

**ADMINISTRATION AND FUNDING AGREEMENT FOR
THE CITY OF ROUND ROCK ECONOMIC DEVELOPMENT PROGRAM**

This Administration and Funding Agreement for the City of Round Rock Economic Development Program ("**Agreement**") is made and entered into as of March 26, 2020 by and among the City of Round Rock (the "**City**"), a Texas home rule municipal corporation, the Round Rock Transportation and Economic Development Corporation (the "**TED Corp.**"), an economic development corporation organized and existing under Chapter 505 of the Texas Local Government Code, and the Round Rock Chamber of Commerce, Inc. (the "**Chamber**"), a corporation organized and existing under the laws of the State of Texas. The City, TED Corp., and Chamber are sometimes collectively referred to herein as the "**Parties**".

WITNESSETH

WHEREAS, §380.001 of the Texas Local Government Code provides that the governing body of a municipality may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, said §380.001 also provides that the governing body may administer such programs by the use of municipal personnel and may contract with another entity for the administration of a program; and

WHEREAS, as set forth in TED Corp.'s Articles of Incorporation and in Chapter 505 of the Texas Local Government Code, the purpose of said corporation is to promote economic development within the City in order to eliminate unemployment and underemployment and to promote and encourage employment and the public welfare by approving authorized projects; and

WHEREAS, §505.102 of the Texas Local Government Code provides that the TED Corp. may contract with another private corporation to assist with the development or operation of an economic development program or objective consistent with the purposes and duties specified by Chapter 505; and

WHEREAS, the City, the TED Corp., and the Chamber wish to jointly develop a program to promote economic development and to stimulate business and commercial activity in the City of Round Rock;

NOW THEREFORE,

Premises considered; the Parties agree to enter into this Agreement as follows:

**ARTICLE I
ECONOMIC DEVELOPMENT PROGRAM**

Section 1.01. Economic Development Program. The Parties agree to work together to develop, establish, maintain, and operate an economic development program (the "**Program**") to promote economic development and to stimulate business and commercial activity in the City of Round Rock that is consistent with Chapters 380 and 505 of the Local Government Code. The Program will include, without limitation, elements for (1) existing business retention and expansion, (2) recruitment of new business, (3) small business development, (4) communication among the Parties relating to infrastructure needs and planning, and (5) criteria for government incentives to ultimately be approved by the Round Rock City Council.

[Council] R-2020-0069
[T/PC B] TB-2020-0003

ARTICLE II ADMINISTRATION

Section 2.01. Chamber's Administration Responsibilities. The Chamber agrees to provide a qualified and competent staff for the implementation of the Program. In this connection, the Chamber shall employ dedicated staff focused on the Program and who shall report to and be under the supervision of the Chief Executive Officer of the Chamber (the “**Chamber CEO**”). The Chamber agrees to provide the management and administrative services necessary to operate the Chamber and to implement the Program. The Chamber agrees that its efforts will include the creation of an annual Operations Plan (“Operations Plan”) in consultation with the City containing the following objectives:

- a) new business recruitment
- b) existing business development
- c) private economic development program investor engagement
- d) site and building investor development
- e) talent development

Section 2.02 Chamber's Reporting Responsibilities. The Chamber is accountable for the delivery and reporting the progress of the Program to the City, and the TED Corp. The following reports will be delivered and reviewed according to the following schedule:

- a) On or before October 31st of each year, the Chamber CEO will review Program progress toward completing the Operations Plan with the TED Corp. and the City.
- b) Present Program updates on regular and as-requested bases to the TED Corp and the City.

Section 2.03. City's Administration Responsibilities. The City agrees to provide qualified and competent staff assigned to the promotion of economic development. The City agrees to perform the services and provide resources necessary to execute and carry out economic development needs brought forward by the Program. The City agrees to supply general support to the Chamber in fulfilling its responsibilities as set forth in Sec. 2.02 above.

ARTICLE III FUNDING

Section 3.01. Fees. For the services provided by the Chamber in the administration and execution of the Program, the TED Corp. agrees to pay to the Chamber the sum of \$58,333.33 for each calendar month (“Monthly Fee”), which amount shall be paid by the TED Corp. to the Chamber on or before the first day of the month, beginning and on or before the first day of each calendar month thereafter until this Agreement is terminated. The Parties may from time to time, and by mutual written agreement, agree that the TED Corp. and/or City shall pay to the Chamber additional amounts for specific items as may be mutually agreed upon. The Chamber will provide an invoice to the TED Corp, by the first of each month. The Parties agree that the Monthly Fee will increase by 3% beginning on the one year anniversary of payment of the Monthly Fee and annually thereafter.

Section 3.02. Private Sector Funding. The Chamber agrees to conduct a periodic campaign to seek private sector funding for the purpose of supplementing the funds provided by the TED Corp.

Section 3.03. Annual Audit. No later than six months following the end of the Chamber's fiscal year, the Chamber agrees to provide to the City and TED Corp. a copy of its annual audit which shall include the Program funds and expenditures. The annual audit shall be prepared by an independent public accountant in accordance with generally accepted accounting principles, consistently applied. The Chamber agrees to permit the audit of these funds and expenditures by the City or its designated auditor.

ARTICLE IV EFFECTIVE DATE AND TERM

Section 4.01. Effective Date. The "Effective Date" of this Agreement shall be the first day of May, 2020.

Section 4.02. Initial Term of Agreement. Unless sooner terminated in accordance with Section 4.04 of this Agreement, the initial term of this Agreement shall be for a five (5) year period commencing on the Effective Date and shall continue in effect until the 30th day of APRIL, 2025.

Section 4.03. Automatic Renewal. At the end of the fourth year (the 30th day of APRIL, 2024) and the 30th day of APRIL and each year thereafter, unless any Party shall have given written notice of termination to the other Parties prior to said annual date, the term shall automatically renew such that the balance of the term remains two (2) years. Receipt by any Party of the aforesaid written notice shall serve to terminate the automatic renewal provisions and this Agreement shall remain in effect for the remainder of the term then outstanding.

Section 4.04. Termination or Cancellation. Except as provided above and with this Section, this Agreement may only be cancelled or terminated upon mutual consent of the Parties. Upon termination as provided herein, all obligations shall cease herein, and the TED Corp. shall only provide funding for expenses actually expended or incurred up to the date of termination; provided however, that the TED Corp. shall not have an obligation to fund such incurred expenses unless the City and/or the TED Corp. receives the benefit of such expenses. Any and all funds paid to the Chamber in accordance with Article III of this Agreement, which are not used to pay actual expenses prior to the date of termination, shall be returned to the TED Corp.

If any Party defaults in the performance of this Agreement, or materially breaches any of its provisions, the defaulting Party shall have thirty (30) days after delivery to it of written notice of such default within which to cure such default. If the defaulting Party fails to cure its default within such period of time, then any non-defaulting Party shall have the right without further notice to terminate this Agreement.

ARTICLE V MISCELLANEOUS PROVISIONS

Section 5.01. Relationship of Parties. Nothing contained herein shall be deemed or construed to make the City or the TED Corp., the agent, servant, or employee of the Chamber, or to create any partnership, joint venture, or other association between the City or TED Corp. and the Chamber. Alternatively, nothing contained herein shall be deemed or construed to make the Chamber the agent, servant, or employee of the City or TED Corp., or to create any partnership, joint venture, or other association between the Chamber and the City or TED Corp.

Section 5.02. Amendment. This Agreement may not be altered, waived, amended or extended except by an instrument in writing approved by the Round Rock City Council, the TED Corp. Board of Directors and the Board of Directors of the Chamber.

Section 5.03. Notice. Any notice required by this Agreement shall be sent to the following:

To the City:

City of Round Rock
City Manager
221 E. Main St.
Round Rock, Texas 78664

With copy to:

Stephan L. Sheets
City Attorney
309 E. Main St.
Round Rock, Texas 78664

To the Chamber:

Round Rock Chamber of Commerce
President
212 E. Main St.
Round Rock, Texas 78664

With copy to:

Round Rock Chamber of Commerce
Chair
212 E. Main St.
Round Rock, Texas 78664

and

Jim Howicz
Chamber General Counsel
Richards Rodriguez & Skeith
816 Congress, Suite 1200
Austin, Texas 78701

To the TED Corp.

Round Rock Transportation and Economic Development Corporation
President, Board of Directors
221 E. Main St.
Round Rock, Texas 78664

With copy to:

Chief Financial Officer
City of Round Rock
221 E. Main St.
Round Rock, Texas 78664

Section 5.04. Applicable Law. This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Texas. Venue for any proceeding to enforce this Agreement shall be in Williamson County, Texas.

Section 5.05. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.


Section 5.06. Non-Appropriation. The obligation of the City and/or TED Corp. for payment and any other monetary obligations under this Agreement are each subject to an appropriation and, accordingly, (a) shall constitute a current expense of the City and/or TED Corp. in the fiscal year to which an obligation applies and (b) shall not constitute an indebtedness of the City and/or TED Corp. within the meaning of any applicable governmental rule. Nothing herein shall constitute a pledge by the City and/or TED Corp. of any funds, other than funds designated pursuant to lawful appropriations from time to time to pay any money or satisfy any other monetary obligation under any provision of this Agreement.

Section 5.07. Previous Agreements. This Agreement terminates and replaces all existing agreements among the Parties regarding the administration and funding of an economic development program for the City of Round Rock.

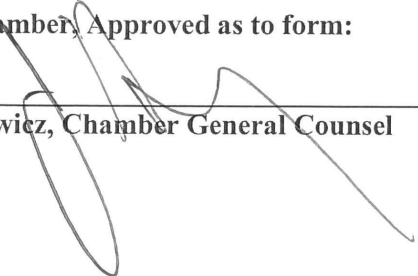
IN WITNESS WHEREOF, of this Agreement is entered into as of the date first set forth above.

(Signatures on Following Pages)

Round Rock Chamber of Commerce, Inc.

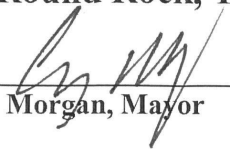
By: 
Jason Ball, its President

For Chamber, Approved as to form:



Jim Howicz, Chamber General Counsel

City of Round Rock, Texas

By: _____


Craig Morgan, Mayor

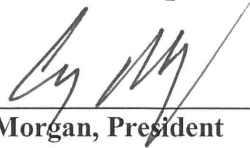
Attest: _____


Sara White, City Clerk

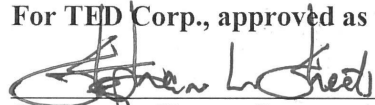
For City/ Approved as to form: _____


Stephan/L. Sheets, City Attorney

Round Rock Transportation and Economic Development Corporation

By: 
Craig Morgan, President

For TED Corp., approved as to form:


Stephan L. Sheets, Corporation Attorney