JRP
12/10/15
Item No. 15

A RESOLUTION 2015-12-10-0067R

APPROVING THE PROPOSED BEXAR COUNTY TAX ABATEMENT AGREEMENTS WITHIN THE BOUNDARY OF THE INNER CITY AND MIDTOWN TAX INCREMENT REINVESTMENT ZONES ("TIRZ") AS REQUIRED BY CHAPTER 311 OF THE TEXAS TAX CODE.

* * * * *

WHEREAS, in accordance with the Tax Increment Financing Act, Chapter 311, Section 311.0125(b)(1)(2) of the Texas Tax Code (the "TIF Act"), in order for a tax abatement agreement within a reinvestment zone to be effective it must be approved by the City of San Antonio ("City") and the TIRZ Board of Directors in which the tax abatement agreement is located; and

WHEREAS, pre-approval of County tax abatements agreements compliant with the County Tax Abatement Guidelines has been sought and approved by both the Inner City TIRZ Board of Directors and the Midtown TIRZ Board of Directors on November 13, 2015 and November 17, 2015 respectively; and

WHEREAS, Alamo Manhattan River Walk, LLC ("Alamo Manhattan Developer") is proposing to invest $39.6 million to construct a mid-rise, market-rate apartment community of 191 multi-family rental units with a parking structure and ground floor retail space at 111 W. Jones Street ("Alamo Manhattan Project") which is located within the boundary of the Midtown TIRZ and Bexar County is offering the Alamo Manhattan Developer a 10 year, 50% abatement of County taxes assessed on the Manhattan Project; and

WHEREAS, 1130 Broadway Residential, L.P. ("Broadway Developer") is proposing to invest $40 million to construct a mid-rise, market-rate apartment community of 302 Class A multi-family rental units with 2,838 square feet of retail space at 1130 Broadway ("Broadway Project") which is located within the boundary of the Inner City TIRZ and Bexar County is offering the Broadway Developer a 10 year, 50% abatement of County taxes assessed on the Broadway Project; and

WHEREAS, the City and the County share the common goal of supporting residential development and urban renewal in the central city area; and

WHEREAS, the County is not a Participating Taxing Entity within the Inner City nor the Midtown TIRZ; and

WHEREAS, approval of the County tax abatement agreements within the Inner City and Midtown TIRZ will allow the County to remain compliant with Chapter 311 of the Texas Tax Code; **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. City Council hereby approves of the proposed Bexar County Tax Abatement Agreements within the Inner City and Midtown TIRZ as attached in substantially final form and incorporated for all purposes as Exhibits A and B.

SECTION 2. The approvals of the Country Tax Abatement Agreements are conditioned on the terms of the Agreements remaining the same as they are attached to this Resolution.

SECTION 3. Approval of the Bexar County Tax Abatement has no fiscal impact as the City is the only participating taxing entity in both the Inner City and Midtown TIRZ. Therefore, the Bexar County tax abatements will have no fiscal impact on the City's general fund, the Inner City TIRZ fund and Midtown TIRZ fund.

SECTION 4. This Resolution shall become effective immediately upon its passage by eight (8) affirmative votes of the City Council. If less than eight (8) affirmative votes are received, then this Resolution shall be effective ten (10) days after passage.

PASSED AND APPROVED this 10th day of December, 2015.

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek
City Clerk

APPROVED AS TO FORM:

Martha G. Sepeda
Acting City Attorney

Agenda Item:	**15 (in consent vote: 4, 5, 7, 8A, 8B, 10, 11, 12, 13, 14, 15)**
Date:	12/10/2015
Time:	09:22:51 AM
Vote Type:	Motion to Approve
Description:	A Resolution approving Bexar County tax abatements for the 1130 Broadway and 111 W. Jones projects located within the boundaries of the Inner City and Midtown Tax Increment Reinvestment Zones, respectively. [Peter Zanoni, Deputy City Manager; John Dugan, Director, Planning and Community Development]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor	x					
Roberto C. Treviño	District 1		x				
Alan Warrick	District 2		x			x	
Rebecca Viagran	District 3	x					
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6	x					
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				x
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

Exhibit A

STATE OF TEXAS	§	**TAX ABATEMENT AGREEMENT**
	§	**BETWEEN THE COUNTY OF BEXAR**
COUNTY OF BEXAR	§	**AND 1130 BROADWAY RESIDENTIAL, L.P.**

THIS TAX ABATEMENT AGREEMENT ("***Agreement***") is entered into by and between the County of Bexar, a political subdivision of the State of Texas ("***COUNTY***"), duly acting herein by and through the Bexar County Commissioners Court ("***Commissioners Court***") for and on behalf of COUNTY and 1130 Broadway Residential, L.P., a Texas limited partnership validly existing, in good standing and authorized to conduct business under the laws of the State of Texas ("***COMPANY***").

WITNESSETH:

WHEREAS, designation of an enterprise zone pursuant to Texas Gov't Code § 2303.101(1) further constitutes designation of the area within the enterprise zone as a REINVESTMENT ZONE (the "***Zone***") for purposes of the Texas Property Redevelopment and Tax Abatement Act of 1987, V.A.T.S. Tax Code, Chapter 312; and

WHEREAS, COMPANY owns certain real property within Bexar County and intends to develop that property into a multi-family and commercial development to include 302 rental units and 2,838 square feet of retail space, all to be located in the Zone and currently having a street address of 1130 Broadway, San Antonio, Texas 78215 (cumulatively, the "***Project***"); and

WHEREAS, COMPANY has made application to the COUNTY for a tax abatement on the increase in the assessed value of the real property and certain eligible improvements to the real property to be constructed at the Project site after execution of this Agreement; and

WHEREAS, COUNTY has approved Tax Abatement Guidelines ("***Guidelines***") which govern tax abatement agreements entered into by COUNTY; and

WHEREAS, in order to maintain and enhance the commercial and industrial economic and employment base, the Commissioners Court has determined to grant the tax abatement and to enter into this Agreement, in accordance with the Guidelines and all other applicable laws; and

WHEREAS, the Commissioners Court finds that the proposed investment, as described in this Agreement, is consistent with the expansion of primary employment and housing and the attraction of major investment in the Zone, which contributes to economic development in Bexar County and the enhancement of the tax base, and is in compliance with other applicable laws;

WHEREAS, pursuant to Texas Tax Code § 311.0125, this Agreement shall not be of effect unless and until approved by the Board of Directors of Reinvestment Zone Number Eleven, City of San Antonio Texas and the Board of Directors has so approved the Tax Abatement granted by this Agreement by way of City Resolution 2015-XX-XX-XXXX dated XX XX, 2015, and Board approval on November 13, 2015;

NOW, THEREFORE, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the parties do hereby contract, covenant, and agree as follows:

ARTICLE I
DEFINITIONS

1.01 "***Application***" for purposes of this Agreement shall mean The Joint Incentive Application dated on or about May 13, 2015, on file with the Commissioners Court, attached hereto as Exhibit "E" and incorporated herein for all purposes.

1.02 "***Base Value***" for purposes of the abatement to be granted on the Real Property (as defined in Article I, Paragraph 1.08) and Eligible Improvements (as defined in Article I, Paragraph 1.04), shall mean the assessed value of the Real Property and any Improvements located on the Real Property as of January 1, 2015. Base Value shall be determined by the Bexar Appraisal District ("***Appraisal District***") in accordance with applicable Texas law.

1.03 "***Certificate of Completion***" means the sworn certificate of COMPANY in the form attached as Exhibit "D," incorporated herein for all purposes upon submission to the COUNTY by COMPANY, affirming that construction of the Eligible Improvements are complete and no known uncured breach of any term or condition of this Agreement then exists.

1.04 "***Eligible Improvements***" for purposes of this Agreement shall mean the construction of an apartment complex which includes 302 new units, associated commercial uses, and related Improvements which COMPANY intends to construct on the Real Property. Eligible Improvements shall only include those Improvements which are substantially completed prior to the date that COMPANY is required to submit a Certificate of Completion to the COUNTY and shall not include any Improvements constructed after such date.

1.05 "***Force Majeure***" for purposes of this Agreement shall mean a contingency or cause beyond the reasonable control of COMPANY, including, but not limited to, fire, explosion, or other casualty or accident or natural disaster and not resulting from the negligence, intentional act or misconduct of COMPANY, inclement weather beyond applicable seasonal norms, acts of God or the public enemy, strikes or lockouts or labor disputes, shortages or unavailability of materials and governmental restrictions or changes in applicable laws, rules or regulations of governmental authorities enacted after the Effective Date (as defined in Article II, Paragraph 2.04). The burden to prove the occurrence of an event of Force Majeure shall rest solely with COMPANY and only upon written submission detailing the event(s) to the COUNTY's Economic Development Department Executive Director.

1.06 "***Improvements***" for purposes of this Agreement shall have the meaning assigned by the Texas Tax Code §1.04(3) and shall include buildings, structures, fixtures, and fences erected on or affixed to Real Property and shown on the Site Plan attached as Exhibit "B".

1.07 "***Personal Property***" for purposes of this Agreement shall have the meaning assigned by the Texas Tax Code §1.04(4) and (5) and shall include equipment, furniture, fixtures, inventory, and supplies.

1.08 "***Real Property***" for purposes of this Agreement shall mean the parcel of land owned in fee simple by COMPANY which consists of approximately 3.705 acres of land on which COMPANY will construct the Eligible Improvements. A legal description of the parcel of land constituting the Real Property is attached to this Agreement as Exhibit "A" and incorporated herein for all purposes.

1.09 "***Recapture Period***" for purposes of this Agreement shall mean the period beginning on January 1st of the year immediately following the year in which the Tax Abatement Period (as defined in Article I, Paragraph 1.11) ends and continuing for a period of six (6) years through December 31st of that sixth year.

1.10 "***Tax Abatement***" for purposes of this Agreement shall mean the percentage of the increase in the assessed value of the Real Property and the Eligible Improvements, above the Base Value, which will be exempt from ad valorem taxation in accordance with the Texas Tax Code, subject to the terms and conditions herein.

1.11 "***Tax Abatement Period***" for purposes of this Agreement shall mean the period beginning on January 1, 2017 and continuing for a period of ten (10) tax years thereafter ending on December 31 of that tenth year.

ARTICLE II
TERMS OF TAX ABATEMENT

2.01 Provided COMPANY is and remains in compliance with the terms and conditions of this Agreement, a Tax Abatement of **FIFTY PERCENT (50%)** shall be granted to COMPANY on the Real Property and Eligible Improvements during the Tax Abatement Period.

2.02 The property eligible for Tax Abatement under this Agreement will be the Real Property and Eligible Improvements only.

2.03 The ad valorem taxes eligible for Tax Abatement under this Agreement shall be the ad valorem taxes levied by the Commissioners Court for and on behalf of COUNTY only. Ad valorem taxes eligible for tax abatement under this Agreement shall not include taxes levied by the Commissioners Court for and on behalf of any other taxing authority or jurisdiction, including the Bexar County Hospital District operating as University Health System or the Bexar County Flood Control District.

2.04 This Agreement shall begin on the date of execution by COUNTY ("***Effective Date***") and terminate upon expiration of the Recapture Period ("***Term***").

2.05 COMPANY must own the Real Property and Eligible Improvements in fee simple during the Term, subject to the assignment rights as hereinafter set out.

2.06 COMPANY agrees that during the Term that no portion of the Real Property or Eligible Improvements shall be utilized for any purpose other than for the operation of a multi-family housing project offering market rate multi-family rental units along with related uses such as food service, retail space, parking, administrative offices and common-use facilities (cumulatively, the "***Intended Purposes***") for any period longer than sixty (60) calendar days for any reason, excepting a Force Majeure event, unless prior written consent has been obtained from Commissioners Court. Should COMPANY use or allow the Real Property or Eligible Improvements to be used for purposes other than the Intended Purposes, the COUNTY's determination of the date such inconsistent use began shall be conclusive for calculating the sixty (60) day period unless COMPANY presents credible evidence to clearly indicate an alternate date.

2.07 COMPANY agrees to pay, before the delinquency date, all of their ad valorem taxes due with respect to any other property located in Bexar County that is not subject to Tax Abatement under this Agreement or other similar incentive agreement, subject to each entities right to protest ad valorem taxes as permitted by applicable law.

2.08 COMPANY understands and agrees that the Base Value of the Real Property and Eligible Improvements, and the tax levy on the Base Value, shall not decrease, but taxes may increase and that the amount of ad valorem taxes paid by COMPANY attributable to the Real Property and Eligible Improvements shall not be less than the amount of taxes paid for the tax year this Agreement is executed. However, COMPANY shall have the right to protest and/or contest appraisals over and above the Base Value.

2.09 COMPANY agrees to furnish the Appraisal District with such information pertaining to the Real Property and the Eligible Improvements outlined in the Texas Tax Code as is necessary for abatement and appraisal purposes, as well as any relevant accounting or tax records pertaining to the Real Property and Eligible Improvements deemed necessary by the Appraisal District for such purposes. All values (including Base Value) relevant to this Agreement and the yearly amount of the Tax Abatement to be provided hereunder shall be determined by the Appraisal District under applicable Texas law and the Appraisal District's final determination for purposes of this Agreement shall be conclusive.

2.10 The Real Property and Eligible Improvements shall be maintained in good repair and condition during the Term, normal wear and tear excepted.

ARTICLE III
CAPITAL INVESTMENT COMMITMENTS

3.01 This Agreement and the Tax Abatement granted hereunder is conditioned on COMPANY complying with the capital investment commitments described in this Article III.

3.02 COMPANY agrees that its capital investment in the Real Property and Eligible Improvements shall be in an amount not less than **FORTY MILLION DOLLARS ($40,000,000.00)**. All of the capital investments contemplated by this Paragraph 3.02 must be completed on or before December 31, 2016, subject to Force Majeure. Within

thirty (30) calendar days following Substantial Completion of the Project, COMPANY must submit to the COUNTY a fully complete and endorsed original Certificate of Completion. Substantial Completion shall include construction of the Eligible Improvements and inspection and permitting approval by Governmental Authorities having regulatory authority over the Project.

3.03 COMPANY agrees that all property subject to this Agreement shall be located entirely within Bexar County and solely within the Zone.

3.04 COMPANY agrees that all construction related to the Eligible Improvements will comply with:

(a) applicable building codes and ordinances, including but not limited to flood, subdivision, building, electrical, plumbing, fire, and life safety codes and ordinances, as amended; and

(b) applicable city, county, state, and federal laws, rules, regulations, statutes, ordinances, orders, and codes, as amended.

3.05 COMPANY understands and agrees that the Tax Abatement granted hereunder applies only to the Real Property and Eligible Improvements identified in this Agreement and that no Personal Property, or Improvements constructed on the Real Property after COMPANY's submission of the Certificate of Completion to the COUNTY (other than repairs to or replacement of the Real Property and Eligible Improvements due to damage or casualty) shall be eligible for Tax Abatement under this Agreement.

3.06 COMPANY agrees to furnish COUNTY with semi-annual reports in a form satisfactory to COUNTY but substantially similar to Exhibit "C" certifying its compliance with the capital investment commitments contemplated by this Agreement. The semi-annual reports shall include information on the extent and amount of investment in Real Property and Eligible Improvements that occurred during the semi-annual period preceding the submission of such reports. COMPANY agrees to submit the reports by March 31st (covering the period July 1 through December 31) and September 30th (covering the period January 1 through June 30) of each year until such time as it has certified that all of the investments contemplated by this Agreement are completed, after which no further semi-annual reports will be required pursuant to this Section 3.06. COUNTY may require that the reports include detailed information on capital expenditures, to include purchase order numbers, vendor names, and dollar amounts paid for all of the capital investments, actual costs, and book values. These reports must be prepared and administered in accordance with generally accepted accounting principles. During the Term, COUNTY and its employees and agents shall have access to the Real Property and Eligible Improvements (upon ten (10) business days advance written notice and during normal business hours) for the purpose of inspection to ensure that the Eligible Improvements have been completed and are being used for the purposes described in this Agreement.

ARTICLE IV
GOODWILL BENEFITS

4.01 COMPANY, as a tax abatement recipient, and/or its affiliates or assignee (if applicable), will make a good faith effort to provide goodwill benefits to the COUNTY community. These goodwill benefits may include completed, current or planned benefits which can be in-kind donations, monetary donations or service donations to local non-profits, community organizations or national organizations directly assisting citizens of the COUNTY.

ARTICLE V
REPRESENTATIONS OF COMPANY

5.01 The execution and performance of this Agreement by COMPANY has been duly authorized by its partners or other governing authority and does not require the consent or approval of any other person which has not been obtained. Additionally, the individual executing this Agreement on behalf of COMPANY represents that he or she has full legal authority to execute this Agreement on behalf of COMPANY and to bind COMPANY to all terms, performances and provisions herein contained, as obtained by the execution of Exhibit "F". In the event that a dispute arises as to the legal authority of either COMPANY, or the person signing on behalf of COMPANY, to enter into this Agreement, COUNTY shall have the right, at its option, to either temporarily suspend or permanently terminate this Agreement.

5.02 COMPANY represents and warrants that the Real Property and Eligible Improvements will be used only for the Intended Purposes as described in this Agreement. COMPANY agrees that any change in the use of the of the Eligible Improvements or Real Property during the Term from the Intended Purposes must have the prior written approval of Commissioners Court, such approval not to be unreasonably withheld, and any other governmental entity having an interest in the abatement of ad valorem taxation of the property subject to this Agreement.

5.03 COMPANY represents that the Project described in this Agreement is not financed by tax increment bonds.

5.04 COMPANY represents and warrants that no bonds for which the COUNTY is liable have been or will be used to finance any portion of this Project. Further, COMPANY acknowledges that this Agreement is entered into subject to the rights of the holders of outstanding bonds of COUNTY.

5.05 COMPANY represents that no interest in any of the property subject to Tax Abatement under this Agreement is presently held by or leased to, and warrants that during the Term it shall not, sell or lease an interest in such property to a member of the Commissioners Court, the City of San Antonio Council, the City of San Antonio Zoning and Planning Commissioners, or any other officer or employee of COUNTY or the City of San Antonio, or any member of the governing body of any taxing unit joining in or adopting this Agreement. The foregoing limitation shall not apply to tenant leases for rental units

entered into by COMPANY in the ordinary course of business so long as COMPANY does so at market rates and on terms and conditions which are equal to those terms and conditions contained in tenant leases entered into by tenants not belonging to the above described officers and employees.

5.06 COMPANY warrants that all of its activities related to this Agreement will be conducted in accordance with applicable federal, state and local laws.

5.07 COMPANY represents that the information provided and the representations made in the Application are true and correct.

ARTICLE VI
DEFAULT, TERMINATION, AND RECAPTURE

6.01 Should COMPANY fail to comply with any term or condition of this Agreement during the Term, or if any representation or warranty made by COMPANY to COUNTY in this Agreement is false or misleading in any material respect, then COUNTY may declare a default and terminate this Agreement in accordance with the procedure described herein. If COUNTY provides COMPANY with written notice of default ("***Default Notice***") and the identified default(s) is not cured within sixty (60) calendar days from the date the Default Notice is sent ("***Cure Period***"), then this Agreement shall automatically terminate effective as of the date of the expiration of the Cure Period ("***Termination Date***"). The COUNTY may, in its sole discretion, extend the Cure Period if COMPANY commences the cure within the Cure Period and is diligently pursuing such cure.

6.02 In the event of termination pursuant to Paragraph 6.01 which occurs during the Tax Abatement Period, COMPANY agrees that abated ad valorem taxes will become due and owing for the calendar year in which the Default Notice leading to termination of this Agreement is sent and shall accrue without abatement for all years thereafter.

6.03 In addition, if this Agreement is terminated by COUNTY pursuant to Paragraph 6.01, COMPANY must repay COUNTY the ad valorem taxes previously abated (hereafter, "***Recapture***"). The amount of previously abated taxes subject to Recapture by COUNTY shall be determined by multiplying the total taxes abated by the applicable percentage, based on the calendar year in which the Default Notice resulting in termination of this Agreement is sent, in accordance with the Recapture Schedule below:

RECAPTURE SCHEDULE	
Year in which Notice Resulting in Termination is Sent:	**Total Taxes Previously Abated Shall be Multiplied by:**
During the Tax Abatement Period	100%
Year 1 of a Recapture Period	100%
Year 2 of a Recapture Period	80%
Year 3 of a Recapture Period	60%
Year 4 of a Recapture Period	40%
Year 5 of a Recapture Period	20%
Year 6 of a Recapture Period	10%

COMPANY agrees that the previously abated taxes which become due and owing under this Article VI shall be paid to COUNTY within sixty (60) calendar days following the Termination Date. It is not a waiver of default if COUNTY fails to declare immediately a default, or delays in taking any action with respect to a default, or fails to take any action with respect to a default.

6.04 In the event any property subject to this Agreement is taken by any public or quasi-public authority under the powers of eminent domain, condemnation, or expropriation, then the Tax Abatement as to that portion of the property affected shall terminate and there shall be no recapture of taxes or other penalty.

6.05 The remedies contained in this Agreement are non-exclusive and COUNTY shall have any and all remedies it may be entitled to either in law or in equity. The exercise of any remedy by COUNTY shall not be deemed as a waiver of any other remedy to which COUNTY may be entitled.

ARTICLE VII
ASSIGNMENT

7.01 No legal or business entity other than COMPANY shall be entitled to receive the benefit of the Tax Abatement provided herein, including any entity resulting from a merger, reorganization, or any other form of business combination involving COMPANY, without the prior written consent of COUNTY acting by and through the Commissioners Court, such consent not to be unreasonably withheld, conditioned, or delayed. In addition, this Agreement shall not be assigned by COMPANY to any other legal entity without the prior written consent of COUNTY, such consent not to be unreasonably withheld, conditioned, or delayed. Any attempted transfer of the rights and responsibilities under this Agreement or the assignment of this Agreement without prior approval of COUNTY, acting by and through the Commissioners Court, shall be void and this Agreement shall terminate triggering the recapture provisions of Article VI and COMPANY shall have no ability to cure.

7.02 In the event of an assignment by COMPANY to which COUNTY has consented in writing, the assignee, or the assignee's legal representative, shall then enter into a written agreement with the COUNTY agreeing to assume, perform, and be bound by all of the covenants, obligations, and agreements contained within this Agreement.

ARTICLE VIII
NOTICES

8.01 All notices provided to be given under this Agreement shall be in writing, and shall either be personally served against a written receipt therefore or given by certified mail or registered mail, return receipt requested, postage prepaid, and addressed to the proper party at the address which appears below, or at such other address as the parties hereto may hereafter designate in accordance herewith. All notices given by mail shall be deemed to have been given at the time of deposit in the United States mail and shall be effective from such date.

If to COUNTY:	County Judge 101 West Nueva Street, Suite 1019 San Antonio, Texas 78205-3482 Attn: Tax Abatement Agreement
With a copy to:	Commissioner, Precinct 4 101 West Nueva Street, Suite 1029 San Antonio, Texas 78205-3483
and	Executive Director Economic Development Department 101 West Nueva Street, Suite 944 San Antonio, Texas 78205-3450
and	Chief, Civil Section Bexar County District Attorney's Office 101 West Nueva San Antonio, Texas 78205
If to COMPANY:	Managing Director Argyle Residential 1601 South Mopac, Suite 160 Austin, Texas 78746
With a copy to:	Kaufman & Killen, Inc. Attn.: Ashley Farrimond 100 West Houston Street, Suite 1250 San Antonio, Texas 78205

DRAFT

ARTICLE IX
SEVERABILITY

9.01 In the event any section, subsection, paragraph, subparagraph, sentence, phrase, or word contained in this Agreement is held invalid, illegal, or unenforceable, the balance of this Agreement shall stand, shall be enforceable, and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, subparagraph, sentence, phrase, or word. In such event, there shall be substituted for such deleted provision a provision as similar in terms and in effect to such deleted provision as may be valid, legal, and enforceable.

ARTICLE X
APPLICABLE LAW

10.01 This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflicts of law principles that would require the application of the laws of any other state. Venue for any action brought hereunder (including any action brought in federal court) will be exclusively in Bexar County, Texas.

ARTICLE XI
INCORPORATION OF OTHER DOCUMENTS

11.01 The following exhibits are attached hereto and incorporated herein for all purposes:

Exhibit "A" Legal Description of the Real Property

Exhibit "B" Site Plan

Exhibit "C" Bexar County Semi-Annual Tax Abatement Compliance Report

Exhibit "D" Certificate of Completion

Exhibit "E" County of Bexar and City of San Antonio Joint Incentive Application

Exhibit "F" Partnership's Authorization to enter into Tax Abatement

ARTICLE XII
AMENDMENT OF DOCUMENTS

12.01 No amendment, modification, or alteration of the terms hereof shall be binding unless the same is in writing, dated subsequent to the date hereof, and duly executed by the parties hereto.

ARTICLE XIII
MULTIPLE COUNTERPARTS

13.01 This Agreement may be executed by the parties in several counterparts, and each counterpart, when so executed and delivered, shall constitute an original instrument, and all such separate counterparts shall constitute but one and the same instrument.

ARTICLE XIV
PRIOR AGREEMENTS SUPERSEDED

14.01 This Agreement constitutes the sole and only agreement of the parties hereto and supersedes all prior understandings or written or oral agreements between the parties respecting the subject matter within.

ARTICLE XV
CERTIFICATION

15.01 COMPANY, by execution of this Agreement and in accordance with Chapter 2264 of the Texas Government Code, agrees not to knowingly employ any undocumented workers at the Project site during the Term of this Agreement. If COMPANY is convicted of a violation under 8 U.S.C. Section 1324a (f), then this Agreement shall terminate without necessity of the Cure Period, and COMPANY shall pay to COUNTY all of the ad valorem taxes previously abated by this Agreement. The COUNTY shall provide written notice to COMPANY of such a breach ("***Violation Notice***") and within one hundred twenty (120) calendar business days after the Violation Notice is sent, COMPANY shall repay to COUNTY all of the ad valorem taxes previously abated by this Agreement with interest to be calculated in accordance with the money judgment rate set forth in Section 304.003 of the Texas Finance Code, as may be amended from time to time, from the date of the Violation Notice until paid. The COUNTY, in its sole discretion, may extend the period for repayment set forth herein. In addition, COMPANY agrees to pay all costs and expenses, including attorney's fees, incurred by the COUNTY in enforcing this provision.

15.02 In the event of termination pursuant to the above Paragraph 15.01, COMPANY agrees that ad valorem taxes will be due for the calendar year during which the written notice leading to such termination is sent (if termination occurs during the Tax Abatement Period) and shall accrue without abatement for all years thereafter.

(remainder of page intentionally left blank)

ARTICLE XVI
COMMISSIONERS COURT AUTHORIZATION

16.01 This Agreement was approved by Order of the Commissioners Court dated DECEMBER 15, 2015 authorizing the County Judge to execute this Agreement on behalf of COUNTY. The Tax Abatement contemplated by this Agreement is expressly subject to COMPANY'S fulfillment of all of the terms and conditions described herein.

IN WITNESS WHEREOF, this Agreement is executed in triplicate originals effective this 15TH day of DECEMBER, 2015.

COUNTY OF BEXAR

By: _____
NELSON W. WOLFF
County Judge

ATTEST:

_____
GERARD C. RICKHOFF
County Clerk

1130 BROADWAY RESIDENTIAL, L.P.,
a Texas limited partnership

By: 1130 Broadway GP, L.P.,
a Delaware limited partnership
General Partner

_____
M. TIMOTHY CLARK
President

Date: 11/2/2015

DRAFT

APPROVED AS TO LEGAL FORM:
Criminal District Attorney
County of Bexar, Texas

By: _____
GERARD CALDERON
Assistant Criminal District Attorney
Civil Section

APPROVED AS TO FINANCIAL CONTENT:

_____
SUSAN YEATTS
County Auditor

_____
DAVID SMITH
County Manager

APPROVED:

_____
DAVID MARQUEZ
Executive Director of Economic Development

DRAFT

EXHIBIT "A"

LEGAL DESCRIPTION OF THE REAL PROPERTY

DRAFT

CDS/MUERY SERVICES
Engineering & Surveying

FIELDNOTE DESCRIPTION

BEING a 3.705 acre tract of land out of NCB 463 and NCB 468 as shown on the City of San Antonio Block Maps and being all of those tracts described in deeds of record in Vol. 2701, Pg. 310, Vol. 4002. Pg. 2042, and Vol. 15986, Pg. 1398 of the Official Records of Bexar County, Texas; said 3.705 acre tract being more particularly described by metes and bounds as follows:

BEGINNING at an "x" cut in concrete found in the east line of Broadway Avenue, same being the west line of said NCB 468, for the northwest corner of Lot 3 of said NCB 468 and hereof, and from which a 1/2 inch iron rod found at the intersection of the east line of Broadway Avenue and the south line of Interstate Highway 37 bears N17°28'10"E, a distance of 200.00 feet;

THENCE, S72°30'12"E, along the north line of said Lot 3, same being the south line of Lot 4 of said NCB 468, passing at a distance of 125.00 feet the northeast corner of said Lot 3, and continuing for a total distance of 133.00 feet to a 1/2 inch iron rod found in the centerline of a closed 16 foot wide alley, for the northernmost, northeast corner hereof;

THENCE, S17°27'44"W, along the centerline of said closed 16 foot alley, a distance of 100.00 feet to a 1/2 inch iron rod with plastic cap stamped "CDS/Muery-SA,TX" set for the an angle point hereof;

THENCE, S72°30'12"E, passing at a distance of 8.00 feet the southwest corner of Lot 10 of said NCB 468, and continuing along the south line of said Lot 10, for a total distance of 56.50 feet to a 1/2 inch iron rod with plastic cap stamped "CDS/Muery-SA,TX" set for an angle point hereof, same being the northwest corner of that tract of record in Vol. 9017, Pg. 260 of said Official Records, and from which a 1/2 inch iron rod found in the west line of N. Alamo Street, for the southwest corner of said Lot 10 bears S72°30'12"E, a distance of 71.50 feet;

THENCE, S17°30'33"W, leaving the south line of said Lot 10, over and across Lot 9 of said NCB 468 and over and across closed 12th Street, a distance of 75.00 feet to a P.K. nail with shiner set in asphalt in the centerline of said closed 12th Street, for the southwest corner of that tract of record in Vol. 9017, Pg. 266 of said Official Records, same being an angle point hereof;

THENCE, S72°30'12"E, along the centerline of said closed 12th Street, a distance of 71.50 feet to a 1/2 inch iron rod found in the west line of N. Alamo Street, for the easternmost, northeast corner hereof;

THENCE, S17°30'33"W, along the west line of N. Alamo Street, same being the east line of said NCB 468 and said NCB 463, a distance of 560.92 feet to an "x" cut in concrete set for the northeast corner of that tract known as Lot B-1 of said NCB 463 and of record in Vol. 10829, Pg. 1332 of said Official Records, same being the easternmost, southeast corner hereof;

THENCE, leaving the east line of N. Alamo Street, along the north and west lines of said Lot B-1, the following two (2) courses and distances:

1. N50°01'31"W, a distance of 57.56 feet to a P.K. nail with shiner set in concrete for the northernmost corner of said Lot B-1, same being an angle point hereof;

2. S39°58'29"W, a distance of 56.00 feet to an "x" cut in concrete set in the north line of Jones Avenue, for the southernmost corner of Lot 4 of said NCB 463, same being the southernmost, southeast corner hereof;

THENCE, N50°01'31"W, along the north line of Jones Avenue, same being the south line of Lot 4 and Lot 3 of said NCB 463, a distance of 99.62 feet to a 1/2 inch iron rod with plastic cap stamped "CDS/Muery-SA,TX" set for the southwest corner of said Lot 3, same being the southeast corner of Lot 2 of said NCB 463 and that tract of record in Vol. 7985, Pg. 1352 of said Official Records, for an angle point hereof;

THENCE, leaving the north line of N. Alamo Street, along the east and north lines of said tract of record in Vol. 7985, Pg. 1352, the following two (2) courses and distances:

3. N39°13'00"E, a distance of 113.43 feet to a an "x" cut in concrete set for an angle point hereof;

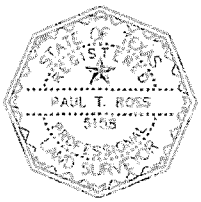
4. N72°33'59"W, a distance of 135.95 feet to an "x" cut in concrete set in the east line of Broadway Avenue, for northwest corner of that tract of record in Vol. 7985, Pg. 1352, same being the southwest corner hereof, and from which a P.K. nail with shiner set in concrete for the southwest corner of said NCB 463 bears S17°28'10"W, a distance of 66.35 feet;

THENCE, N17°28'10"E, along the east line of Broadway Avenue, same being the west line of said NCB 463 and NCB 468, a distance of 622.35 feet to the **POINT OF BEGINNING**, containing an area of 3.705 acres, more or less, within these metes and bounds.

The bearing basis for this survey is the west line of NCB 468 as shown on sheet 4 of the TXDOT R.O.W. map for Interstate Hwy. 37 dated Nov. 03, 1969 with the TXDOT Acct. No. 9015-12-2. A survey drawing was prepared to accompany this fieldnote description.

Paul T. Ross 19 MAR. 13

Paul T. Ross Date
Registered Professional Land Surveyor
Texas Registration No. 5158



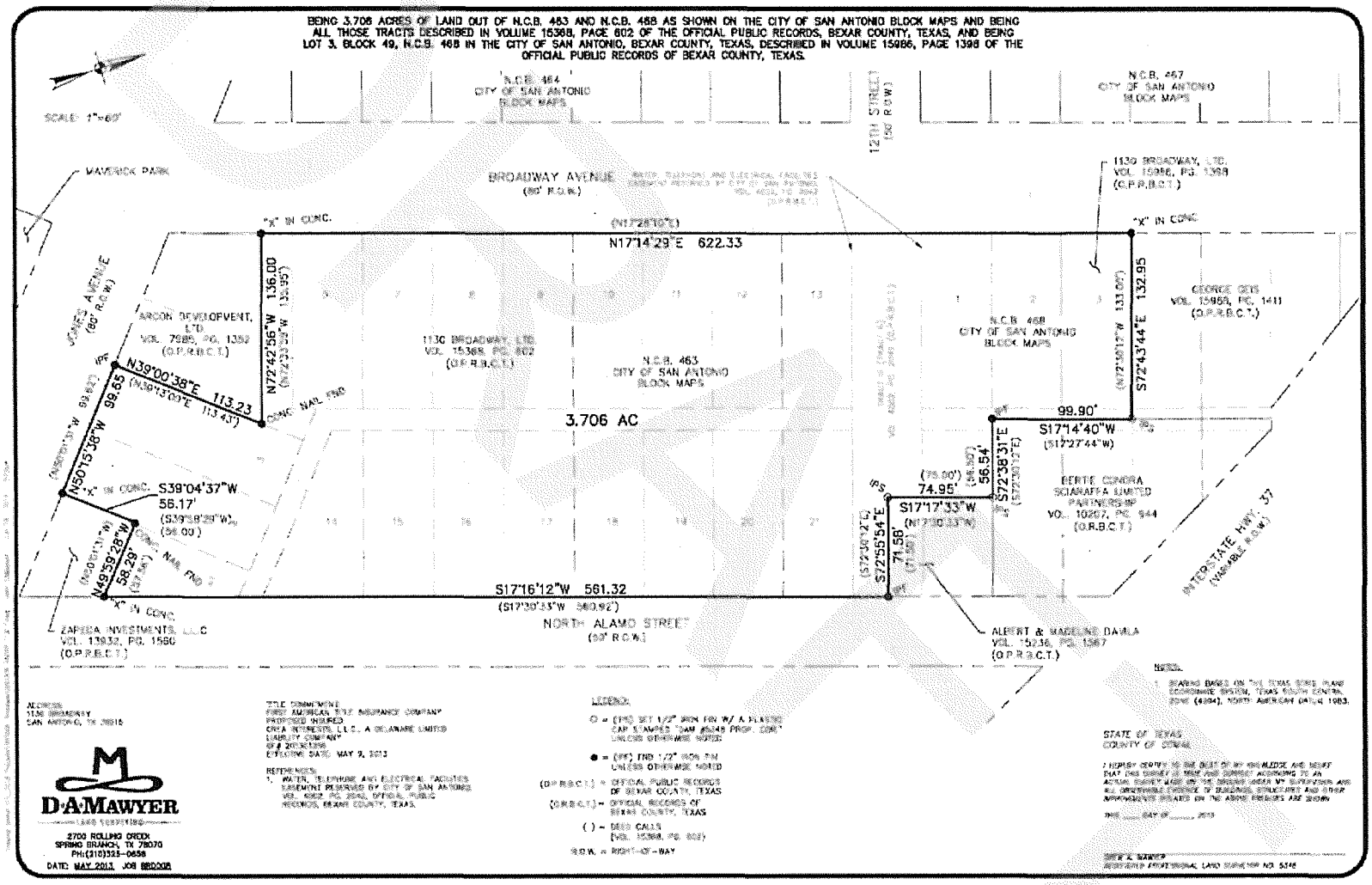

BEING 3.706 ACRES OF LAND OUT OF N.C.B. 463 AND N.C.B. 468 AS SHOWN ON THE CITY OF SAN ANTONIO BLOCK MAPS AND BEING ALL THOSE TRACTS DESCRIBED IN VOLUME 15388, PAGE 602 OF THE OFFICIAL PUBLIC RECORDS, BEXAR COUNTY, TEXAS, AND BEING LOT 3, BLOCK 49, N.C.B. 468 IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, DESCRIBED IN VOLUME 15986, PAGE 1398 OF THE OFFICIAL PUBLIC RECORDS OF BEXAR COUNTY, TEXAS.
SCALE: 1"=60'
N.C.B. 464 CITY OF SAN ANTONIO BLOCK MAPS
N.C.B. 467 CITY OF SAN ANTONIO BLOCK MAPS
12TH STREET (50' R.O.W.)
MAVERICK PARK
BROADWAY AVENUE (80' R.O.W.)
1130 BROADWAY, LTD. VOL. 15986, PG. 1398 (O.P.R.B.C.T.)
"X" IN CONC.
N17°14'29"E 622.33
JONES AVENUE (80' R.O.W.)
ARCON DEVELOPMENT, LTD. VOL. 7985, PG. 1352 (O.P.R.B.C.T.)
N72°42'56"W 136.00
1130 BROADWAY, LTD. VOL. 15388, PG. 602 (O.P.R.B.C.T.)
N.C.B. 463 CITY OF SAN ANTONIO BLOCK MAPS
N.C.B. 468 CITY OF SAN ANTONIO BLOCK MAPS
S72°43'44"E 132.95
GEORGE GEIS VOL. 15969, PG. 1411 (O.P.R.B.C.T.)
N39°00'38"E 113.23
99.65
CONC. NAIL FND.
3.706 AC
99.90'
S17°14'40"W
N50°15'38"W
S39°04'37"W 56.17'
S72°38'31"E 56.54'
74.95'
S17°17'33"W
BERTE CONDRA SCIARAFFA LIMITED PARTNERSHIP VOL. 10267, PG. 944 (O.R.B.C.T.)
INTERSTATE HWY 37 (VARIABLE R.O.W.)
N49°59'28"W 58.29'
S72°55'54"E 71.58'
S17°16'12"W 561.32
NORTH ALAMO STREET (50' R.O.W.)
ZAPEDA INVESTMENTS, L.L.C. VOL. 13932, PG. 1560 (O.P.R.B.C.T.)
ALBERT & MADELINE DAMLA VOL. 10236, PG. 1367 (O.P.R.B.C.T.)
D·A·MAWYER
2700 ROLLING CREEK
SPRING BRANCH, TX 78070
PH:(210)323-0658
DATE: MAY 2013 JOB 88DOOR
LEGEND
STATE OF TEXAS
COUNTY OF BEXAR

EXHIBIT "B"

SITE PLAN

DRAFT

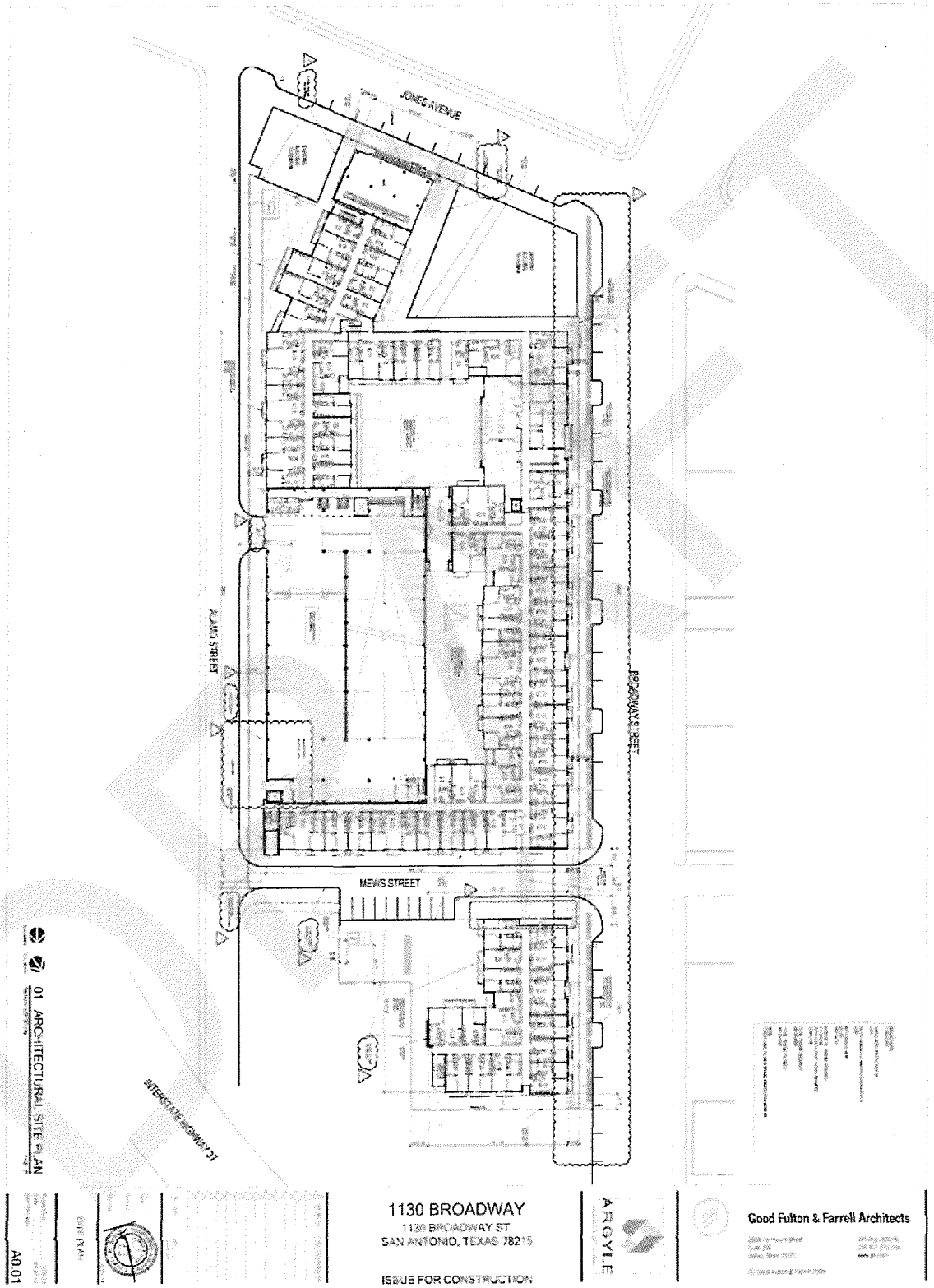

JONES AVENUE
BROADWAY STREET
MEWS STREET
INTERSTATE HIGHWAY 37
01 ARCHITECTURAL SITE PLAN
A0.01
1130 BROADWAY
1130 BROADWAY ST
SAN ANTONIO, TEXAS 78215
ISSUE FOR CONSTRUCTION
ARGYLE
Good Fulton & Farrell Architects

EXHIBIT "C"

COUNTY OF BEXAR TAX ABATEMENT COMPLIANCE REPORT

DRAFT

BEXAR COUNTY SEMI-ANNUAL TAX ABATEMENT COMPLIANCE REPORT

Reporting Period: _____ through _____

Real Property Improvements	
Expenditures associated with the real property improvements to your facility during _____ through _____.	
1. Improvements occurring during reporting period.	$
2. Improvements existing **prior to** reporting period.	$
3. Total real property improvements (Add responses from 5 and 6).	$
4. Bexar Appraisal District Tax Account Number.	

Certification	
I certify that the information provided in this Bexar County Tax Abatement Compliance Report is correct and that the company has complied with all terms and conditions of its Tax Abatement Agreement.	
Signature:	
Date:	/ /
Printed Name:	
Title:	
Company:	
Mailing Address:	
City, State, Zip:	, -
Phone:	- -
Fax:	- -
E-Mail:	

EXHIBIT "D"

CERTIFICATE OF COMPLETION

DRAFT

CERTIFICATE OF COMPLETION

DATE:_____, 201_____

AFFIANT: _____

_____

_____

_____

Unless defined herein, each capitalized term or phrase used in this Certificate of Completion of construction ("***Certificate of Completion***") will have the meaning ascribed to such term or phrase in the Tax Abatement Agreement dated _____, 20_____, between _____ ("***Affiant***") and Bexar County, Texas ("***County***") which is incorporated herein by reference for all purposes.

The person signing this Certificate of Completion has been duly sworn. Under oath, the undersigned swears the following information is true and correct:

1. Authority of Affiant. The undersigned person has been duly authorized by Affiant to sign this Certificate of Completion of construction as its agent and representative and deliver it to the County in accordance with the terms of the Tax Abatement Agreement.

2. Description of Affiant's Obligations. Affiant entered into the Tax Abatement Agreement with the County wherein the County agreed to provide a tax abatement on Affiant's Real Property and certain Eligible Improvements as incentive for Affiant to make the capital investments described in the Tax Abatement Agreement.

3. Representations of Affiant. Affiant swears that (i) the Eligible Improvements have been constructed, inspected and approved by all Governmental Authorities having regulatory authority over the Project, (ii) substantial completion (except for minor "punch-list" items) of the construction of the Eligible Improvements occurred on or before _____, 20_____, and (iii) as of the date of this Certificate of Completion, no breach of any of the terms, conditions, representations or warranties contained in the Tax Abatement Agreement has occurred without cure by Affiant.

4. Liability for False Statements. Affiant is aware that the County is relying upon the truth and accuracy of this Certificate of Completion and that Affiant will be liable to the County for all damages, attorney's fees, and other expenses incurred because of any false statement contained in this Certificate of Completion.

AFFIANT: _____

Printed Name: _____

SWORN AND SUBSCRIBED to before me on this _____ day of _____, 20_____,

by _____.

_____
Notary Public, State of Texas

EXHIBIT "E"

COUNTY OF BEXAR AND CITY OF SAN ANTONIO
JOINT INCENTIVE APPLICATION

DRAFT

JOINT INCENTIVE APPLICATION

Company: 1130 Broadway Residential, L.P.

Address: 301 Congress Ave., Suite 1100 **City:** Austin **State:** TX **Zip:** 78701-

Website: www.argyleresidential.com

Ownership: ☒ **Private** ☐ **Public**

Headquarters Location (where the company's officers direct, control and coordinate the entity's activities) City: Austin **State:** TX

Business Structure (i.e., Proprietorship, Partnership, Corporation): Limited Partnership

State of registration or incorporation: TX

PROJECT DETAILS

1. **List other communities that are being considered for the project:**

   The Argyle development team is considering and searching for similar urban infill sites in Austin, Houston, Dallas, & Denver.

2. **Why is an incentive necessary for the project to succeed financially?**

   Because it was very difficult to make the numbers work and for the returns to be attractive enough to raise third party joint venture equity without the incentives. We eventually found an EB-5 investor (Civitas out of Dallas) but now, with significant cost escalations for labor, materials, etc., we need incetives to help offset these rising construction costs more than ever.

3. **Indicate any incentives sought or received from other taxing entities in connection with this project.**

   We also recieved incentives from the city of San Antonio through their Center City Housing Incentive Program (CCHIP) and the Inner City Reinvestment/Infill Policy (ICRIP)

4. **Describe the project, including capital improvements (real and personal property) to be undertaken, the facility's use, and the product or service to be produced.**

   1130 Broadway will be a ~270,000sf (gross) mixed use project with 302 apartment units and an additional 2,838 sf of retail or creative office space. It will be a 4 story "wrap" project on Broadway & Jones just north of Maverick Park and it will cost an estimated $40 million. Roughly 200 people will work on the project from start to finish and the total economic benefit to the community and to the county and city is easily in the tens of millons of dollars.

5. **Classification (i.e. Agribusiness, Aviation/Aerospace, Biotechnology, Corporate and Regional Headquarters, Creative Services, Environmental/Clean/Green Technology, Finance, Information Technology and Security, Logistics and Distribution, Manufacturing):** Multifamily Residential

6. **Physical address:** 1130 Broadway **City:** San Antonio, TX 78215

   County Precinct: 4 **City Council District:** 1 **School District:** San Antonio ISD

7. ☒ **New construction** ☐ **Expansion** ☐ **Lease improvements**

8. **Improvement values. Real property:** $40 million **Personal property:** $0 **Inventory/Supplies:** $0

9. Schedule (MM/YY): Start date: 06 / 14 Completion date: 06 / 16

	Investment
Year 1 (2014)	$8 million
Year 2 (2015)	$24 million
Year 3 (2016)	$8 million
Year 4 (20)	$
Year 5 (20)	$

10. Does/will the applicant own or lease the project's real property? ☒ Own ☐ Lease

If leased, indicate the landlord/owner.

If leased, indicate lease term. Years Expiration date: / /

11. List existing Bexar Appraisal District tax account numbers associated with this project.

Real property: - - ; - - ; - -

Personal property: - - ; - - ; - -

12. Total global workforce: Full-time: N/A Part-time: Seasonal:

13. Current local workforce: Full-time: N/A Part-time: Seasonal:

14. Total new, full-time jobs to be created: N/A

	Jobs		Jobs
Year 1 (20)		Year 6 (20)	
Year 2 (20)		Year 7 (20)	
Year 3 (20)		Year 8 (20)	
Year 4 (20)		Year 9 (20)	
Year 5 (20)		Year 10 (20)	

15. Project impact on the following job classifications (at full operations)*:

	Managerial/ Executive	Professional	Clerical	Other (Identify)
Number of full-time employees	0			

Number to be filled by relocated workers				
Salary range	$ - $	$ - $	$ - $	$ - $
Minimum hourly rate	$	$	$	$

*All new and existing employees must meet specific wage requirements; refer to each entity's individual Tax Abatement Guidelines for full details.

16. Average Annual Salary of Existing Jobs: $N/A

17. Average Annual Salary including Projected New Jobs: $N/A

18. Describe the investment in training/education for new, full-time jobs created and recruitment policies to include how the applicant will utilize Workforce Solutions Alamo.

N/A

19. Describe the benefits package that will be offered to employees and their dependents.

N/A

20. Is the company delinquent in the payment of ad valorem taxes to any taxing unit located in Bexar County?

☐ Yes ☒ No If yes, explain:

21. Has the applying company or any of its affiliates been cited, currently under investigation, or have litigation pending for any violations of federal, state, county and/or municipal laws, codes or ordinances?

☐ Yes ☒ No If yes, indicate the nature/status of the violation(s):

22. Has the company previously received an incentive from the County or City? ☐ Yes ☒ No

If yes, indicate the time period (MM/YY): /

If yes, explain:

If yes, is/was the company in compliance with all terms and conditions: ☐ Yes ☐ No

23. Is any interest in this project presently held by an elected, appointed or employed member of any taxing entity? ☐ Yes ☒ No

24. Is any interest in this project presently held by a member of the Bexar County Commissioners Court or other County official or employee; or, a member of the San Antonio City Council or other City official or employee ? ☐ Yes ☒ No

If yes, explain:

25. Describe any goodwill benefits and involvement that the applicant has previously provided and/or is committed to providing in the future to the Bexar County community.

The Argyle team has been involved in a number of real estate development and investments in Bexar County over the years including the Sunset Ridge Apartments in Alamo Heights, the 1800 Broadway Apartments down the road from 1150 Broadway (as a Limited Partner), and the Crown Plaza Riverwalk Hotel.

26. Provide an assessment of the project's environmental impact, and any remediation and/or compliance plan associated with the project, which would have the effect of minimizing the negative impact of the project on the environment.

Site will be cleared of any environmental hazards as required for construction.

ATTACHMENTS

☒ **Information regarding the applicant company's description, including corporate structure, audited financial statement or prior year report, and organization chart identifying affiliates and subsidiaries.**

☒ **Financial Gap Analysis**

☒ **Metes and bounds, field notes and/or a site survey showing the location of existing and proposed improvements.**

☐ **City of San Antonio's Discretionary Contracts Disclosure form, which can be found at: http://www.sanantonio.gov/atty/ethics/forms/DContract.doc.**

Companies must submit non-refundable application fees with their respective applications based upon the following schedules. Projects that require an assignment or amendment are also required to pay an application fee of $1,000.00 to each entity.

☒ **County of Bexar: $1,000.00**

☐ **City of San Antonio:**

Number of Employees in the Applicant Firm	Fee
Minimum Fee	$500
100-499	$1,000
500+	$1,500

CERTIFICATION

I understand and certify that I have read the County of Bexar's and the City of San Antonio's current *Tax Abatement Guidelines* which are relative to the County of Bexar General Fund and the City of San Antonio General Fund ad valorem taxes. I am familiar with the provisions contained therein, and that the information provided in this application could become a part of an incentive agreement with the County of Bexar. I also certify that I am authorized to sign this application, the information provided herein is true and correct, and knowingly providing false information will result in voiding the application and termination of any incentive agreement.

Signature: Chase Hill **Date (MM/DD/YY):** 5/13/15

Printed Name: Chase Hill **Title:** Development Associate

Company Name: Cypress Real Estate Advisors

Mailing Address: 301 Congress Ave., suite 500

City: Austin **State:** TX **Zip:** 78701-

Telephone: (512) 494-8510 **Mobile:** ( ) - **E-mail address:** chill@cypress-advisors.com

EXHIBIT "F"

PARTNERSHIP'S AUTHORIZATION TO ENTER INTO TAX ABATEMENT

DRAFT

WRITTEN CONSENT OF PARTNERS
OF
1130 BROADWAY RESIDENTIAL, L.P.

as of November 3, 2015

1130 BROADWAY GP, L.P., a Delaware limited partnership (the "General Partner") along with CIVITAS CYPRESS FUND, LP, a Texas limited partnership, and 1130 BROADWAY INVESTMENT, L.P., a Delaware limited partnership (jointly, the "Limited Partners") (collectively, the General Partner and the Limited Partners may be referred to herein as the "Partners"), being all of the Partners of 1130 BROADWAY RESIDENTIAL, L.P., a Texas limited partnership, (the "Partnership") do by this Written Consent of Partners (the "Consent") hereby consent to and approve in all respects the following resolutions.

WHEREAS, the Partnership owns approximately 3.705 acres located at 1130 Broadway, San Antonio, Texas that is currently being developed for multi-family and commercial uses (the "Project"); and

WHEREAS, on October 20, 2015 the Commissioners Court of Bexar County, Texas authorized Bexar County Economic Development Department staff to negotiate an agreement with the Partnership for the abatement of a portion of the increased value of Bexar County real property taxes for the Project (the "Tax Abatement Agreement"); and

WHEREAS, a tax abatement agreement with Bexar County, Texas requires execution by the Partnership; and

WHEREAS, the Partners have reviewed the Tax Abatement Agreement and deem it to be in the best interest of the Partnership to execute and deliver the Tax Abatement Agreement; and

WHEREAS, the Partners agree that the General Partner may execute and deliver the Tax Abatement Agreement without further action of the Partners.

RESOLUTIONS

NOW, THEREFORE IT IS RESOLVED THAT, the Partners hereby authorize the Partnership to negotiate and execute the Tax Abatement Agreement.

RESOLVED, that the General Partner, without the joinder of the Limited Partners, is hereby authorized, empowered, and directed to execute and deliver for and on behalf of the Partnership the Tax Abatement Agreement and any related documents.

RESOLVED, that Tim Clark, on behalf of the General Partner, is hereby authorized, empowered, and directed, to execute and deliver any and all documents in connection with the Tax Abatement Agreement on behalf of and in the name of the Partnership.

RESOLVED, that the Partners hereby consent to, adopt, and ratify all prior acts of the Partnership relating to the Tax Abatement Agreement and related actions.

RESOLVED, that this Consent may be executed in multiple counterparts, each of which may be transmitted via facsimile or by email and shall be deem an original signature for all purposes.

PARTNERS:

1130 BROADWAY GP, L.P.,
a Delaware limited partnership

By: _____

Name: M. Timothy Clark

Title: President

CIVITAS CYPRESS FUND, LP,
a Texas limited partnership

By: _____

Name: _____

Title: _____

1130 BROADWAY INVESTMENT, L.P.,
a Delaware limited partnership

By: Llano Investments GP, L.L.C.,
a Delaware limited liability company
its general partner

By: _____

Name: M. Timothy Clark

Title: President

DRAFT

PARTNERS:

1130 BROADWAY GP, L.P.,
a Delaware limited partnership

By: _____

Name: _____

Title: _____

CIVITAS CYPRESS FUND, LP.
a Texas limited partnership

By: Civitas Cypress Fund GP, LP
A Texas limited partnership
its General Partner

By: Civitas Partners LLC,
a Texas limited liability company
its General Partner

By: _____
Name: Daniel J. Healy
Title: Manager

1130 BROADWAY INVESTMENT, L.P.,
a Delaware limited partnership

By: Llano Investments GP, L.L.C.,
a Delaware limited liability company
its general partner

By: _____

Name: _____

Title: _____

DRAFT

Exhibit B

STATE OF TEXAS	§	**TAX ABATEMENT AGREEMENT**
	§	**BETWEEN THE COUNTY OF BEXAR**
COUNTY OF BEXAR	§	**AND AM RIVER WALK, LLC**

THIS TAX ABATEMENT AGREEMENT ("***Agreement***") is entered into by and between the County of Bexar, a political subdivision of the State of Texas ("***COUNTY***"), duly acting herein by and through the Bexar County Commissioners Court ("***Commissioners Court***") for and on behalf of COUNTY and AM River Walk, LLC, a Texas limited liability company validly existing, in good standing and authorized to conduct business under the laws of the State of Texas ("***COMPANY***").

WITNESSETH:

WHEREAS, the City Council of the City of San Antonio, Texas in Ordinance No. 2008-12-11-1134 established the "Reinvestment Zone Number Thirty-One, City of San Antonio Texas" reinvestment zone (the "***Zone***"), as authorized by the Texas Tax Increment Financing Act, Texas Tax Code Chapter 311 (the "Code") and pursuant to Section 311.0125(a) of the Code, a taxing unit may enter into a tax abatement agreement with an owner of real property located within the Zone; and

WHEREAS, COMPANY owns certain real property within Bexar County and intends to develop that property into a mid-rise market-rate apartment community to include 191 units and 1,614 square feet of ground-floor retail space, all to be located in the Zone and currently having a street address of 111 West Jones Avenue, San Antonio, Texas 78215 (cumulatively, the "***Project***"); and

WHEREAS, COMPANY has made application to the COUNTY for a tax abatement on the increase in the assessed value of the real property and certain eligible improvements to the real property to be constructed at the Project site after execution of this Agreement; and

WHEREAS, COUNTY has approved Tax Abatement Guidelines ("***Guidelines***") which govern tax abatement agreements entered into by COUNTY; and

WHEREAS, in order to maintain and enhance the commercial and industrial economic and employment base, the Commissioners Court has determined to grant the tax abatement and to enter into this Agreement, in accordance with the Guidelines and all other applicable laws; and

WHEREAS, the Commissioners Court finds that the proposed investment, as described in this Agreement, is consistent with the expansion of primary employment and housing and the attraction of major investment in the Zone, which contributes to economic development in Bexar County and the enhancement of the tax base, and is in compliance with other applicable laws;

WHEREAS, pursuant to Texas Tax Code § 311.0125, this Agreement shall not be of effect unless and until approved by the Board of Directors of Reinvestment Zone Number Thirty-One, City of San Antonio Texas and the Board of Directors has so approved the Tax Abatement

granted by this Agreement by way of City Resolution 2015-XX-XX-XXXX dated XX XX, 2015, and Board approval on November 17, 2015;

NOW, THEREFORE, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the parties do hereby contract, covenant, and agree as follows:

ARTICLE I
DEFINITIONS

1.01 "***Application***" for purposes of this Agreement shall mean The Joint Incentive Application dated on or about March 27, 2015, on file with the Commissioners Court, attached hereto as Exhibit "E" and incorporated herein for all purposes.

1.02 "***Base Value***" for purposes of the abatement to be granted on the Real Property (as defined in Article I, Paragraph 1.08) and Eligible Improvements (as defined in Article I, Paragraph 1.04), shall mean the assessed value of the Real Property and any Improvements located on the Real Property as of January 1, 2015. Base Value shall be determined by the Bexar Appraisal District ("***Appraisal District***") in accordance with applicable Texas law.

1.03 "***Certificate of Completion***" means the sworn certificate of COMPANY in the form attached as Exhibit "D," incorporated herein for all purposes upon submission to the COUNTY by COMPANY, affirming that construction of the Eligible Improvements are complete and no known uncured breach of any term or condition of this Agreement then exists.

1.04 "***Eligible Improvements***" for purposes of this Agreement shall mean the construction of an apartment complex which includes 191 new units and related Improvements which COMPANY intends to construct on the Real Property. Eligible Improvements shall only include those Improvements which are substantially completed prior to the date that COMPANY is required to submit a Certificate of Completion to the COUNTY and shall not include any Improvements constructed after such date.

1.05 "***Force Majeure***" for purposes of this Agreement shall mean a contingency or cause beyond the reasonable control of COMPANY, including, but not limited to, fire, explosion, or other casualty or accident or natural disaster and not resulting from the negligence, intentional act or misconduct of COMPANY, inclement weather beyond applicable seasonal norms, acts of God or the public enemy, strikes or lockouts or labor disputes, shortages or unavailability of materials and governmental restrictions or changes in applicable laws, rules or regulations of governmental authorities enacted after the Effective Date (as defined in Article II, Paragraph 2.05). The burden to prove the occurrence of an event of Force Majeure shall rest solely with COMPANY and only upon written submission detailing the event(s) to the COUNTY's Economic Development Department Executive Director.

1.06 "***Improvements***" for purposes of this Agreement shall have the meaning assigned by the Texas Tax Code §1.04(3) and shall include buildings, structures, fixtures, and fences

erected on or affixed to Real Property and shown on the Site Plans attached as Exhibit "B".

1.07 "***Personal Property***" for purposes of this Agreement shall have the meaning assigned by the Texas Tax Code §1.04(4) and (5) and shall include equipment, furniture, fixtures, inventory, and supplies.

1.08 "***Real Property***" for purposes of this Agreement shall mean the parcel of land owned in fee simple by COMPANY which consists of approximately 1.3 acres of land on which COMPANY will construct the Eligible Improvements. A legal description of the parcel of land constituting the Real Property is attached to this Agreement as Exhibit "A" and incorporated herein for all purposes.

1.09 "***Recapture Period***" for purposes of this Agreement shall mean the period beginning on January 1st of the year immediately following the year in which the Tax Abatement Period (as defined in Article I, Paragraph 1.11) ends and continuing for a period of six (6) years through December 31st of that sixth year.

1.10 "***Tax Abatement***" for purposes of this Agreement shall mean the percentage of the increase in the assessed value of the Real Property and the Eligible Improvements, above the Base Value, which will be exempt from ad valorem taxation in accordance with the Texas Tax Code, subject to the terms and conditions herein.

1.11 "***Tax Abatement Period***" for purposes of this Agreement shall mean the period beginning on January 1, 2018 and continuing for a period of ten (10) tax years thereafter ending on December 31 of that tenth year.

ARTICLE II
TERMS OF TAX ABATEMENT

2.01 Provided COMPANY is and remains in compliance with the terms and conditions of this Agreement, a Tax Abatement of **FIFTY PERCENT (50%)** shall be granted to COMPANY on the Real Property and Eligible Improvements during the Tax Abatement Period.

2.02 COMPANY shall establish separate tax accounts for the Real Property and Eligible Improvements subject to this Agreement with the Appraisal District and provide those tax account number(s) to the COUNTY within ninety (90) calendar days following the Effective Date of this Agreement.

2.03 The property eligible for Tax Abatement under this Agreement will be the Real Property and Eligible Improvements only.

2.04 The ad valorem taxes eligible for Tax Abatement under this Agreement shall be the ad valorem taxes levied by the Commissioners Court for and on behalf of COUNTY only. Ad valorem taxes eligible for tax abatement under this Agreement shall not include taxes levied by the Commissioners Court for and on behalf of any other taxing authority or

jurisdiction, including the Bexar County Hospital District operating as University Health System or the Bexar County Flood Control District.

2.05 This Agreement shall begin on the date of execution by COUNTY ("***Effective Date***") and terminate upon expiration of the Recapture Period ("***Term***").

2.06 COMPANY must own the Real Property and Eligible Improvements in fee simple during the Term, subject to the assignment rights as hereinafter set out.

2.07 COMPANY agrees that during the Term that no portion of the Real Property or Eligible Improvements shall be utilized for any purpose other than for the operation of a multi-family housing project offering market rate multi-family rental units along with related and incidental uses such as retail space, parking, administrative offices and common-use facilities (cumulatively, the "***Intended Purposes***") for any period longer than sixty (60) calendar days for any reason, excepting a Force Majeure event, unless prior written consent has been obtained from Commissioners Court. Should COMPANY use or allow the Real Property or Eligible Improvements to be used for purposes other than the Intended Purposes, the COUNTY's determination of the date such inconsistent use began shall be conclusive for calculating the sixty (60) day period unless COMPANY presents credible evidence to clearly indicate an alternate date.

2.08 COMPANY agrees to pay, before the delinquency date, all of their ad valorem taxes due with respect to any other property located in Bexar County that is not subject to Tax Abatement under this Agreement or other similar incentive agreement, subject to each entities right to protest ad valorem taxes as permitted by applicable law.

2.09 COMPANY understands and agrees that the Base Value of the Real Property and Eligible Improvements, and the tax levy on the Base Value, shall not decrease, but taxes may increase and that the amount of ad valorem taxes paid by COMPANY attributable to the Real Property and Eligible Improvements shall not be less than the amount of taxes paid for the tax year this Agreement is executed. However, COMPANY shall have the right to protest and/or contest appraisals over and above the Base Value.

2.10 COMPANY agrees to furnish the Appraisal District with such information pertaining to the Real Property and the Eligible Improvements outlined in the Texas Tax Code as is necessary for abatement and appraisal purposes, as well as any relevant accounting or tax records pertaining to the Real Property and Eligible Improvements deemed necessary by the Appraisal District for such purposes. All values (including Base Value) relevant to this Agreement and the yearly amount of the Tax Abatement to be provided hereunder shall be determined by the Appraisal District under applicable Texas law and the Appraisal District's final determination for purposes of this Agreement shall be conclusive.

2.11 The Real Property and Eligible Improvements shall be maintained in good repair and condition during the Term, normal wear and tear excepted.

ARTICLE III
CAPITAL INVESTMENT COMMITMENTS

3.01 This Agreement and the Tax Abatement granted hereunder is conditioned on COMPANY complying with the capital investment commitments described in this Article III.

3.02 COMPANY agrees that its capital investment in the Real Property and Eligible Improvements shall be in an amount not less than **THIRTY-NINE MILLION THREE HUNDRED NINETY-THREE THOUSAND SEVEN HUNDRED SEVENTY-ONE DOLLARS ($39,393,771.00)**. All of the capital investments contemplated by this Paragraph 3.02 must be completed on or before December 31, 2017, subject to Force Majeure. Within thirty (30) calendar days following Substantial Completion of the Project, COMPANY must submit to the COUNTY a fully complete and endorsed original Certificate of Completion. Substantial Completion shall include construction of the Eligible Improvements and inspection and permitting approval by Governmental Authorities having regulatory authority over the Project.

3.03 COMPANY agrees that all property subject to this Agreement shall be located entirely within Bexar County and solely within the Zone.

3.04 COMPANY agrees that all construction related to the Eligible Improvements will comply with:

(a) applicable building codes and ordinances, including but not limited to flood, subdivision, building, electrical, plumbing, fire, and life safety codes and ordinances, as amended; and

(b) applicable city, county, state, and federal laws, rules, regulations, statutes, ordinances, orders, and codes, as amended.

3.05 COMPANY understands and agrees that the Tax Abatement granted hereunder applies only to the Real Property and Eligible Improvements identified in this Agreement and that no Personal Property, other Improvements currently located on the Real Property or Improvements constructed on the Real Property after COMPANY's submission of the Certificate of Completion to the COUNTY (other than repairs to or replacement of the Real Property and Eligible Improvements due to damage or casualty) shall be eligible for Tax Abatement under this Agreement.

3.06 COMPANY agrees to furnish COUNTY with semi-annual reports in a form satisfactory to COUNTY but substantially similar to Exhibit "C" certifying its compliance with the capital investment commitments contemplated by this Agreement. The semi-annual reports shall include information on the extent and amount of investment in Real Property and Eligible Improvements that occurred during the semi-annual period preceding the submission of such reports. COMPANY agrees to submit the reports by March 31st (covering the period July 1 through December 31) and September 30th (covering the period January 1 through June 30) of each year until such time as it has certified that all of the investments contemplated by this Agreement are completed, after which no further

semi-annual reports will be required pursuant to this Section 3.06. COUNTY may require that the reports include detailed information on capital expenditures, to include purchase order numbers, vendor names, and dollar amounts paid for all of the capital investments, actual costs, and book values. These reports must be prepared and administered in accordance with generally accepted accounting principles. During the Term, COUNTY and its employees and agents shall have access to the Real Property and Eligible Improvements (upon ten (10) business days advance written notice and during normal business hours) for the purpose of inspection to ensure that the Eligible Improvements have been completed and are being used for the purposes described in this Agreement.

ARTICLE IV
GOODWILL BENEFITS

4.01 COMPANY, as a tax abatement recipient, and/or its affiliates or assignee (if applicable), will make a good faith effort to provide goodwill benefits to the COUNTY community. These goodwill benefits may include completed, current or planned benefits which can be in-kind donations, monetary donations or service donations to local non-profits, community organizations or national organizations directly assisting citizens of the COUNTY.

ARTICLE V
REPRESENTATIONS OF COMPANY

5.01 The execution and performance of this Agreement by COMPANY has been duly authorized by its partners or other governing authority and does not require the consent or approval of any other person which has not been obtained. Additionally, the individual executing this Agreement on behalf of COMPANY represents that he or she has full legal authority to execute this Agreement on behalf of COMPANY and to bind COMPANY to all terms, performances and provisions herein contained, as obtained by the execution of Exhibit "F". In the event that a dispute arises as to the legal authority of either COMPANY, or the person signing on behalf of COMPANY, to enter into this Agreement, COUNTY shall have the right, at its option, to either temporarily suspend or permanently terminate this Agreement.

5.02 COMPANY represents and warrants that the Real Property and Eligible Improvements will be used only for the Intended Purposes as described in this Agreement. COMPANY agrees that any change in the use of the of the Eligible Improvements or Real Property during the Term from the Intended Purposes must have the prior written approval of Commissioners Court, such approval not to be unreasonably withheld, and any other governmental entity having an interest in the abatement of ad valorem taxation of the property subject to this Agreement.

5.03 COMPANY represents that the Project described in this Agreement is not financed by tax increment bonds.

5.04 COMPANY represents and warrants that no bonds for which the COUNTY is liable have been or will be used to finance any portion of this Project. Further, COMPANY

acknowledges that this Agreement is entered into subject to the rights of the holders of outstanding bonds of COUNTY.

5.05 COMPANY represents that no interest in any of the property subject to Tax Abatement under this Agreement is presently held by or leased to, and warrants that during the Term it shall not, sell or lease an interest in such property to a member of the Commissioners Court, the City of San Antonio Council, the City of San Antonio Zoning and Planning Commissioners, or any other officer or employee of COUNTY or the City of San Antonio, or any member of the governing body of any taxing unit joining in or adopting this Agreement. The foregoing limitation shall not apply to tenant leases for rental units entered into by COMPANY in the ordinary course of business so long as COMPANY does so at market rates and on terms and conditions which are equal to those terms and conditions contained in tenant leases entered into by tenants not belonging to the above described officers and employees.

5.06 COMPANY warrants that all of its activities related to this Agreement will be conducted in accordance with applicable federal, state and local laws.

5.07 COMPANY represents that the information provided and the representations made in the Application are true and correct.

5.08 COMPANY represents and warrants that any and all oral representations made to Commissioners Court are true and correct in all material respects and agrees to comply with such representations and perform the same as though those representations were expressly described herein.

ARTICLE VI
DEFAULT, TERMINATION, AND RECAPTURE

6.01 Should COMPANY fail to comply with any term or condition of this Agreement during the Term, or if any representation or warranty made by COMPANY to COUNTY in this Agreement is false or misleading in any material respect, then COUNTY may declare a default and terminate this Agreement in accordance with the procedure described herein. If COUNTY provides COMPANY with written notice of default ("***Default Notice***") and the identified default(s) is not cured within sixty (60) calendar days from the date the Default Notice is sent ("***Cure Period***"), then this Agreement shall automatically terminate effective as of the date of the expiration of the Cure Period ("***Termination Date***"). The COUNTY may, in its sole discretion, extend the Cure Period if COMPANY commences the cure within the Cure Period and is diligently pursuing such cure.

6.02 In the event of termination pursuant to Paragraph 6.01 which occurs during the Tax Abatement Period, COMPANY agrees that abated ad valorem taxes will become due and owing for the calendar year in which the Default Notice leading to termination of this Agreement is sent and shall accrue without abatement for all years thereafter.

6.03 In addition, if this Agreement is terminated by COUNTY pursuant to Paragraph 6.01, COMPANY must repay COUNTY the ad valorem taxes previously abated (hereafter,

"***Recapture***"). The amount of previously abated taxes subject to Recapture by COUNTY shall be determined by multiplying the total taxes abated by the applicable percentage, based on the calendar year in which the Default Notice resulting in termination of this Agreement is sent, in accordance with the Recapture Schedule below:

RECAPTURE SCHEDULE	
Year in which Notice Resulting in Termination is Sent:	**Total Taxes Previously Abated Shall be Multiplied by:**
During the Tax Abatement Period	100%
Year 1 of a Recapture Period	100%
Year 2 of a Recapture Period	80%
Year 3 of a Recapture Period	60%
Year 4 of a Recapture Period	40%
Year 5 of a Recapture Period	20%
Year 6 of a Recapture Period	10%

COMPANY agrees that the previously abated taxes which become due and owing under this Article VI shall be paid to COUNTY within sixty (60) calendar days following the Termination Date. It is not a waiver of default if COUNTY fails to declare immediately a default, or delays in taking any action with respect to a default, or fails to take any action with respect to a default.

6.04 In the event any property subject to this Agreement is taken by any public or quasi-public authority under the powers of eminent domain, condemnation, or expropriation, then the Tax Abatement as to that portion of the property affected shall terminate and there shall be no recapture of taxes or other penalty.

6.05 The remedies contained in this Agreement are non-exclusive and COUNTY shall have any and all remedies it may be entitled to either in law or in equity. The exercise of any remedy by COUNTY shall not be deemed as a waiver of any other remedy to which COUNTY may be entitled.

ARTICLE VII
ASSIGNMENT

7.01 No legal or business entity other than COMPANY shall be entitled to receive the benefit of the Tax Abatement provided herein, including any entity resulting from a merger, reorganization, or any other form of business combination involving COMPANY, without the prior written consent of COUNTY acting by and through the Commissioners Court, such consent not to be unreasonably withheld. In addition, this Agreement shall not be assigned by COMPANY to any other legal entity without the prior written consent of COUNTY, such consent not to be unreasonably withheld. Any attempted transfer of the rights and responsibilities under this Agreement or the assignment of this Agreement without prior approval of COUNTY, acting by and through the Commissioners Court,

shall be void and this Agreement shall terminate triggering the recapture provisions of Article VI and COMPANY shall have no ability to cure.

7.02 In the event of an assignment by COMPANY to which COUNTY has consented in writing, the assignee, or the assignee's legal representative, shall then enter into a written agreement with the COUNTY agreeing to assume, perform, and be bound by all of the covenants, obligations, and agreements contained within this Agreement. COMPANY agrees that such an assignment shall in no way relieve it from any obligation created under this Agreement attributable to the period prior to the assignment.

ARTICLE VIII
NOTICES

8.01 All notices provided to be given under this Agreement shall be in writing, and shall either be personally served against a written receipt therefore or given by certified mail or registered mail, return receipt requested, postage prepaid, and addressed to the proper party at the address which appears below, or at such other address as the parties hereto may hereafter designate in accordance herewith. All notices given by mail shall be deemed to have been given at the time of deposit in the United States mail and shall be effective from such date.

If to COUNTY:	County Judge 101 West Nueva Street, Suite 1019 San Antonio, Texas 78205-3482 Attn: Tax Abatement Agreement
With a copy to:	Commissioner, Precinct 1 101 West Nueva Street, Suite 1009 San Antonio, Texas 78205-3481
and	Executive Director Economic Development Department 101 West Nueva Street, Suite 944 San Antonio, Texas 78205-3450
and	Chief, Civil Section Bexar County District Attorney's Office 101 West Nueva San Antonio, Texas 78205
If to COMPANY:	Vice President Alamo Manhattan Properties, LLC 3012 Fairmount Street, Suite 100 Dallas, Texas 75201

ARTICLE IX
SEVERABILITY

9.01 In the event any section, subsection, paragraph, subparagraph, sentence, phrase, or word contained in this Agreement is held invalid, illegal, or unenforceable, the balance of this Agreement shall stand, shall be enforceable, and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, subparagraph, sentence, phrase, or word. In such event, there shall be substituted for such deleted provision a provision as similar in terms and in effect to such deleted provision as may be valid, legal, and enforceable.

ARTICLE X
APPLICABLE LAW

10.01 This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflicts of law principles that would require the application of the laws of any other state. Venue for any action brought hereunder (including any action brought in federal court) will be exclusively in Bexar County, Texas.

ARTICLE XI
INCORPORATION OF OTHER DOCUMENTS

11.01 The following exhibits are attached hereto and incorporated herein for all purposes:

Exhibit "A" Legal Description of the Real Property

Exhibit "B" Site Plans

Exhibit "C" Bexar County Semi-Annual Tax Abatement Compliance Report

Exhibit "D" Certificate of Completion

Exhibit "E" County of Bexar and City of San Antonio Joint Incentive Application

Exhibit "F" Partnership's Authorization to enter into Tax Abatement

ARTICLE XII
AMENDMENT OF DOCUMENTS

12.01 No amendment, modification, or alteration of the terms hereof shall be binding unless the same is in writing, dated subsequent to the date hereof, and duly executed by the parties hereto.

ARTICLE XIII
MULTIPLE COUNTERPARTS

13.01 This Agreement may be executed by the parties in several counterparts, and each counterpart, when so executed and delivered, shall constitute an original instrument, and all such separate counterparts shall constitute but one and the same instrument.

ARTICLE XIV
PRIOR AGREEMENTS SUPERSEDED

14.01 Subject to Article V, Paragraph 5.08, this Agreement constitutes the sole and only agreement of the parties hereto and supersedes all prior understandings or written or oral agreements between the parties respecting the subject matter within.

ARTICLE XV
CERTIFICATION

15.01 COMPANY, by execution of this Agreement and in accordance with Chapter 2264 of the Texas Government Code, agrees not to knowingly employ any undocumented workers at the Project site during the Term of this Agreement. If COMPANY is convicted of a violation under 8 U.S.C. Section 1324a (f), then this Agreement shall terminate without necessity of the Cure Period, and COMPANY shall pay to COUNTY all of the ad valorem taxes previously abated by this Agreement. The COUNTY shall provide written notice to COMPANY of such a breach ("***Violation Notice***") and within one hundred twenty (120) calendar business days after the Violation Notice is sent, COMPANY shall repay to COUNTY all of the ad valorem taxes previously abated by this Agreement with interest to be calculated in accordance with the money judgment rate set forth in Section 304.003 of the Texas Finance Code, as may be amended from time to time, from the date of the Violation Notice until paid. The COUNTY, in its sole discretion, may extend the period for repayment set forth herein. In addition, COMPANY agrees to pay all costs and expenses, including attorney's fees, incurred by the COUNTY in enforcing this provision.

15.02 In the event of termination pursuant to the above Paragraph 15.01, COMPANY agrees that ad valorem taxes will be due for the calendar year during which the written notice leading to such termination is sent (if termination occurs during the Tax Abatement Period) and shall accrue without abatement for all years thereafter.

(remainder of page intentionally left blank)

ARTICLE XVI
COMMISSIONERS COURT AUTHORIZATION

16.01 This Agreement was approved by Order of the Commissioners Court dated _____, 2015 authorizing the County Judge to execute this Agreement on behalf of COUNTY. The Tax Abatement contemplated by this Agreement is expressly subject to COMPANY'S fulfillment of all of the terms and conditions described herein.

IN WITNESS WHEREOF, this Agreement is executed in triplicate originals effective this _____ day of _____, 2015.

COUNTY OF BEXAR

By:_____
NELSON W. WOLFF
County Judge

ATTEST:

_____
GERARD C. RICKHOFF
County Clerk

AM RIVER WALK, LLC, a Texas limited liability company

By: ALAMO MANHATTAN PROPERTIES, LLC, a Texas Limited Liability Company

By:_____
MATTHEW P. SEGREST
Manager

Date: 10/13/15

DRAFT

APPROVED AS TO LEGAL FORM:
Criminal District Attorney
County of Bexar, Texas

By: _____
GERARD CALDERON
Assistant Criminal District Attorney
Civil Section

APPROVED AS TO FINANCIAL CONTENT:

_____
SUSAN YEATTS
County Auditor

_____
DAVID SMITH
County Manager

APPROVED:

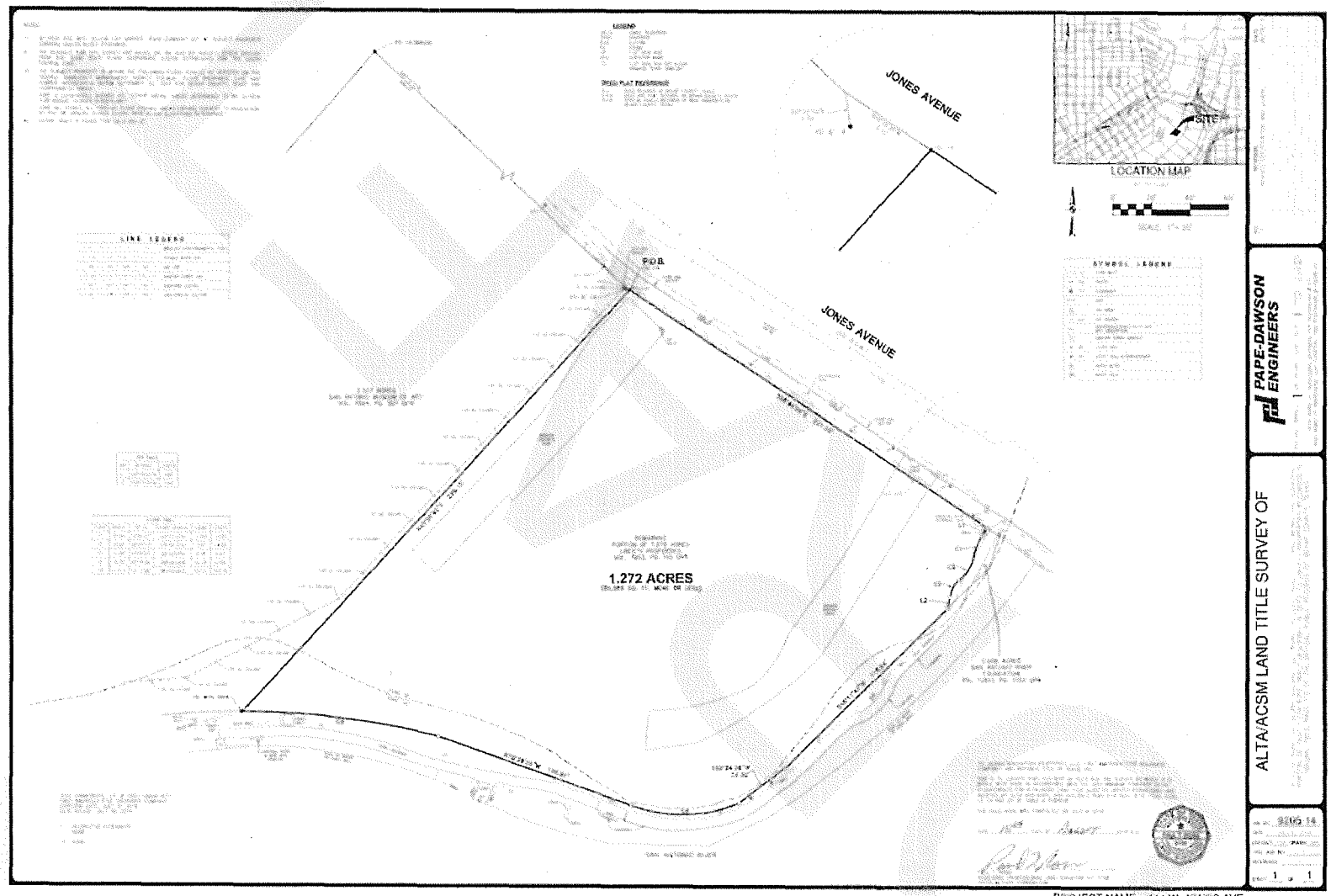
_____
DAVID MARQUEZ
Executive Director of Economic Development

DRAFT

EXHIBIT "A"

LEGAL DESCRIPTION OF THE REAL PROPERTY

DRAFT



PROJECT NAME: 111 W JONES AVE

FIELDNOTE DESCRIPTION
FOR

A 1.272 acre, or 55,389 square feet more or less, tract of land being the remaining portion of that 1.279 acre tract described in deed to Liberty Properties recorded in Volume 7953, Page 110 of the Official Public Records of Bexar County, Texas. Said 1.272 acre tract being more fully described as follows, with bearings based on the Texas Coordinate System established for the South Central Zone from the North American Datum of 1983 NAD 83 (NA2011) epoch 2010.00;

BEGINNING: At a found iron rod with at on the southwest right-of-way line of Jones Avenue, a 60-foot right-of-way, at the east corner of a 3.337 acre tract described in deed to San Antonio Museum of Art recorded in Volume 7564, Page 207 of said Official Public Records, the north corner of the herein described tract;

THENCE: S 56°44'56" E, along and with the southwest right-of-way line of said Jones Avenue, the northeast line of said 1.272 acres, a distance of 221.05 feet to a set ½ inch iron rod with yellow cap marked "Pape-Dawson" on the northwest line of the San Antonio River, at the north corner of a 0.006 acre tract described in deed to San Antonio River Foundation recorded in Volume 12611, Page 1157 of said Official Public Records, the east corner of the herein described tract;

THENCE: Departing the southwest right-of-way line of said Jones Avenue, along and with the northwest line of said San Antonio River, the southeast and the south line of the herein described tract, the following bearings and distances:

S 30°55'25" W, a distance of 4.65 feet to a set ½ inch iron rod with yellow cap marked "Pape-Dawson";

Southwesterly, along a curve to the left, said curve having a radius of 37.34 feet, a central angle of 19°56'27", a chord bearing and distance of S 20°57'02" W, 12.93 feet, for an arc length of 13.00 feet to a set ½ inch iron rod with yellow cap marked "Pape-Dawson";

Southwesterly, along a curve to the right, said curve having a radius of 20.64 feet, a central angle of 39°05'23", a chord bearing and distance of S 34°38'32" W, 13.81 feet, for an arc length of 14.08 feet to a set ½ inch iron rod with yellow cap marked "Pape-Dawson";

Southwesterly, along a curve to the left, said curve having a radius of 12.48 feet, a central angle of 45°08'25", a chord bearing and distance of S 26°43'53" W, 9.58 feet, for an arc length of 9.83 feet to a set ½ inch iron rod with yellow cap marked "Pape-Dawson";

SAN ANTONIO / AUSTIN
HOUSTON / FORT WORTH / DALLAS

2000 NW Loop 410 San Antonio, Texas 78213
P 210.375.9000 F 210.375.9010 www.pape-dawson.com

S 10°10'35" W, a distance of 5.64 feet to a set ½ inch iron rod with yellow cap marked "Pape-Dawson" on the northwest line of the San Antonio River;

S 45°17'47" W, a distance of 118.94 feet to a set ½ inch iron rod with yellow cap marked "Pape-Dawson";

S 52°24'26" W, a distance of 29.32 feet to a set ½ inch iron rod with yellow cap marked "Pape-Dawson";

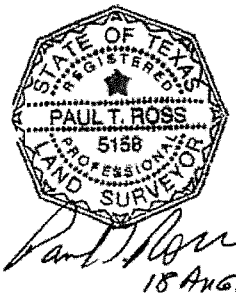
Southwesterly, along a curve to the right, said curve having a radius of 76.19 feet, a central angle of 43°16'08", a chord bearing and distance of S 88°36'24" W, 56.18 feet, for an arc length of 57.54 feet to a set ½ inch iron rod with yellow cap marked "Pape-Dawson";

N 70°29'29" W, a distance of 105.91 feet to a set ½ inch iron rod with yellow cap marked "Pape-Dawson";

Northwesterly, along a curve to the left, said curve having a radius of 413.10 feet, a central angle of 14°13'38", a chord bearing and distance of N 83°00'48" W, 102.31 feet, for an arc length of 102.58 feet to a found S.A.R.A. monument at the south corner of said 3.337 acre tract, the west corner of the herein described tract;

THENCE: N 42°38'42" E, departing the north line of said San Antonio River, and the northwest line of said 1.272 acre tract, the southeast line of said 3.3337 acre tract, a distance of 296.15 feet to the POINT OF BEGINNING, and containing 1.272 acres in the City of San Antonio, Bexar County, Texas. Said tract being described in accordance with a survey made on the ground and a survey description and map prepared under job number 9205-14 by Pape-Dawson Engineers, Inc.

PREPARED BY: Pape-Dawson Engineers, Inc.
DATE: July 9, 2014
JOB NO. 9205-14
DOC. ID. N:\Survey14\14-9200\9205-14\Word\9205-14 FN.docx
TBPE Firm Registration #470
TBPLS Firm Registration #100288-00



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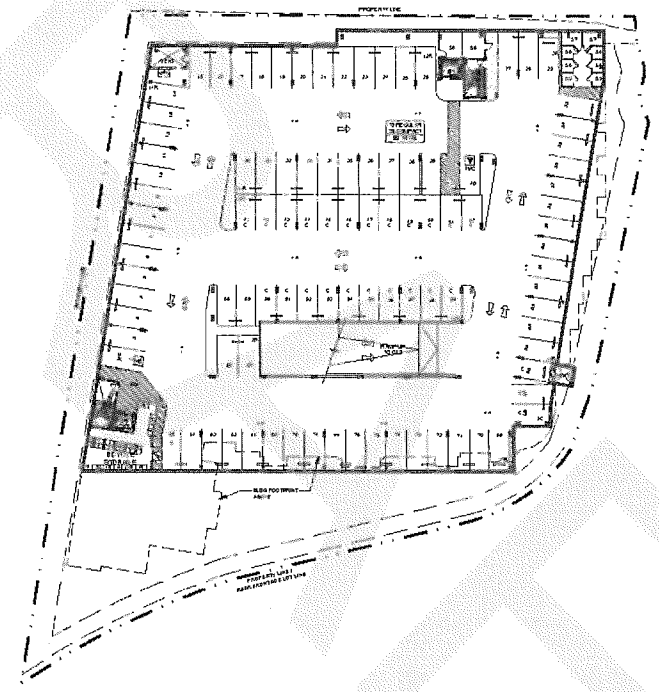
PAPE-DAWSON ENGINEERS

EXHIBIT "B"

SITE PLANS

DRAFT



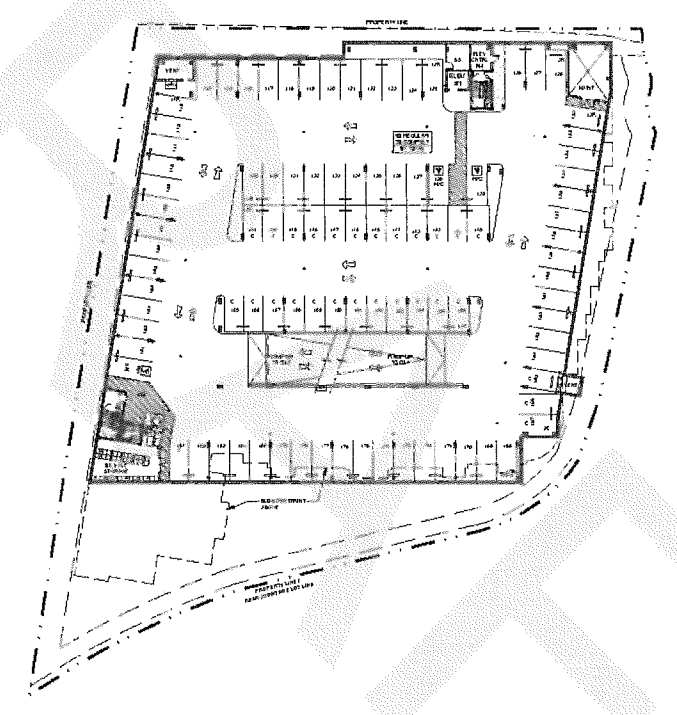
GARAGE LEVEL 3
SCALE: 1" = 40'-0"

ALAMO RIVERWALK
14185 09.16.2015

HLR

ALAMO MANHATTAN

DRAFT



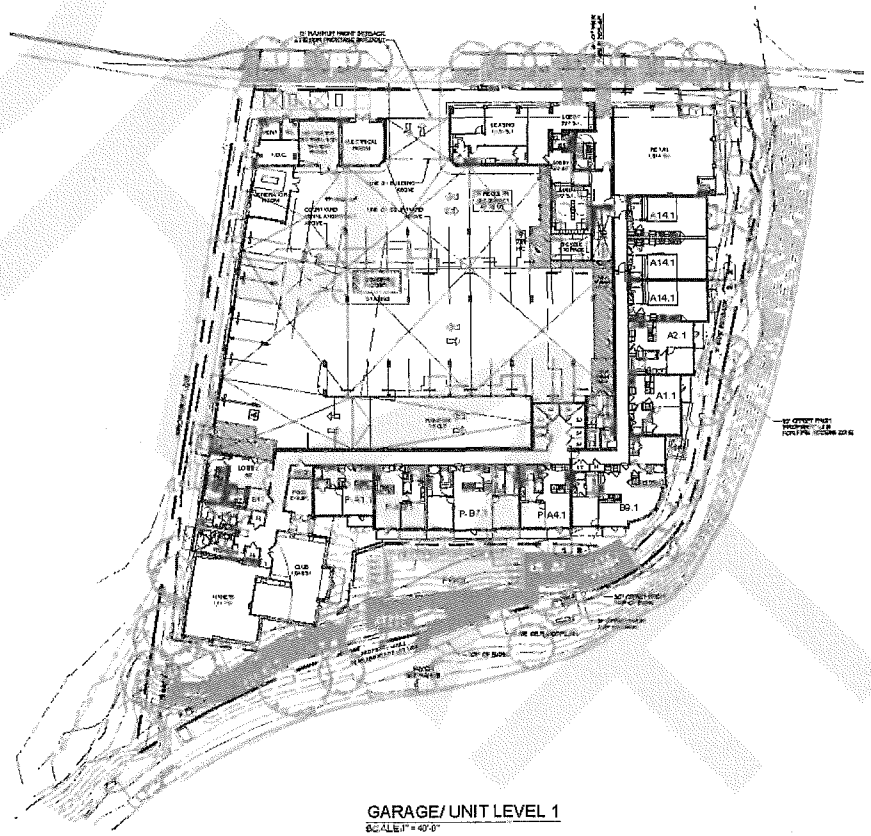
GARAGE LEVEL 2
SCALE: 1" = 40'-0"

ALAMO RIVERWALK
14185 09.16.2015

HLR

ALAMO MANHATTAN

DRAFT



GARAGE/ UNIT LEVEL 1

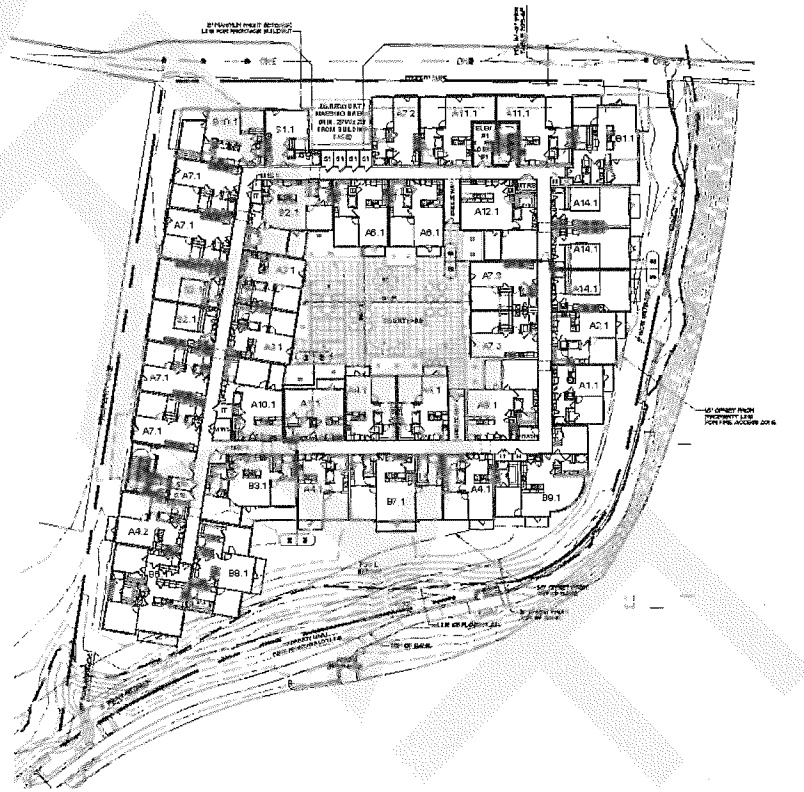
SCALE: 1" = 40'-0"

ALAMO RIVERWALK

14185 09.16.2015

HLR

ALAMO MANHATTAN

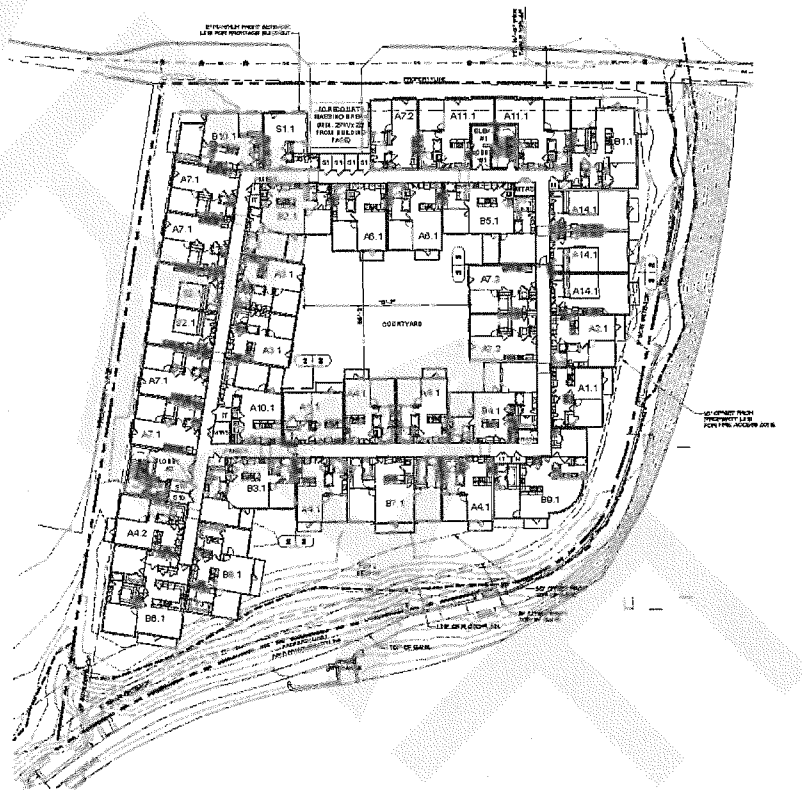


UNIT LEVEL 2
SCALE 1" = 40'-0"

HLR

ALAMO RIVERWALK
14155 09.16.2015

ALAMO MANHATTAN



UNIT LEVEL 3-5
SCALE: 1" = 40'-0"

ALAMO RIVERWALK
14185 09.16.2015

HLR

ALAMO MANHATTAN

EXHIBIT "C"

COUNTY OF BEXAR TAX ABATEMENT COMPLIANCE REPORT

DRAFT

BEXAR COUNTY SEMI-ANNUAL TAX ABATEMENT COMPLIANCE REPORT

Reporting Period: _____ through _____

Real Property Improvements	
Expenditures associated with the real property improvements to your facility during _____ through _____.	
1. Improvements occurring during reporting period.	$
2. Improvements existing **prior to** reporting period.	$
3. Total real property improvements (Add responses from 5 and 6).	$
4. Bexar Appraisal District Tax Account Number.	

Certification	
I certify that the information provided in this Bexar County Tax Abatement Compliance Report is correct and that the company has complied with all terms and conditions of its Tax Abatement Agreement.	
Signature:	
Date:	/ /
Printed Name:	
Title:	
Company:	
Mailing Address:	
City, State, Zip:	, -
Phone:	- -
Fax:	- -
E-Mail:	

EXHIBIT "D"

CERTIFICATE OF COMPLETION

DRAFT

CERTIFICATE OF COMPLETION

DATE:_____, 201____

AFFIANT: _____

_____

_____

_____

Unless defined herein, each capitalized term or phrase used in this Certificate of Completion of construction ("***Certificate of Completion***") will have the meaning ascribed to such term or phrase in the Tax Abatement Agreement dated _____, 20_____, between _____ ("***Affiant***") and Bexar County, Texas ("***County***") which is incorporated herein by reference for all purposes.

The person signing this Certificate of Completion has been duly sworn. Under oath, the undersigned swears the following information is true and correct:

1. Authority of Affiant. The undersigned person has been duly authorized by Affiant to sign this Certificate of Completion of construction as its agent and representative and deliver it to the County in accordance with the terms of the Tax Abatement Agreement.

2. Description of Affiant's Obligations. Affiant entered into the Tax Abatement Agreement with the County wherein the County agreed to provide a tax abatement on Affiant's Real Property and certain Eligible Improvements as incentive for Affiant to make the capital investments described in the Tax Abatement Agreement.

3. Representations of Affiant. Affiant swears that (i) the Eligible Improvements have been constructed, inspected and approved by all Governmental Authorities having regulatory authority over the Project, (ii) substantial completion (except for minor "punch-list" items) of the construction of the Eligible Improvements occurred on or before _____, 20_____, and (iii) as of the date of this Certificate of Completion, no breach of any of the terms, conditions, representations or warranties contained in the Tax Abatement Agreement has occurred without cure by Affiant.

4. Liability for False Statements. Affiant is aware that the County is relying upon the truth and accuracy of this Certificate of Completion and that Affiant will be liable to the County for all damages, attorney's fees, and other expenses incurred because of any false statement contained in this Certificate of Completion.

AFFIANT: _____

Printed Name: _____

SWORN AND SUBSCRIBED to before me on this _____ day of _____, 20_____,

by _____.

_____
Notary Public, State of Texas

EXHIBIT "E"

COUNTY OF BEXAR AND CITY OF SAN ANTONIO
JOINT INCENTIVE APPLICATION

DRAFT

JOINT INCENTIVE APPLICATION

Company: Alamo Manhattan River Walk, LLC

Address: 2808 Fairmount, Suite 200 **City:** Dallas **State:** TX **Zip:** 75214-

Website: www.alamomanhattan.com

Ownership: ☒ **Private** ☐ **Public**

Headquarters Location (where the company's officers direct, control and coordinate the entity's activities) City: Dallas **State:** TX

Business Structure (i.e., Proprietorship, Partnership, Corporation): LLC

State of registration or incorporation: TX

PROJECT DETAILS

1. **List other communities that are being considered for the project:**

   None

2. **Why is an incentive necessary for the project to succeed financially?**

   Incentives are required in order to for the project to be financially feasible

3. **Indicate any incentives sought or received from other taxing entities in connection with this project.**

   Seeking all incentives available under the CCDO's CCHIP program

4. **Describe the project, including capital improvements (real and personal property) to be undertaken, the facility's use, and the product or service to be produced.**

   The project will be a mid-rise market-rate apartment community including approximately 191 units and 1,500 SF of ground-floor retail space.

5. **Classification (i.e. Agribusiness, Aviation/Aerospace, Biotechnology, Corporate and Regional Headquarters, Creative Services, Environmental/Clean/Green Technology, Finance, Information Technology and Security, Logistics and Distribution, Manufacturing):** Rental multi-family housing

6. **Physical address:** 111 W. Jones **City:** San Antonio

   County Precinct: 4 **City Council District:** 1 **School District:** San Antonio ISD

7. ☒ **New construction** ☐ **Expansion** ☐ **Lease improvements**

8. **Improvement values. Real property:** $39,393,771 **Personal property:** $300,000 **Inventory/Supplies:** $0

9. **Schedule (MM/YY): Start date:** 8 / 15 **Completion date:** 5 / 17

	Investment

Year 1 (2015)	$9,450,944
Year 2 (2016)	$22,682,120
Year 3 (2017)	$7,560,707
Year 4 (2018)	$
Year 5 (2019)	$

10. Does/will the applicant own or lease the project's real property? ☒ Own ☐ Lease

    If leased, indicate the landlord/owner.

    If leased, indicate lease term. Years Expiration date: / /

11. List existing Bexar Appraisal District tax account numbers associated with this project.

    Real property: 01037 - 000 - 0010 ; - - ; - -

    Personal property: - - ; - - ; - -

12. Total global workforce: Full-time: 0 Part-time: Seasonal:

13. Current local workforce: Full-time: 0 Part-time: Seasonal:

14. Minimum number of new, full-time jobs to be created (total):

	Jobs		Jobs
Year 1 (2015)	0	Year 6 (2020)	0
Year 2 (2016)	0	Year 7 (2021)	0
Year 3 (2017)	0	Year 8 (2022)	0
Year 4 (2018)	0	Year 9 (2023)	0
Year 5 (2019)	0	Year 10 (2024)	0

15. Project impact on the following job classifications (at full operations)*:

	Managerial/ Executive	Professional	Clerical	Other (Identify)
Number of full-time employees	0	0	0	0
Number to be filled by relocated workers	0	0	0	0
Salary range	$ - $	$ - $	$ - $	$ - $

Minimum hourly rate	$	$	$	$

*All new and existing employees must meet specific wage requirements; refer to each entity's individual Tax Abatement Guidelines for full details.

16. Average Annual Salary of Existing Jobs: $N/A

17. Average Annual Salary including Projected New Jobs: $N/A

18. Describe the investment in training/education for new, full-time jobs created and recruitment policies to include how the applicant will utilize Workforce Solutions Alamo.

    N/A

19. Describe the benefits package that will be offered to employees and their dependents.

    N/A

20. Is the company delinquent in the payment of ad valorem taxes to any taxing unit located in Bexar County?

    ☐ Yes ☒ No If yes, explain:

21. Has the applying company or any of its affiliates been cited, currently under investigation, or have litigation pending for any violations of federal, state, county and/or municipal laws, codes or ordinances?

    ☐ Yes ☒ No If yes, indicate the nature/status of the violation(s):

22. Has the company previously received an incentive from the County or City? ☐ Yes ☒ No

    If yes, indicate the time period (MM/YY): /

    If yes, explain:

    If yes, is/was the company in compliance with all terms and conditions: ☐ Yes ☐ No

23. Is any interest in this project presently held by an elected, appointed or employed member of any taxing entity? ☐ Yes ☒ No

24. Is any interest in this project presently held by a member of the Bexar County Commissioners Court or other County official or employee; or, a member of the San Antonio City Council or other City official or employee ? ☐ Yes ☒ No

    If yes, explain:

25. Describe any goodwill benefits and involvement that the applicant has previously provided and/or is committed to providing in the future to the Bexar County community.

    Alamo Manhattan has strong experience developing first-class projects in some of the finest urban neighborhoods in the United Stattes. The firm will bring its experience in urbanism, sustainability, and low-impact design to the county's iconic River Walk. With high density, underground parking, beautiful aesthetic, and low-impact design features, the project will be exactly what the community and planners envision for the evolving River North corridor. The project will bring hundreds of permanent

residents to live in the urban core. Alamo Manhattan envisions having a prominent and enduring presence in the county and is committed to the growth, prosperity, and success of the community.

26. **Provide an assessment of the project's environmental impact, and any remediation and/or compliance plan associated with the project, which would have the effect of minimizing the negative impact of the project on the environment.**

All parking will be below grade or completely concealed from the street and river; any environmental contamination will be remediated; low-impact and sustainable design features will be incorporated.

ATTACHMENTS

☒ **Information regarding the applicant company's description, including corporate structure, audited financial statement or prior year report, and organization chart identifying affiliates and subsidiaries.**

☒ **Financial Gap Analysis**

☒ **Metes and bounds, field notes and/or a site survey showing the location of existing and proposed improvements.**

☒ **City of San Antonio's Discretionary Contracts Disclosure form, which can be found at:**

https://www.sanantonio.gov/eforms/atty/ContractsDisclosureForm.pdf

Companies must submit non-refundable application fees with their respective applications based upon the following schedules. Non-refundable Application Fees are due upon company's receipt of an incentive letter. Projects that require an assignment or amendment are also required to pay an application fee of $1,000.00 to each entity.

☒ **County of Bexar: $1,000.00**

☐ **City of San Antonio:**

Number of Employees in the Applicant Firm	Fee
Minimum Fee	$500
100-499	$1,000
500+	$1,500

CERTIFICATION

I understand and certify that I have read the County of Bexar's and the City of San Antonio's current *Tax Abatement Guidelines* which relate to the County of Bexar General Fund and the City of San Antonio General Fund ad valorem taxes. I am familiar with the provisions contained therein, and that the information provided in this application may become a part of an incentive agreement with the County of Bexar and/or City of San Antonio. I also certify that I am authorized to sign this application, that the information provided herein is true and correct, and that knowingly providing false information will result in voiding the application and termination of any incentive agreement.

Signature: _____ **Date (MM/DD/YY):** 3 / 27 / 15

Printed Name: Wade B. Johns **Title:** Vice President

Company Name: Alamo Manhattan River Walk, LLC

Mailing Address: 2808 Fairmount St., Suite 200

City: Dallas **State:** TX **Zip:** 75201-

Telephone: (469) 941-4515 **Mobile:** (214) 300-1314 **E-mail address:** wade.johns@alamomanhattan.com

DRAFT

EXHIBIT "F"

PARTNERSHIP'S AUTHORIZATION TO ENTER INTO TAX ABATEMENT

DRAFT

WRITTEN CONSENT OF MANAGER
OF
AM RIVER WALK, LLC

as of September 17, 2015

The undersigned, Matthew Philip Segrest ("**Segrest**"), as Co-Manager of Alamo Manhattan Properties, LLC, a Texas limited liability company (the "**Manager**"), the manager of AM River Walk, LLC, a Texas limited liability company (the "**Company**"), does by the execution of this Written Consent of Manager (this "**Consent**") hereby consent to and approve in all respects the following resolutions.

RESOLUTIONS

IT IS RESOLVED THAT:

Segrest, as Co-Manager of Manager (an "**Authorized Person**") is hereby authorized, empowered and directed to (i) execute and deliver for and on behalf of the Company, without the necessity of joinder or attestation by any other members or partners (unless such joinder or attestation is required by law or otherwise): all documents and instruments as any such Authorized Person deems necessary or appropriate to permit the Company to comply with and consummate the transactions contemplated thereby, and (ii) take any and all action as such Authorized Person so acting deems necessary, with the execution and delivery of such other documents and instruments and the taking of such action to be conclusive evidence such Authorized Person did deem such execution and delivery, or such action to be necessary or appropriate.

Any action taken by Authorized Person, prior to the date hereof, to carry out the intent and accomplish the purposes of the foregoing resolutions, is hereby approved, adopted, ratified and confirmed in all respects as the act of Company.

Any action taken by Authorized Person on behalf of Company to date is hereby ratified, approved and adopted as an official act of Company.

Each such multiple counterpart of this Consent may be transmitted via facsimile or other similar electronic means and executed by one or more of the undersigned, and a facsimile of the signature of one or more of the undersigned shall be deemed an original signature for all purposes and have the same force and effect as a manually-signed original instrument.

[Signature Page Follows.]

All actions heretofore taken by the foregoing parties in furtherance of the purpose state herein are ratified and confirmed.

MANAGER:

ALAMO MANHATTAN PROPERTIES, LLC,
a Texas limited liability company

By: _____
Matthew Philip Segrest,
Co-Manager

DRAFT