567.00)	688,443.00	259,763.00	259,763.00	428,680.00	0.182902	-	-			
2003	(868,537.00)	793,663.00	259,763.00	259,763.00	533,000.00	0.182902	-	-			
2004	(858,589.00)	2,036,011.00	259,763.00	259,763.00	1,776,248.00	0.182902	-	-			
2005	(923,291.00)	18,247,409.00	259,763.00	259,763.00	12,213,646.00	0.182902	-	-			
2006	(2,353,450.00)	26,920,342.00	259,763.00	259,763.00	17,982,097.00	0.182902	-	-			
2007	(5,854,657.00)	41,922,869.00	259,763.00	259,763.00	26,660,579.00	0.182902	110,086.66	-			
2008	(6,251,158.00)	52,169,862.00	259,763.00	259,763.00	41,663,046.00	0.178056	73,716.90	-			
2009	(6,067,858.00)	52,949,877.00	259,763.00	259,763.00	51,910,099.00	0.197676	100,843.38	-			
2010	(5,109,120.00)	53,588,761.28	259,763.00	259,763.00	52,600,114.00	0.199676	104,091.27	-			
2011	(4,998,085.00)	56,908,860.00	259,763.00	259,763.00	53,908,877.00	0.207176	107,391.66	-			
2012	(4,998,085.00)	64,018,176.00	259,763.00	259,763.00	56,640,097.00	0.207176	116,217.98	-			
2013	(5,423,441.00)	78,703,239.00	259,763.00	259,763.00	63,758,413.00	0.207176	130,152.55	-			
2014	(2,596,604.00)	89,256,299.00	259,763.00	259,763.00	88,996,536.00	0.207176	182,164.04	-			
2015	(3,881,016.00)	115,924,051.00	259,763.00	259,763.00	154,186,936.00	0.207176	239,659.26	-			
2016	(7,958,181.00)	178,113,852.00	259,763.00	259,763.00	171,854,089.00	0.207176	316,628.16	-			
2017	(8,176,652.00)	192,278,511.00	259,763.00	259,763.00	192,018,748.00	0.207176	331,027.17	-			
2018	(10,408,412.00)	242,448,751.00	259,763.00	259,763.00	242,088,988.00	0.207176	444,780.11	-			
2019	(11,501,852.00)	270,453,311.00	259,763.00	259,763.00	270,193,548.00	0.207176	491,319.87	-			
2020	(12,605,852.00)	297,460,831.00	259,763.00	259,763.00	297,201,068.00	0.207176	548,381.32	-			
2021	(13,525,500.00)	345,136,623.00	259,763.00	259,763.00	344,876,360.00	0.207176	645,598.02	-			
2022	(14,680,134.00)	345,136,623.00	259,763.00	259,763.00	-	0.207176	700,212.89	-			
2023	-	-	-	-	-	-	-	-			
2024	-	-	-	-	-	-	-	-			
2025	-	-	-	-	-	-	-	-			
2026	-	-	-	-	-	-	-	-			
2027	-	-	-	-	-	-	-	-			
2028	-	-	-	-	-	-	-	-			
2029	-	-	-	-	-	-	-	-			
2030	-	-	-	-	-	-	-	-			
2031	-	-	-	-	-	-	-	-			
2032	-	-	-	-	-	-	-	-			
								\$ 1,973,068.26	\$ 3,823,359.80		
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*Hear County is participating at 110% of its Operation and Maintenance portion of its tax rate. Starting in Fiscal Year 2026, Hear County's participation will change to 75%.

*University Health System's (UHS) participating level is at 75% of its tax rate and ends on September 30, 2025.

*In Fiscal Year 2015 University Health System tax increment had a duplicated Accounts Receivable of \$10,665.15 (Tax Year 2014) in SAP. Fiscal Year 2016 the UHS duplicated amount was reversed.

University Health System's Tax Year 2016 Tax Increment of \$116,628.16 consisted of \$316,627.16 in cash and \$1.00 in Accounts Receivable.

In FY 2018 received Tax Increment from UHS in the amount of \$384,028.17, \$1.00 for the Tax Year 2017 Accounts Receivable and \$384,027.17 for 1115 Tax Year 2017 Tax Increment of \$384,028.17.

The \$1.00 short-pay for Tax Year 2017 Tax Increment was waived in SAP. Subject to change.

[illegible]

11

**Mission del Lago
Tax Increment Reinvestment Zone #6
Reimbursements**

Mission del Lago
Finance Plan
February 2019

	Actual		Projected		Cumulative		Actual		Projected		Actual		Projected		Actual		Actual		Projected		Actual			
Tax	Tax Increment				Tax Increment	TIRZ Fund	Interest Earned				Construction Fund				Administrative				Accounting					
Year	Revenues				Revenues	Interest Rate	in TIRZ Fund				Tax Notes ¹				Transfer ²				Expenses ³				Adjustments ⁴	
1999	\$	-	\$	-	\$	-	6.1661%	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-			
2000	-	-	-	-	-	-	5.6776%	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
2001	-	-	-	-	-	-	2.5725%	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
2002	475.76	-	-	475.76	-	475.76	1.2975%	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-			
2003	12,284.28	-	-	12,760.04	-	12,760.04	1.0900%	70.03	-	-	-	-	-	-	-	-	-	-	-	-	-			
2004	69,710.38	-	-	82,470.42	-	82,470.42	2.8215%	1,257.08	-	-	-	-	-	-	-	-	-	-	-	-	-			
2005	99,110.82	-	-	181,581.24	-	181,581.24	4.6610%	5,804.33	-	-	-	-	-	-	-	-	-	(101,725.54)	-	-	-			
2006	1,357,375.15	-	-	1,538,956.39	-	1,538,956.39	5.1832%	5,962.64	-	-	-	-	-	-	-	-	-	(143,657.98)	-	-	-			
2007	979,308.52	-	-	2,518,264.91	-	2,518,264.91	3.3481%	3,789.29	-	-	-	-	-	-	-	-	-	(31,000.00)	-	-	-			
2008	1,108,757.34	-	-	3,627,022.25	-	3,627,022.25	1.4135%	2,048.50	-	-	-	-	-	-	-	-	-	(15,000.00)	-	-	-			
2009	1,318,562.25	-	-	4,945,584.50	-	4,945,584.50	0.3922%	606.40	-	-	-	-	-	-	-	-	-	(2,000.00)	-	-	-			
2010	1,266,384.96	-	-	6,211,969.46	-	6,211,969.46	0.2696%	537.50	-	-	-	-	-	-	-	-	-	(34,000.00)	-	-	-			
2011	1,326,713.53	-	-	7,538,682.99	-	7,538,682.99	0.2086%	1,371.52	-	-	-	-	-	-	-	-	-	(15,000.00)	-	-	-			
2012	1,470,033.39	-	-	9,008,716.38	-	9,008,716.38	0.1838%	9,067.20	-	-	-	-	-	-	-	-	-	(81,533.67)	-	-	-			
2013	1,856,856.24	-	-	10,865,572.62	-	10,865,572.62	0.1558%	7,394.04	-	-	-	-	-	(339,506.52)	-	-	-	(24,466.33)	-	-	-			
2014	2,018,475.53	-	-	12,884,048.15	-	12,884,048.15	0.1532%	1,264.09	-	-	(375,993.48)	-	-	-	-	-	-	(17,000.00)	-	-	-			
2015	2,593,446.93	-	-	15,477,495.08	-	15,477,495.08	0.4982%	1,709.81	-	-	(213,540.00)	-	-	-	-	-	-	(17,000.00)	-	-	-			
2016	3,456,789.71	-	-	18,934,284.79	-	18,934,284.79	0.8385%	3,705.06	-	-	(215,030.00)	-	-	-	-	-	-	(17,000.00)	-	-	(0.15)			
2017	3,105,842.37	-	-	22,040,127.16	-	22,040,127.16	1.7620%	10,534.31	-	-	(216,430.00)	-	-	-	-	-	-	(17,000.00)	-	-	0.15			
2018	-	3,660,903.99	-	25,701,031.15	-	25,701,031.15	2.6250%	2,136.58	4,019.26	-	-	-	(217,740.00)	-	-	-	-	-	(32,000.00)	-	-			
2019	-	4,176,639.80	-	29,877,670.95	-	29,877,670.95	3.4375%	-	-	-	-	-	(223,960.00)	-	-	-	-	-	(52,000.00)	-	-			
2020	-	4,615,563.90	-	34,493,234.85	-	34,493,234.85	3.5000%	-	-	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2021	-	5,151,417.05	-	39,644,651.90	-	39,644,651.90	3.5000%	-	-	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2022	-	5,665,324.01	-	45,309,975.91	-	45,309,975.91	3.5000%	-	-	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2023	-	6,057,795.30	-	51,367,771.21	-	51,367,771.21	3.5000%	-	-	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2024	-	6,575,359.97	-	57,943,131.18	-	57,943,131.18	3.5000%	-	-	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2025	-	6,024,722.59	-	63,967,853.77	-	63,967,853.77	3.5000%	-	-	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2026	-	6,429,020.28	-	70,396,874.05	-	70,396,874.05	3.5000%	-	4,154.33	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2027	-	6,231,930.51	-	76,628,804.56	-	76,628,804.56	3.5000%	-	160,775.69	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2028	-	-	-	76,628,804.56	-	76,628,804.56	3.5000%	-	307,680.48	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2029	-	-	-	76,628,804.56	-	76,628,804.56	3.5000%	-	229,159.06	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2030	-	-	-	76,628,804.56	-	76,628,804.56	3.5000%	-	147,889.39	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
2031	-	-	-	76,628,804.56	-	76,628,804.56	3.5000%	-	120,977.19	-	-	-	-	-	-	-	-	-	(77,000.00)	-	-			
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	\$	22,040,127.16	\$	54,588,677.40				\$	57,258.51	\$	974,655.40	\$	(1,020,993.48)	\$	(441,700.00)	\$	(339,506.52)	\$	(516,383.52)	\$	(1,008,000.00)	\$	-	

¹ 2014 Tax Notes Debt Service for the Unit 8 Street Repairs, per the Developer Participation Contract. An additional amount of \$30,106.52 was transferred to the Debt Service that

February 2015 Debt Service transfer required from the Mission del Lago TIRZ Fund. Fiscal Year 2015 total transfers include the February 2016 Debt Service due to the timing of TIRZ revenue; the same method will be applied to the following years.

² Construction Fund transfer of City's April/May 2013 tax increment applied according to the Settlement and Release Agreement between Mission Del Lago, Ltd. and the City of San Antonio.

³ Administrative fees include: startup fees for all taxing entities, \$2,000 annually for Bexar County (amended to extend to Fiscal Year 2032), \$5,000 annually for Alamo Colleges (ending Fiscal Year 2014) and \$15,000 annually for the City (through Fiscal Year 2018).

Starting in Fiscal Year 2019 the City's Admin Fee will increase to \$30,000, \$50,000 for Fiscal Year 2020, and \$75,000 for Fiscal Year 2021 through Fiscal Year 2032.

⁴ University Health System has an Allowance for Account Receivable of \$0.15 that was posted in Fiscal Year 2017 for University Health System \$1.00 Accounts Receivable, which was received in Fiscal Year 2018.

**Mission del Lago
Tax Increment Reinvestment Zone #6
Reimbursements**

Mission del Lago
Finance Plan
February 2019

	Actual		Projected		Actual		Projected		Actual		Projected		Actual		Projected		Fiscal Year		Fiscal Year						
Tax	Reimbursements				Villa Espada Apartments				MDL Developer				MDL Developer				Special		Refund to		Cash Flow		Fund		Fiscal
Year	to Southside ISD ⁵				Payments ⁶				Project Reimbursement				Interest Expenses Reimbursement				Payment ⁷		PTE's		Balance		Balance ⁸		Year
1999	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	2000
2000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2001
2001	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2002
2002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2003
2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2004
2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2005
2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2006
2006	(298,539.91)	-	-	-	-	-	-	-	(811,132.73)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2007
2007	(179,943.15)	-	-	-	-	-	-	-	(744,515.90)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2008
2008	(241,655.42)	-	-	-	-	-	-	-	(1,066,386.08)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2009
2009	(235,101.88)	-	-	-	-	-	-	-	(1,068,564.95)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2010
2010	(230,334.45)	-	-	-	-	-	-	-	(967,547.37)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2011
2011	(259,297.56)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2012
2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2013
2013	(638,334.88)	-	-	-	-	-	-	-	(3,095,385.15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2014
2014	(400,741.01)	-	-	-	-	-	-	-	(1,419,656.23)	-	-	-	-	-	-	(35,000.00)	-	-	-	-	-	-	-	-	2015
2015	(517,452.32)	-	-	-	(61,969.77)	-	-	-	(1,833,762.20)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2016
2016	(565,961.42)	-	-	-	(139,714.40)	-	-	-	(1,838,580.29)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2017
2017	(113,451.85)	-	-	-	-	-	-	-	(3,271,599.07)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2018
2018	-	-	-	-	-	-	(252,144.90)	-	(173,933.84)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2019
2019	-	-	-	-	-	-	(98,600.69)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2020
2020	-	-	-	-	-	-	(98,600.69)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2021
2021	-	-	-	-	-	-	(98,600.69)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2022
2022	-	-	-	-	-	-	(98,600.69)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2023
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2024
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2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2027
2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2028
2028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2029
2029	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2030
2030	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2031
2031	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2032
	\$	(3,680,813.85)	\$	-	\$	(201,684.17)	\$	(646,547.66)	\$	(16,291,063.81)	\$	(43,043,203.19)	\$	-	\$	(6,935,353.81)	\$	(35,000.00)	\$	(3,500,468.46)	\$	-			

⁵ Southside ISD to receive 35% reimbursement of its tax increment contributions, with potential increase to 50% after all other planned expenses are paid, per the Interlocal Agreement.

Starting in Fiscal Year 2018 Southside ISD will pay the net of Tax Increment at 65%. Pending an Amended Agreement, Final Board, and City Council approval.

⁶ On September 20, 2013, the City entered into a CH380 Agreement with 210 Developers, L.L.C. for the Villa Espada Apartments in an amount not to exceed

\$1,087,476.70 tax abatement per Article IV B. Per the Assignment executed on November 20, 2013 and the Assignment executed on June 4, 2016,

the project is limited to the incentive amount of \$848,231.83 for Phase I.

⁷ Special Payment of \$35,000 for Street Reconstruction Project Cost ratified by TIRZ Board Resolution on May 19, 2015.

⁸ Fiscal Year 2012 Fund Balance in SAP was \$1,054,727.49 due to an Accounts Payable of \$60,000.00, which was reversed in Fiscal Year 2013.

Fiscal Year 2015 Fund Balance in SAP was \$22,077.49 due to a duplicated Accounts Receivable of \$10,665.15 and an Accounts Payable of \$38,788.38 both were reversed in Fiscal Year 2016.

**Mission del Lago
Tax Increment Reinvestment Zone #6
Participation**

Mission del Lago
Finance Plan
February 2019

Taxing Entity	Tax Rate Contribution	Level of Participation	Tax Rate Based on Participation	% of Combined Project	Tax Increment Revenues ¹	TIF Expenses ^{2,3}
City of San Antonio ⁴	\$ 0.558270	100%	\$ 0.56569	27.69%	\$ 21,212,813.00	\$ 19,363,563.60
Bexar County ⁵	0.236250	100%	0.23625	11.33%	8,678,716.60	\$ 7,922,140.30
University Health System	0.276235	75%	0.20718	7.57%	5,797,428.06	\$ 5,797,428.06
Southside ISD ⁶	1.575900	65%	1.02434	53.05%	40,648,118.34	\$ 37,104,575.64
Alamo Colleges	0.149150	50%	0.07458	0.38%	291,728.56	\$ 291,728.56
Total	\$ 2.795805		\$ 2.10803	100.02%	\$ 76,628,804.56	\$ 70,479,436.16

¹ TIRZ Revenues include actual and projected revenue amount collected by each taxing entity through the term of the Zone; reimbursement to Southside ISD is not netted out of the Southside ISD tax increment from Tax Year 1999 to Tax Year 2016. Starting in Fiscal Year 2018 Southside ISD will pay the net of Tax Increment at 65%.

Pending an Amended Agreement, Final Board, and City Council approval.

² TIF Expenses exclude the reimbursements to Southside ISD for Tax Year 1999 to Tax Year 2016 and the estimated refund to PTE's when the TIRZ expires.

³ Total reimbursement for public improvements may not exceed \$59,369,267.00 for reimbursements and \$15,684,049.00 for interest per section 7.3 in the Development Agreement.

⁴ Starting Fiscal Year 2028 the City's participation will change to 75%.

⁵ Bexar County's participation level is 100% of Operation and Maintenance portion of its tax rate. Starting in Fiscal Year 2026 Bexar County's participation will change to 75%.

⁶ Southside ISD is participating at 65% of the tax rate up to \$1.58.

**Mission del Lago
Tax Increment Reinvestment Zone #6
Collections**

Taxing Entity	Maximum Length of Contribution	Maximum Dollar Contribution	Tax Increment Revenues Collected	Remaining / (Refund) ⁴
City of San Antonio ^{1,2}	September 30, 2032	\$ 21,212,813.00	\$ 5,366,325.79	\$ 15,846,487.21
Bexar County ^{1,2}	September 30, 2032	10,539,188.00	2,367,027.00	8,172,161.00
University Health System ²	September 30, 2025	6,706,771.00	1,974,068.26	4,732,702.74
Southside ISD ^{1,2,3}	September 30, 2032	74,018,165.00	12,040,977.55	61,977,187.45
Alamo Colleges ²	September 30, 2014	365,066.00	291,728.56	-
Total		\$ 112,842,003.00	\$ 22,040,127.16	\$ 90,728,538.40

¹ Per Ordinance 2019-____, the life of the TIRZ has been extended to 33.11 years, with a termination date of September 30, 2032.

² Maximum Dollar Contribution is based on the respective taxing entities Interlocal Agreements.

³ Southside ISD to receive 35% reimbursement of its tax increment contributions, with potential increase to 50% after all other plan expenses are paid, per the Interlocal Agreement. Starting in Fiscal Year 2018 Southside ISD will pay the net of Tax Increment at 65%. Pending an Amended Agreement, Final Board, and City Council approval.

⁴ Does not include the refund to the Participating Taxing Entities (PTE) after the TIRZ expires.

Mission del Lago
Tax Increment Reinvestment Zone #6
New Values ¹

Mission del Lago
Finance Plan
February 2019

Tax Year	Single Family Homes		Commercial		Villa Espada		Total	Fiscal Year
	Actuals	Projected	Actuals	Projected	Actuals	Projected		
2003	\$ 63,900.00						\$ 63,900.00	2004
2004	5,101,900.00						\$ 5,101,900.00	2005
2005	3,592,130.00						\$ 3,592,130.00	2006
2006	7,725,746.00						\$ 7,725,746.00	2007
2007	9,625,446.00						\$ 9,625,446.00	2008
2008	8,679,265.00						\$ 8,679,265.00	2009
2009	3,542,390.00						\$ 3,542,390.00	2010
2010	1,637,590.00						\$ 1,637,590.00	2011
2011	4,078,850.00						\$ 4,078,850.00	2012
2012	7,280,510.00						\$ 7,280,510.00	2013
2013	7,913,430.00						\$ 7,913,430.00	2014
2014	7,809,890.00						\$ 7,809,890.00	2015
2015	9,251,670.00				9,913,230.00		\$ 19,164,900.00	2016
2016	14,332,930.00				12,770,540.00		\$ 27,103,470.00	2017
2017	14,279,410.00		110,230.00		-		\$ 14,389,640.00	2018
2018	14,385,130.00						\$ 14,385,130.00	2019
2019		28,200,000.00					\$ 28,200,000.00	2020
2020		24,000,000.00					\$ 24,000,000.00	2021
2021		24,500,000.00		4,800,000.00			\$ 29,300,000.00	2022
2022		22,800,000.00		5,300,000.00			\$ 28,100,000.00	2023
2023		20,400,000.00		1,060,000.00			\$ 21,460,000.00	2024
2024		20,800,000.00		7,500,000.00			\$ 28,300,000.00	2025
2025		21,200,000.00		750,000.00			\$ 21,950,000.00	2026
2026		21,600,000.00		4,000,000.00			\$ 25,600,000.00	2027
2027		22,000,000.00		3,000,000.00			\$ 25,000,000.00	2028
2028		22,400,000.00		2,000,000.00			\$ 24,400,000.00	2029
2029		22,800,000.00					\$ 22,800,000.00	2030
2030		23,300,000.00					\$ 23,300,000.00	2031
2031		23,800,000.00					\$ 23,800,000.00	2032
2032		22,842,000.00					\$ 22,842,000.00	2033
	\$ 119,300,187.00	\$ 320,642,000.00	\$ 110,230.00	\$ 28,410,000.00	\$ 22,683,770.00	\$ -	\$ 491,146,187.00	

¹ Tax Year 2003 - Tax Year 2018 new values as noted by Bexar County Appraisal District.

Mission del Lago
Tax Increment Reinvestment Zone #6
Principal and Interest Requirements
Tax Notes, Series 2014¹

Mission del Lago
Finance Plan
February 2019

Date	Principal	Interest Rate	Yield	Interest	Semiannual Debt Service	Fiscal Year Debt Service
2/1/2014						
8/1/2014						
2/1/2015	180,000	1.800%	1.800%	14,140.00	194,140.00	
8/1/2015				10,980.00	10,980.00	205,120.00
2/1/2016	190,000	1.800%	1.800%	10,980.00	200,980.00	
8/1/2016				9,270.00	9,270.00	210,250.00
2/1/2017	195,000	1.800%	1.800%	9,270.00	204,270.00	
8/1/2017				7,515.00	7,515.00	211,785.00
2/1/2018	200,000	1.800%	1.800%	7,515.00	207,515.00	
8/1/2018				5,715.00	5,715.00	213,230.00
2/1/2019	205,000	1.800%	1.800%	5,715.00	210,715.00	
8/1/2019				3,870.00	3,870.00	214,585.00
2/1/2020	210,000	1.800%	1.800%	3,870.00	213,870.00	
8/1/2020				1,980.00	1,980.00	215,850.00
2/1/2021	220,000	1.800%	1.800%	1,980.00	221,980.00	
8/1/2021						221,980.00
2/1/2022						
8/1/2022						
	<u>1,400,000</u>			<u>92,800.00</u>	<u>1,492,800.00</u>	<u>1,492,800.00</u>
Sale Date			6/19/2014			
Dated Date			7/1/2014			
Delivery Date			7/9/2014			

¹ Additional amount of \$30,106.52 was transferred to Debt Service in Fiscal Year 2015, which reduced the February 2015 Debt Service transfer required from the Mission del Lago TIRZ fund.