

**AGREEMENT BETWEEN THE CITY OF SUGAR LAND AND THE SUGAR LAND 4B
CORPORATION REGARDING THE RESTORATION AND IMPROVEMENT OF
HISTORIC STRUCTURES IN THE IMPERIAL HISTORIC DISTRICT FOR
ECONOMIC DEVELOPMENT PURPOSES**

STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

This Agreement Regarding the Restoration and Improvement of Historic Structures in the Imperial Historic District for Economic Development Purposes (the “Agreement”) is entered into as of the [] day of April, 2025, between the CITY OF SUGAR LAND, TEXAS, a home-rule municipality situated in Fort Bend County, Texas (the “City”) and the SUGAR LAND 4B CORPORATION, a non-profit industrial development corporation (the “Corporation”) created pursuant to the provisions of the Development Corporation Act, including, particularly, Chapters 501, 502, and 505, Local Government Code (the “Act”).

RECITALS

WHEREAS, at a special election held within the City on January 21, 1995, the voters approved a proposition authorizing the levy and collection of a sales and use tax within the City at the rate of one-quarter of one percent (the “Additional Sales Tax”) as authorized by the Act for economic development purposes; and

WHEREAS, the Corporation was formed pursuant to the Act for the purposes of promoting, assisting, and enhancing economic development activities and quality of life opportunities within the City of Sugar Land and to encourage economic development as authorized by the Act. Pursuant to the provisions of the Act, the City collects the Additional Sales Tax and pays it to the Corporation; and

WHEREAS, Section 505.152, Texas Local Government Code, states that a “Project” in the Act includes the following:

Land, buildings, equipment, facilities, and improvements found by the Board of Directors to be required or suitable for use for professional and amateur sports, including children's sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, parks and park facilities, open space improvements, museums, exhibition facilities, and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities, and related roads, streets, and water and sewer facilities, and other related improvements that enhance any of the items described herein.

WHEREAS, the City and the Corporation hereby find that the Facilities (as hereinafter defined) constitute a “Project” as that term is defined under Section 505.152, Texas Local Government Code, and wish to proceed with the following economic development project: (i) the restoration and improvement of historic structures within the City’s Imperial Historic District, including the acquisition of approximately 45 acres of land located immediately north of US-90A

and between Ulrich Street and Wood Street in the City therefore, (ii) the construction or acquisition of and/or improvements to the City's utility system to serve the City's Imperial Historic District, (iii) and the construction or acquisition of and/or improvements to the City's streets and related drainage to serve the City's Imperial Historic District (collectively, the "Facilities"); and

WHEREAS, pursuant to Chapter 505, Texas Local Government Code, more than sixty (60) days prior to spending money to undertake the Facilities, the Corporation must publish notice of the Facilities in a newspaper of general circulation in the City and hold a public hearing on the proposed Facilities; and

WHEREAS, on March 26, 2025, the Corporation published a notice describing the Facilities in a newspaper of general circulation in the City, and on April 1, 2025, the Corporation held a public hearing on the proposed facilities; and

WHEREAS, the City has determined that the most economical means of financing the costs of the Facilities is for the City to issue its Combination Tax and Revenue Certificates of Obligation, Series 2025 (the "Certificates") in the approximate amount of \$50,000,000, with the agreement of the Corporation to make payments to the City from the Additional Sales Tax in amounts sufficient to pay an amount not to exceed fifty (50) percent of the debt service on the Certificates as and when it becomes due; and

WHEREAS, pursuant to the Act, the Corporation may not make any payments to the City for the Facilities until (i) after the 60th day after the date of publication of the notice describing the Facilities and (ii) after an official of the City certifies that no official of the City has received a petition from more than 10 percent of the registered voters of the City requesting that an election be held before the Corporation participates in making payments for the Facilities.

AGREEMENT

For and in consideration of the respective promises and mutual covenants and benefits hereinafter set forth, the City and the Corporation agree as follows:

ARTICLE I

THE PROJECT

Section 1.01. Construction of the Facilities. The City agrees to prepare or cause to be prepared all plans and specifications required for the construction of the Facilities. Copies of all such plans and specifications shall be provided to the Corporation upon request. The City further agrees to contract with all individuals or entities necessary to complete the Facilities in accordance with the plans, specifications and other construction documents.

Section 1.02. Issuance of the Certificates. The City agrees to proceed with the sale and to use the proceeds of the sale of the Certificates to pay the costs of the Facilities and the costs of issuing the Certificates.

Section 1.03. Use of Sales Tax Revenues. The Corporation agrees to use the Additional Sales Tax, and any interest earned thereon, to make payments to the City in amounts sufficient to

pay an amount not to exceed fifty (50) percent of the principal of and interest on the Certificates when due. Within fifteen (15) days of the closing of the Certificates, the City shall provide the Corporation with a schedule of the principal and interest payments due on the Certificates. At least thirty (30) days before a particular payment date of the principal of and/or interest on the Certificates, the City shall notify the Corporation of the amount to pay the City for such debt service, with the requested payment not to exceed fifty (50) percent of the amount sufficient to make such debt service payment then due. The Corporation agrees to pay to the City such requested payments at least fifteen (15) days before such payment is due. Notwithstanding the foregoing, the Corporation shall not be obligated to make any payments to the City until (i) after the 60th day after the date of publication of the notice describing the Facilities and (ii) after an official of the City certifies that no official of the City has received a petition from more than 10 percent of the registered voters of the City requesting that an election be held before the Corporation participates in making payments for the Facilities.

ARTICLE II

MISCELLANEOUS PROVISIONS

Section 2.01. Term. This Agreement shall be in force and effect from the date of execution hereof until the earlier of February 15, 2045 or the date on which the Certificates are paid in full.

Section 2.02. Amendments and Supplements. This Agreement may be amended, supplemented or extended by mutual agreement of the parties hereto.

Section 2.03. Merger. This Agreement embodies the entire understanding between the parties hereto and there are no prior effective representations, warranties; or agreements between the parties hereto.

Section 2.04. Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application hereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances shall not be affected thereby.

EXECUTED in multiple counterparts as of the date first written above.

CITY OF SUGAR LAND, TEXAS

Joe R. Zimmermann, Mayor
City of Sugar Land, Texas

ATTEST:

Linda Mendenhall, City Secretary
City of Sugar Land, Texas

SUGAR LAND 4B CORPORATION

By:

Kurt Kirchof, President
Sugar Land 4B Corporation

ATTEST:

By:

Linda Mendenhall, City Secretary