

**A RESOLUTION DECLARING INTENTION TO ADVANCE FUNDING
AND REIMBURSE INITIAL EXPENDITURES RELATED TO OPERATING THE
EPICENTER**

WHEREAS, the Fort Bend County Commissioners Court (the "Court") is preparing to consider, and Fort Bend County (the "County") is proposing to initially fund the EpiCenter operations;

WHEREAS, the County anticipates permanent funding to operate the EpiCenter with revenue generated by operation of the EpiCenter, including, but not limited to, event ticket proceeds income, rental and license fee income, merchandise income, gross food and beverage income, gross income from any sale of sponsorship and advertising sales, gross service income, equipment rental fees, box office income, and miscellaneous operating income, but shall not include event ticket proceeds held by an asset manager engaged by the County in trust for a third party and paid to such third party, and sponsorship fees that are subject to a commission under an agreement with such asset manager (collectively, the "Revenues") after the date hereof, currently expected to have a minimum amount of \$26,782,115.00 to initially fund the EpiCenter operations;

WHEREAS, no funds of the County are, or are reasonably expected to be, allocated, reserved, or otherwise set aside in the County's budget on a long-term basis to pay the cost of operating the EpiCenter;

WHEREAS, the County anticipates that after the date hereof and prior to generating the Revenues, it will be obligated to pay certain initial operating costs constituting expenditures properly chargeable to an enterprise account (under general federal income tax principles) in connection with the initial EpiCenter operations in the aggregate amount of not more than \$26,782,115.00 (herein, the "Expenditures");

WHEREAS, the money to be used to pay the Expenditures set forth in this Resolution is in the General Fund (herein, the "Fund"), the general purpose and function of which is used to pay operating and maintenance expenditures of the County and such money is not appropriated for any other purpose;

WHEREAS, the County reasonably expects that it will be reimbursed for the Expenditures with the Revenues; and

WHEREAS, after generating the Revenues, the County will: (1) evidence each allocation of the Revenues to the reimbursement of the Expenditures with an entry in its books and records maintained with respect to the Revenues, and (2) identify in such entry the actual prior Expenditures being reimbursed or the fund from which the Expenditures were made.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS COURT OF FORT BEND COUNTY, TEXAS THAT:

Section 1. The Court hereby adopts the findings set out in the preamble hereof and declares its intent within the meaning of Treasury Regulation § 1.150-2, as promulgated under the Internal Revenue Code of 1986, as amended, to generate and collect Revenues to fund the EpiCenter operations, of which a maximum amount of \$26,782,115.00 is expected to be used to reimburse the County for operating expenditures paid in connection with initially funding the EpiCenter operations prior to generating the Revenues.

Section 2. The County will maintain this Resolution at the office of the County at 301 Jackson Street, Richmond, Texas 77469 and make it continuously available for inspection by the general public during normal business hours on business days beginning within thirty (30) days after the date of this Resolution.

PASSED AND APPROVED this July 12, 2022.



County Judge KP George

KP George, County Judge
Fort Bend County, Texas


Laura Richard, County Clerk