

SECOND AMENDMENT TO INTERLOCAL AGREEMENT

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

This **SECOND AMENDMENT TO INTERLOCAL AGREEMENT** (this “Amendment”), effective as of _____, 2019, is made by and between the **CITY OF KATY, TEXAS** (the “City”), a municipal corporation and home-rule city of the State of Texas situated in the counties of Fort Bend, Harris, and Waller, acting by and through its governing body, the City Council and **FORT BEND COUNTY, TEXAS** (“Fort Bend County”), acting by and through its governing body, the Commissioner’s Court.

RECITALS

WHEREAS, the City and Fort Bend County entered into that certain Interlocal Agreement, executed by the City on December 8, 1997 and by Fort Bend County on December 16, 1997, and that certain First Amendment to Interlocal Agreement, effective as of April 28, 2015 (collectively, the “Interlocal Agreement”), governing Fort Bend County’s participation obligations in Reinvestment Zone Number One, City of Katy, Texas (the “Zone”); and

WHEREAS, pursuant to the terms of the Interlocal Agreement, Fort Bend County agreed to participate in the Zone by contributing fifty percent (50%) of the tax increment produced in the Zone attributable to Fort Bend County through December

31, 2038, with such funds to be used for projects included in the Zone Project Plan (as amended from time to time, the "Project Plan"); and

WHEREAS, the City adopted the Fourth Amended Project Plan and Reinvestment Zone Financing Plan, effective as of December 12, 2016 (the "Fourth Amended Project Plan") to update the eligible projects included in the Project Plan, as well as to expand the Zone's boundaries to include certain additional property described as follows: Reserve "M", West Ten Business Park Commercial Reserve "M", according to the map or plat thereof, recorded in Document No. 2016060760 (as reflected on the plat attached hereto as **Exhibit "A,"** the "Additional Property"); and

WHEREAS, the County would like to extend the County's current participation in the Zone at the same fifty percent (50%) County participation level to apply to the Additional Property to be effective as of December 12, 2016 through the termination of the Zone, as well as in order for additional projects which are included in the Fourth Amended Project Plan to be completed by the Zone; and

NOW, THEREFORE, for and in consideration of the mutual covenants, agreements, and benefits to the parties herein named, it is agreed as follows:

AGREEMENT

Section 1. The recitals set forth in this Amendment are hereby found and determined to be true and correct and are hereby approved and adopted.

Section 2. Fort Bend County hereby agrees that the Interlocal Agreement, including but not limited to its fifty percent (50%) participation level, shall apply to and include all of the property previously included in the within the boundaries of the

Zone, together with the Additional Property added by and included in the Fourth Amended Project Plan, with such contribution to be effective as of December 12, 2016 through the termination of the Zone.

Section 3. Section VII. Miscellaneous of the Interlocal Agreement (as added by the First Amendment to Interlocal Agreement) is hereby amended to read as follows:

I. Project Plan Approval. Notwithstanding anything set forth in Section V, Subsection A related to Project Plan review and approval by the County Judge of Fort Bend County, the City and Fort Bend County hereby agree that Fort Bend County's tax increment contribution may be used for all projects and associated eligible project costs contained in the Amended Project Plan and Reinvestment Zone Financing Plan in the form adopted by the City on April 12, 1999, and all previously approved amendments thereto including but not limited to, the Fourth Amended Project Plan and Reinvestment Zone Financing Plan in the form effective as of December 12, 2016. Notwithstanding the foregoing, the City and Fort Bend County hereby agree that Fort Bend County's tax increment contribution may not be utilized for any projects or associated eligible project costs which solely benefit Katy Independent School District, including but not limited to those projects or associated eligible project costs contained in the Second Amended Project Plan and Reinvestment Zone Financing Plan adopted by the City on August 30, 1999.

Section 4. Except as specifically amended in this Amendment, the Interlocal Agreement shall remain in full force and effect in accordance with its original terms and conditions.

[SIGNATURE PAGES FOLLOW.]

EXHIBIT "A"