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2.6 First Amendment to Agreement means that certain First Amendment to the Interlocal Agreement entered into by, between, and among the Parties on or about May 17, 2006 and which amends the terms of said Interlocal Agreement.

2.7 Galveston County Tax Increment Participation means the amount of Galveston County real property taxes levied and collected on the Captured Appraised Value which the County agrees to contribute to the Westwood TIRZ for a given year pursuant to Section 4 of this Agreement.

2.8 Project Plan means the project plan and reinvestment zone financing plan for the Westwood TIRZ, as amended, which was initially adopted by the Board of Directors and subsequently approved by the City Council on August 12, 2003, by Ordinance No. 2003-43 and thereafter amended by the Board of Directors, which such amendment was approved by the City Council on January 24, 2006 by Ordinance No. 2006-05. Ordinance No. 2003-43 is attached hereto as Exhibit No. 1 and is incorporated herein by reference for all purposes. Ordinance No. 2006-05 is attached hereto as Exhibit No. 2 and is incorporated herein by reference for all purposes.

2.9 Tax Increment Base means, notwithstanding anything to the contrary, the total appraised value of all real property taxable by Galveston County and located in the Westwood TIRZ for the year 2003, which is the year that the City of League City, acting by and through its City Council, designated the Westwood TIRZ under Chapter 11, including Section 311.005(a)(5), of the Texas Tax Code; the City Council designated the Westwood TIRZ on January 14, 2003.

2.10 Tax Increment Fund means the tax increment fund created by the City, acting by and through its City Council, in the City's Treasury for the Westwood TIRZ.

2.11 Westwood TIRZ means Reinvestment Zone Number Four, City of League City, Texas, created and more particularly described by City Ordinance No. 2002-60, adopted by the City of League City, acting by and through its City Council, on January 14, 2003, which is attached to this Agreement as Exhibit No. 3 and is incorporated herein by reference for all purposes.

2. **Amendments in Section 3, Purpose and Background.** Section 3 is AMENDED by RENUMBERING the current Subsection 3.12 to Subsection 3.13 and by ADDING a new Subsection 3.12, which shall be as follows:

3.12 The County through the First Amendment to the Agreement, has subsequently agreed to participate in the Westwood TIRZ with the amended project plan and reinvestment zone financing plan adopted by the City Council in Ordinance No. 2006-05 for the period of January 1, 2007 through December 31, 2015 at the rate of sixty-two and a half percent (62.5%) and for the period of January 1, 2016 through December 31, 2032 at the rate of twenty-five percent (25.0%), provided that the purpose of the

Westwood TIRZ remains as the construction of Brittany Bay Boulevard and Maple Leaf Boulevard as the major thoroughfares described in Ordinance No. 2006-05.

3.13 The County has agreed to participate in the Westwood TIRZ in consideration of the agreements set forth herein.

3. **Amendments in Section 4, Obligations of the County.** Section 4 is AMENDED by AMENDING Subsection 4.1, Tax Increment Participation by the County, and by AMENDING Subsection 4.6.2, Zone Duration Limitation, as follows:

- a. Subsection 4.1 is AMENDED by DELETING Subsection 4.1 in its entirety and REPLACING it with the following as Subsection 4.1:

4.1 Tax Increment Participation by the County. For and in consideration of the agreements of the Parties set forth in the Agreement and in the First Amendment to the Agreement, the County agrees, on behalf of Galveston County only and not on behalf of any other political subdivision within Galveston County, to participate in the Westwood TIRZ to the extent authorized in the Agreement and in the First Amendment to the Agreement, by contributing, to the extent authorized by law, to the Tax Increment Fund during the term of the Agreement as amended through the First Amendment to the Agreement, the following:

- (a) Sixty-two and a half percent (62.5%) of the tax increment attributable to the Captured Appraised Value of real property located in the Westwood TIRZ for a duration of nine (9) tax years, beginning on January 1, 2007 and ending December 31, 2015; and
- (b) Twenty-five percent (25.0%) of the tax increment attributable to the Captured Appraised Value of real property located in the Westwood TIRZ for a duration of seventeen (17) tax years, beginning on January 1, 2016 and ending December 31, 2032.

- b. Subsection 4.6.2 is AMENDED by DELETING Subsection 4.6.2 in its entirety and REPLACING it with the following as Subsection 4.6.2:

4.6.2 Zone Duration Limitation. The obligation of the County to participate in the Westwood TIRZ by contributing its Galveston County Tax Increment Participation is limited to the period ending December 31, 2032, unless terminated earlier as provided herein. The County's participation does not extend

to any extension of the duration of the Westwood TIRZ, and/or to any amendment to the Project Plan by the Westwood TIRZ Board of Directors and/or the City that would extend the duration of the Westwood TIRZ, unless the County, acting by and through its Commissioners Court, specifically agrees to participate in the zone duration extension.

4. **Amendments in Section 6, Term and Termination.** Section 6 is AMENDED to reflect that the term of the Agreement is extended through December 31, 2032; thus Subsection 6.1 is DELETED in its entirety and REPLACED with the following:

6.1 Agreement Term. This Agreement as Amended through the First Amendment to the Agreement shall become effective as of the date of the County's execution of the Agreement, which occurred on May 17, 2006, and it shall continuously remain in effect thereafter through the tax year ending December 31, 2032, unless terminated earlier as provided herein and/or under Texas Tax Code § 311.017. The obligation to pay Galveston County Tax Increment Participation shall commence with the tax year beginning on January 1, 2007 and shall remain continuously in effect through the tax year ending on December 31, 2032 and for obligations incurred for the tax year ending December 31, 2032, unless this Agreement is terminated earlier as provided herein and/or under Texas Tax Code § 311.017. Disposition of Tax Increment upon the termination of the Westwood TIRZ shall be as provided by this Agreement, and this Agreement remains in effect for that purpose.

Article III. Condition Precedent to Formation; Effective Date

1. **Condition Precedent.** Notwithstanding anything else herein, this First Amendment to the Agreement is subject to the following condition precedent:

This First Amendment to the Agreement must be approved by all the Parties herein, each Party acting by and through its respective governing body, by no later than January 31, 2016. This First Amendment to the Agreement shall be null, void, and of no effect, ab initio, in the event this First Amendment to the Agreement is not executed by each and every Party hereto by no later than January 31, 2016.

2. **Effective Date.** Provided that the condition precedent described above is satisfied, the effective date of this First Amendment to the Agreement shall be the date of execution by the County, acting by and through its governing body, its Commissioners Court.

Article IV. Remaining Provisions

1. **Amending of Agreement.** By signing this First Amendment to the Agreement, the Parties expressly understand and agree that its terms shall become a part of the Agreement as if they were set forth word for word therein and all provisions in the Agreement that are contrary to the provisions in this First Amendment to the Agreement are deemed amended so as to be in compliance with the terms of this First Amendment to the Agreement. This First Amendment to the Agreement shall be binding upon the Parties hereto and their respective successors and permitted assigns, if any.
2. **Authority to Bind.** Each Party represents and warrants for itself that the individual executing this First Amendment to the Agreement on its behalf has the full power and authority to do so and to legally bind the Party to all the terms and provisions of this First Amendment to the Agreement and that this First Amendment to the Agreement constitutes the legal, valid, and binding agreement of the Party.
3. **Entire Agreement.** The Agreement, as amended by this First Amendment to the Agreement, constitutes the entire agreement of the Parties regarding the subject matter hereof and thereof. No oral or written statements, agreements, promises, conditions, assurances, covenants, or other terms, whether written or verbal, antecedent or contemporaneous, not expressly set forth in the Agreement or this First Amendment to the Agreement or expressly incorporated therein or herein shall be of any force and effect. The Parties rely solely upon the terms contained in the Agreement and this First Amendment to the Agreement and no others.

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IN WITNESS HEREOF, the County, the City, and the Westwood TIRZ make and execute this First Amendment to the Agreement in multiple copies, each of which is an original, to be effective as of the date specified herein.


COUNTY OF GALVESTON, TEXAS


County Judge **Mark Henry**

12/15/15

Date

ATTEST:

County Clerk **Dwight D. Sullivan**
By  Deputy
Mae Ross
CITY OF LEAGUE CITY, TEXAS

12/15/15

Date

Mayor

Date

ATTEST:

City Secretary

Date

**REINVESTMENT ZONE NUMBER FOUR
CITY OF LEAGUE CITY, TEXAS**


Chairman, Board of Directors

12/16/15

Date

ATTEST:


Secretary, Board of Directors

Date