

**SECOND ADDENDUM TO CONTRACT FOR EXPENDITURE OF INDUSTRIAL
DEVELOPMENT CORPORATION TAX PROCEEDS**

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

This Second Addendum to Contract for Expenditure of Industrial Development Corporation Tax Proceeds (this "Second Addendum") is made by and between the City of League City, Texas (the "City") and the City of League City Section 4B Industrial Development Corporation (the "4B Corporation").

RECITALS:

WHEREAS, on or about March 16, 2011 the City and the 4B Corporation entered into that certain Contract for Expenditure of Industrial Development Corporation Tax Proceeds (the "Contract") pursuant to which the parties agreed to mutual terms for the transfer of a percentage of 4B Funds to a segregated special fund to be utilized by the City for maintenance and operation costs associated with the Facilities identified in the Contract, and the issuance of debt by the City to fund the design, construction and equipping of the Hometown Heroes Park (formerly Eastern Regional Park) and reimbursement by the 4B Corporation to the City of such amount of 4B Funds as are necessary to fund the debt service for such facility; and

WHEREAS, to promote the continuing viability of the Facilities and to fund the anticipated operating costs for a planned Phase 2 expansion of the Hometown Heroes Park to include an aquatic facility to be constructed thereon, on or about March 2015, the parties entered into a First Addendum to Contract for Expenditure of Industrial Development Corporation Tax Proceeds ("First Addendum") in order to provide for an increase in the percentage of 4B Funds being transferred to the City to fund maintenance and operation costs associated with the Facilities; and

WHEREAS, the law governing economic development corporations (Section 501.007 of the Texas Local Government Code) generally provides that a city as a creating unit may not lend its credit or grant public money or another thing of value in aid of a corporation but may enter into agreements pursuant to which the city provides the corporation with services in exchange for consideration from the corporation; and

WHEREAS, the City and 4B Corporation wish to enter into this Second Addendum in order to memorialize the terms of their understanding as it concerns staff administrative support to be provided by the City to the 4B Corporation to assist with its operational and financial management;

NOW, THEREFORE, in consideration of the mutual benefits and premises contained in this Contract and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Authorization. The City and 4B Corporation have resolved that they are authorized to enter into this Second Addendum pursuant to the Development Corporation Act (the "Act") and the Bylaws of the 4B Corporation.

2. Agreement for reimbursement for administrative services. The 4B Corporation and the City agree that Section 3 of the Contract shall heretofore read as follows:

"The 4B Corporation hereby commits that in exchange for its discharge of powers and duties under the Act, it agrees to compensate the City of League City for administrative services provided by the City to the corporation including, but not limited to, operational and financial management. The City will provide the 4B Corporation with an annual cost for inclusion in the annual budget with payment due on October 1."

3. Remaining Provisions Unaffected. Those parts of the Contract that are not expressly modified by this Second Addendum shall remain in full force and effect.

SIGNED this _____ day of _____, 2015.

CITY OF LEAGUE CITY

BY: _____
Timothy Paulissen
Mayor

ATTEST:

Diana Stapp,
City Secretary

CITY OF LEAGUE CITY 4B
INDUSTRIAL DEVELOPMENT CORPORATION

BY: _____

President