

RESOLUTION NO. R-2016-4012

WHEREAS, KR Acquisitions, LLC, a Delaware limited liability company ("Developer") and KR CC, Inc., a Delaware corporation (the "Tenant") have expressed to the City of Round Rock ("City") their desire, either directly or with an affiliate, to develop a master-planned mixed use development to include a hotel, a convention center, and an indoor water park (the "Project") in the City which will provide jobs and additional tax base to the City, and

WHEREAS, pursuant to §380.001 Local Government Code, the City has established an economic development program ("Program") to promote local economic development and to stimulate business and commercial activity in the municipality by encouraging Developer and Tenant to develop the Project, and

WHEREAS, pursuant to the Program, the City Council wishes to approve an Economic Development Program Agreement as contemplated by Chapter 380 of the Texas Local Government Code whereby the Developer intends to operate portions of the Project in conformance with the City's development approvals for the Project, Now Therefore

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROUND ROCK, TEXAS,

That the Mayor is hereby authorized and directed to execute on behalf of the City, an Economic Development Program Agreement with the Round Rock Transportation and Economic Development Corporation, KR Acquisitions, LLC, and KR CC, Inc., a copy of same being attached hereto as Exhibit "A" and incorporated herein for all purposes.

The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 15th day of December, 2016.



ALAN MCGRAW, Mayor
City of Round Rock, Texas

ATTEST:



SARA L. WHITE, City Clerk

ECONOMIC DEVELOPMENT PROGRAM AGREEMENT

This Economic Development Program Agreement (this "Agreement") is entered into this 15th day of December, 2016 (the "Effective Date"), by and among the City of Round Rock, Texas, a Texas home rule municipal corporation (the "City"), the Round Rock Transportation and Economic Development Corporation, a "Type B corporation" created under the authority of Chapter 501, Texas Local Government Code (the "TED Corp."), KR Acquisitions LLC, a Delaware limited liability company (the "Developer"), and KR CC, INC., a Delaware corporation (the "Tenant"). The City, the TED Corp., the Developer and the Tenant are, collectively, the "Parties" to this Agreement.

RECITALS

WHEREAS, the City has adopted Resolution No. R-2016-4010, attached as Exhibit A ("Program Resolution"), establishing an economic development program; and

WHEREAS, the Developer is considering the construction of a master-planned mixed use project on the Property anchored by a Kalahari Resort and Convention Center, including a hotel with a minimum of 975 guest rooms, a convention and exhibition center, and an indoor water park, all as further described in Sections 3.03, 3.04, 3.05 (the "Project"); and

WHEREAS, the Project may also include entertainment, recreation, and other uses of the Property permitted by the zoning at the time of development; and

WHEREAS, the City has adopted Resolution No. R-2016-4012, attached hereto as Exhibit B (the "Authorizing Resolution" and together with the Program Resolution, collectively, the "City Resolutions"), authorizing the Mayor to enter into this Agreement with the Developer and the Tenant in recognition of the positive economic benefits to the City through development of the Project on approximately 351.7 acres of land, as described and shown on Exhibit C (the "Property"); and

WHEREAS, the purpose of this Agreement is to promote economic development as contemplated by Chapter 380 of the Texas Local Government Code whereby the Developer intends to operate portions of the Project in conformance with the City's development approvals for the Project and the Tenant intends to comply with the terms of the Ground Lease, and;

WHEREAS, the Developer intends to invest or cause to be invested a minimum of \$350,000,000 in the Property, as further described herein; and

WHEREAS, the Developer intends to employ at least 700 full time equivalent employees in the Project starting no later than 12 months after the Project is opened; and

WHEREAS, the City agrees to provide performance-based Economic Incentive Payments (as defined below) to the Developer and the Tenant to defray a portion of the Project's costs; and

R-2016-4012 [COUNCIL]
2016-4025 [TYPE B]

WHEREAS, the City will encourage Williamson County to enter into an agreement with the Developer pursuant to Chapter 381 of the Texas Local Government Code to rebate a portion of the taxes the county collects from the Project.

NOW, THEREFORE, in consideration of the mutual benefits and promises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, the TED Corp., the Developer and the Tenant agree as follows:

ARTICLE I **AUTHORITY**

1.01 **Authority.** The City's execution of this Agreement is authorized by Chapter 380 of the Texas Local Government Code and the City Resolutions, and constitutes a valid and binding obligation of the City in the event development of the Project proceeds. The City acknowledges that the Developer and the Tenant are acting in reliance upon the City's performance of its obligations under this Agreement in making its decision to commit substantial resources and money to the Project.

1.02 **Interpretation.** In this Agreement, unless a clear contrary intention appears;

- (a) the singular number includes the plural number and vice versa;
- (b) reference to any Party includes such Party's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement, and reference to a Person in a particular capacity excludes such Party in any other capacity or individually;
- (d) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof;
- (e) "hereunder", "hereof", "hereto", and words of similar import shall be deemed references to this Agreement as a whole and not to any particular article, section or other provision thereof;
- (f) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and
- (g) reference to any constitutional, statutory or regulatory provision means such provision as it exists on the Effective Date and any amendatory provision thereof or supplemental provision thereto.

1.03 **Legal Representation of the Parties.** This Agreement was negotiated by the Parties hereto with the benefit of legal representation and any rules of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any Party shall not apply.

ARTICLE II
DEFINITIONS

2.01 Definitions.

"**Ad Valorem Property Tax**" means the City's ad valorem property tax on the assessed value of the Project imposed consistent with the authority granted by Article 8 of the Texas Constitution.

"**Agreement**" means this Economic Development Program Agreement.

"**Alternative Convention Center Debt**" means the debt described in Section 7.04 of the Master Development Agreement.

"**Alternative Public Improvement Debt**" means the debt described in Section 6.03 of the Master Development Agreement.

"**Authorizing Resolution**" means City Resolution No. R-2016-4012, attached hereto as **Exhibit B**, authorizing the Mayor to enter into this Agreement with the Developer and the Tenant in recognition of the positive economic benefits to the City through development of the Property and the Project.

"**Bonds**" means, collectively, the Public Improvements Debt, the Convention Center Debt, and any other obligations issued in accordance with this Agreement.

"**City**" means the City of Round Rock, Texas.

"**City Hotel Occupancy Tax**" or "**RRHOT**" means the municipal hotel occupancy taxes imposed by Chapter 351 of the Texas Tax Code.

"**City Resolutions**" means the Authorizing Resolution and Program Resolution.

"**City Sales Tax**" means the sales tax imposed by Chapter 321 of the Texas Tax Code. City Sales Tax includes only the one percent that is available for general purpose use by the City. City Sales Tax does not include the portion of the sales tax restricted for property tax reduction and the sales tax paid to the Round Rock Transportation and Economic Development Corporation.

"**Conditions Precedent**" mean those conditions described in Section 5.01 which must be satisfied before all or any portion of the EIPs are paid.

"**Convention Center**" means the convention center described in Section 3.04.

"**Convention Center Debt**" means the debt issued by the City and/or the TED Corp. in an

amount sufficient to provide net proceeds of \$40,000,000.00 to design and construct the Convention Center. Net proceeds are those amounts deposited into a project fund or similar account. Net proceeds exclude capitalized interest, debt service reserve funds and costs of issuance.

"Coverage Requirement" means Total Tax Revenue each Fiscal Year shall equal or exceed 125 percent of the Debt Service for that Fiscal Year.

"Debt Service" means the amount of money necessary to pay interest on outstanding Bonds, the principal on maturing Bonds, and any required contributions to a sinking fund for term Bonds.

"Developer" means KR Acquisitions LLC, a Delaware limited liability company.

"Economic Incentive Payment(s)" ("EIPs") means all of the payments required to be paid by the City to the Developer and the Tenant and fees waived by the City under the Program and this Agreement.

"Effective Date" is December 15, 2016.

"Fiscal Year" means the twelve month period beginning on October 1 and ending on September 30.

"Full Time Equivalent Employee" ("FTE") means a combination of employees, each of whom individually may not be a full-time employee because they are not employed on average at least 35 hours per week, but who, in combination, are counted as the equivalent of a full-time employee. FTE's shall include original hires or their replacements over time.

"Ground Lease" means the ground lease document whereby the City, as landlord, will lease the Property to the Tenant, as tenant.

"Hotel" means the hotel described in Section 3.03.

"Kenney Fort Blvd. Improvements" means the public improvements described in Section 6.02 (e) of the Master Development Agreement.

"Master Development Agreement" means the Master Development Agreement between the City, the TED Corp., the Developer and the Tenant dated December 15, 2016.

"Mixed Beverage Tax" means the tax imposed by Chapter 183 of the Texas Tax Code.

"Offsite Public Improvements" means the public improvements described in Section 6.02 (b)(c) and (d) of the Master Development Agreement.

"Onsite Public Improvements" means the public improvements described in

Section 6.02(a) of the Master Development Agreement and includes any improvement or facility together with its associated public site, right-of-way or easement necessary to provide transportation, drainage, public utilities, or similar essential public services and facilities, for which the City will ultimately assume the responsibility for maintenance and operation or ownership, or both. This term also includes the following: drainage facilities, streets and other rights-of-way, potable water system, reuse water system, sanitary sewerage system, survey monuments, illumination including street lights, traffic control signs and traffic signalization, fire hydrants, sidewalks and curb ramps, street name signs, traffic control signs, street pavement markings, and parkland and open space improvements.

"Parties" means the City, the TED Corp., the Developer and the Tenant.

"Party" means the City, the TED Corp., the Developer or the Tenant.

"Program" means the economic development program established by the City pursuant to Chapter 380 of the Texas Local Government Code and under the City Resolutions to promote local economic development and stimulate business and commercial activity within the City.

"Program Resolution" means City Resolution No. R-2016-4010, attached as Exhibit A, establishing an economic development program.

"Project" means Project as defined in the recitals.

"Project Fund" means the fund described in Section 5.01.

"Project Fund Balance" means the amount remaining in the Project Fund after all payments required by Section 5.02(a)-(e) have been paid.

"Property" means the real property described and shown on Exhibit C.

"Public Improvements" means the Offsite Public Improvements, the Onsite Public Improvements and the Kenney Fort Blvd. Improvements located within and outside the boundaries of the Property that are necessary to serve the development of the Property and described in Section 6.02 of the Master Development Agreement.

"Public Improvements Debt" means the debt issued by the City in amount sufficient to provide net proceeds of \$30,000,000.00 to design and construct the Public Improvements. Net proceeds are those amounts deposited into a project fund or similar account. Net proceeds exclude capitalized interest, debt service reserve funds and costs of issuance.

"Recapture Liability" means the total amount of all EIP's that are paid as result of this Agreement that are subject to recapture pursuant to Section 5.06 by the City from the Developer and the Tenant in the event the City terminates this Agreement as a result of a default by the Developer or the Tenant.

"State" means the State of Texas.

"State Hotel Occupancy Tax" or "TXHOT" means the hotel occupancy taxes imposed by Chapter 156 of the Texas Tax Code.

"State Sales Tax" means the sales tax imposed by Chapter 151 of the Texas Tax Code.

"Supplemental Economic Incentive Payment(s)" ("Supplemental EIPs") means all of the payments required to be paid by the City to the Developer under an amendment to this Agreement which amendment will be based on development of the Property with improvements in addition to the Project.

"TED Corp." means the Round Rock Transportation and Economic Development Corporation.

"Tenant" means KR CC, INC., a Delaware corporation.

"Term" means this Agreement shall become enforceable upon its Effective Date and shall expire 40 years after the date the City has issued the last Certificates of Occupancy for the Hotel, the Convention Center, and the Water Park.

"Texas Public Information Act" means Texas Government Code Chapter 552, as amended.

"Total Tax Revenue" means the total revenues generated by the Project and which are derived from only the following taxes: Ad Valorem Property Tax, the RRHOT, the City Sales Tax, the Mixed Beverage Tax, the TXHOT, and the State Sales Tax.

"Water Park" means the facility described in Section 3.05.

ARTICLE III THE PROJECT

3.01 General Description. The Project will be planned, developed and constructed on the Property. The Project will be a master planned, mixed-use development that will be anchored by a Kalahari Resort and Convention Center, which will include the Hotel, the Convention Center, and the Water Park. In addition, the Project will include entertainment, recreation, and other uses permitted by the zoning of the Property at the time of development.

3.02 Amount of Investment. The Developer agrees to spend or cause to be spent a cumulative total of at least \$350,000,000 in a combination of rent payments under the Ground Lease by the Tenant and in improvements to real property and additions to personal property within the Property not later than the date stated in the construction schedule contemplated by Section 5.07 of the Master Development Agreement, subject to (a) the City completing construction of the Offsite Public Improvements consistent with the construction schedule contemplated by Section 5.07 of the Master Development Agreement; (b) the City first issuing bonds to finance the construction of the Convention Center as described in Section 7.04 of the Master Development Agreement; (c) the

City issuing all of the permits and other approvals necessary for construction of the Hotel, Convention Center, and Water Park; and (d) any delays caused by an event of force majeure. Such costs shall include all hard costs and soft costs.

3.03 The Hotel. The Hotel shall have a minimum of 975 guest rooms, at least one full-service restaurant, additional food and beverage outlets, room service, valet parking, bell and concierge service, and entertainment and retail facilities. A spa or exercise facility shall be located within the Project. The Hotel shall be located on the Property, and shall be adjacent to the Convention Center. The Hotel may be located on a separate platted lot from the lot on which the Convention Center will be developed.

3.04 The Convention Center. The Convention Center shall have a minimum of 150,000 square feet of indoor convention, exhibition, and meeting space. The Convention Center shall be located on the Property and shall be attached or adjacent to the Hotel. The Convention Center may be located on a separate platted lot from the lot on which the Hotel will be developed.

3.05 The Water Park. The Water Park shall have a minimum of 200,000 square feet of water and related space attached or adjacent to the Hotel. The indoor portion of the Water Park may be in a separate building from the Hotel. The Water Park may include indoor and outdoor features. The Water Park may be located on a separate platted lot from the Hotel.

3.06 Additional Property. The Developer has entered into a contract to purchase an additional 1.5-acre tract of land known by the Parties as the "Boyles Tract," and the Developer has assigned the contract to purchase the Boyles Tract to the Tenant. The Tenant will assign the contract to purchase the Boyles Tract to the City before the closing anticipated in February 2017. Upon the City's acquisition of the Boyles Tract, the Parties agree that the definition and description of the "Property" in this Agreement, the Master Development Agreement, the Ground Lease, and all other affected documents the Parties enter into that govern the Property will be amended to include the Boyles Tract as part of the "Property."

ARTICLE IV OBLIGATIONS OF DEVELOPER AND TENANT

4.01 Operation of the Project. In consideration of and subject to the City's compliance with this Agreement, the Master Development Agreement, and the Ground Lease, the Developer agrees to operate, and maintain the Project, and the Tenant agrees to comply with the terms of the Ground Lease.

4.02 Compliance with Ordinances. The Developer and the Tenant shall each comply with all applicable City ordinances.

4.03 Jobs. The Developer agrees to cause the employment of at least 700 FTE's in the Project no later than 12 months after the Project is opened and to cause to be maintained at least 700 FTE's in the Project thereafter during the term of this Agreement.

4.04 Job Compliance Affidavit. Commencing 12 months after the Project is opened, the Developer agrees to provide to the City an annual Job Compliance Affidavit for the remainder of the term of this Agreement. A copy of the Job Compliance Affidavit form is attached hereto as Exhibit D. The City shall have the right, following reasonable advance notice to the Developer, to audit the Developer's records to verify that this obligation has been satisfied.

4.05 Developer and Tenant Accounting. The Developer and Tenant shall each maintain complete books and records showing its compliance with its obligations under this Agreement, which books and records shall be deemed complete if kept in accordance with generally acceptable accounting principles as applied to Texas corporations. Such books and records shall be available for examination by the duly authorized officers or agents of the City during normal business hours upon request made not less than 10 business days prior to the date of such examination. The Developer and Tenant shall each maintain such books and records throughout the term of this Agreement. Such books and records contain confidential information of the Developer, including proprietary information, that is exempt from Texas public information act disclosure. If in the future the City or the TED Corp. receives a request for public information, the City or the TED Corp., as applicable, will (1) immediately notify the Developer or the Tenant, as the case may be, as required by Section 552.305(d) of the Texas Public Information Act of the request for information; (2) withhold the requested information from disclosure pending a Texas Attorney General determination requiring disclosure; and (3) notify the requestor of the withholding pending the Texas Attorney General's determination. The notice to the Developer or Tenant will include a copy of the written request for information and a statement that Developer or Tenant may, within 10 business days of receiving the notice, submit to the Texas Attorney General reasons why the information in question should be withheld and explanations in support thereof. Developer or Tenant, respectively, has 10 business days after receiving notice from the City or the TED Corp. of the request for public information to assert an exception from disclosure under Section 552.101, 552.110, 552.113, or 552.131 of the Texas Public Information Act and present its arguments to the Texas Attorney General for nondisclosure.

4.06 Submission of Data. On a monthly basis, the Developer or its designee shall provide the City with a copy of all State tax returns that are filed monthly for all or any part of the Project. In addition, within 60 days following the end of each calendar year, the Developer shall submit to the City the Job Compliance Affidavit and documents reflecting the payments of taxes generated by the Project for such calendar year. Said documents shall include the following:

- (a) A copy of all property tax receipts for the Project, including amended reports, filed by the Developer for that calendar year showing the Ad Valorem Property Tax paid;
- (b) A copy of all RRHOT tax returns;
- (c) A copy of all State and City Sales Tax returns;
- (d) A copy of all Mixed Beverage Tax returns;

- (e) A copy of all TXHOT tax returns; and
- (f) Such other data reasonably necessary to verify compliance with this Agreement.

This Agreement entitles the City and the TED Corp. to request sales and use tax information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended. This designation allows the City or the TED Corp. to obtain an "Area Report" from the State Comptroller that identifies sales and use tax information relating to the Property. The City and the TED Corp. agree to request such information from the State Comptroller. The Developer agrees upon request to assist the City and the TED Corp. in obtaining sufficient taxpayer information to request such reports. The City and the TED Corp. agrees to keep this information "Confidential" consistent with Section 321.3022(f) of the Texas Tax Code.

4.07 Insufficient Funds in Project Fund. In the event that the Total Tax Revenues deposited in the Project Fund are insufficient to pay the Debt Service requirements of the Public Improvements Debt and/or the Convention Center Debt, then the Developer agrees that it shall be required to deposit money into the Project Fund in an amount sufficient to pay the Debt Service requirements. In such event, when sufficient funds are available from the Total Tax Revenues, the Developer will be entitled to be reimbursed the money it so deposited pursuant to Section 5.03(e).

4.08 Insufficient Funds to Satisfy Coverage Requirement. In the event that the Total Tax Revenues are less than 125 percent of the total Debt Service requirements of the Public Improvements Debt and/or the Convention Center Debt in any Fiscal year, then the Developer agrees that it shall be required to deposit money into the Project Fund in an amount sufficient to pay the Coverage Requirement shortfall. In such event, when sufficient funds are available from the Total Tax Revenues, the Developer will be entitled to be reimbursed the money it so deposited pursuant to Section 5.03(e).

4.09 Security for Project Fund. In the event that the Public Improvements Debt fund and/or the Convention Center Debt fund are not fully funded eighteen (18) months after the City issues the first series of Public Improvement Debt or Convention Center Debt, the City may require the Developer to provide security for Debt Service payment shortfalls (the "Debt Service Security"). At the Developer's option, the Debt Service Security may take the form of: (a) depositing with the City an irrevocable letter of credit in an amount equal to \$4,250,000 ("LOC"), or (b) another form of security acceptable to the City and the Developer, which security may take the form of real estate. If the form of Debt Service Security is an LOC, the LOC shall be issued by a bank authorized to do business in Texas and shall be on a form acceptable to the City and the Developer. If the Debt Service Security is an LOC, when sufficient funds are available from the Total Tax Revenues, the Developer will be entitled to be reimbursed the funds deposited from the LOC pursuant to Section 5.03(e). Once the two above described debt funds are fully funded, the City will release the LOC or the alternative security. In the event that any such Debt Service Security is provided and drawn upon by the City (or realized upon from the proceeds of such Debt Service Security), when sufficient funds are available from the Total Tax Revenues, the Developer (or the Tenant as applicable) will be entitled to be reimbursed the money so drawn upon or realized

pursuant to Section 5.03(e).

4.10 Compliance with Tax Code. The Developer agrees that a portion of the EIP's will be from the City Hotel Tax and therefore that portion must be expended in a manner directly enhancing and promoting tourism and the convention and hotel industry and only as permitted by Chapter 351 of the Texas Tax Code, as amended. The Developer agrees that a portion of the EIPs will be from State Sales Tax and therefore that portion must be expended in compliance with Texas Tax Code Chapter 151 restrictions, if applicable. The Developer agrees that a portion of the EIPs will be from TXHOT and therefore that portion must be expended in compliance with Texas Tax Code Chapter 156 restrictions, if applicable. The Developer agrees to make or cause others to make monthly reports listing the expenditures made by the Developer with the EIP's. The reports shall be included with a Certificate of Compliance to certify under oath that the Developer and the Tenant are each in full compliance with each of their respective obligations under this Agreement, and shall include documentation to establish that the Developer and the Tenant have each spent previous EIP's for purposes and activities permitted by applicable laws. A copy of the Certificate of Compliance is attached hereto as Exhibit E. In the event the City determines that the Developer has made an improper or illegal expenditure of EIP's, the Developer must, no later than 30 days after receipt of written notification from the City, reimburse the City in an amount equal to the improper expenditure, plus the rate of interest paid for delinquent taxes. The Developer's failure to make reimbursement pursuant to this section will constitute a default of this Agreement.

4.11 Compliance with §22.07 of the Texas Tax Code. The Developer agrees to allow the chief appraiser or his authorized representative to enter the premises of the Project in accordance with § 22.07 of the Texas Tax Code, as amended.

4.12 Compliance with Public Finance Requirements. For purposes of Section 4.07, Section 4.08 and Section 4.09, the obligation of the Developer to make such deposit or to provide such security shall not apply to any bond, certificate or other obligations issued by the City if the Developer and the City are advised by nationally recognized bond counsel retained by the City that such deposit or security would adversely affect the tax-exempt status of such bonds, certificates or obligations under the Federal tax code.

ARTICLE V

ECONOMIC INCENTIVE PAYMENTS

5.01 Conditions Precedent to Payment of EIPs. The following conditions must be satisfied before all or any portion of the EIPs or the Supplemental EIPs are paid:

(a) **Construction of the Project.** Developer shall develop, plan, design, and construct the Project in accordance with the Master Development Agreement. Notwithstanding anything to the contrary in this Agreement or the Master Development Agreement, the Developer shall have no construction obligations if the City fails to timely issue the Public Improvements Debt or Convention Center Debt, all as required by the Master Development Agreement.

(b) **Construction Schedule.** The Parties agree that it is their intention that the

construction of the Hotel, Convention Center, and the Water Park will be complete no later than December 31, 2021, or such other date agreed upon by the Parties after finalizing the development schedule. It is also the Parties intention that the Onsite Public Improvements and the Offsite Public Improvements be completed within a time frame consistent with the aforesaid goal. The Parties agree that it is their intention to use their best efforts to work together to finalize a development schedule no later than December 31, 2017, that is reasonable and will meet the aforesaid goals.

5.02 The Project Fund. The City shall establish and maintain the Project Fund, and the Total Tax Revenues shall be deposited therein as soon as allowed upon receipt for the full term of this Agreement and shall be used only for the purposes described in this Article V. The Project Fund shall be utilized for the purpose of serving as a segregated source of funds to be used to pay the Convention Center Debt, the Public Improvements Debt, the EIPs and the Supplemental EIPs. The Project Fund shall be utilized as set forth in Sections 5.03 and 5.04. The Tenant, as owner of the Hotel, acknowledges and agrees that all TXHOT and State Sales Tax revenue will be deposited in the Project Fund and utilized as set forth in Sections 5.03 and 5.04. The Tenant and Developer understand and agree that each tax revenue and debt-related payment is first subject to specific depository and record keeping as required by bond covenants, and state and federal laws. The funds and flows described in this Agreement do not supersede those requirements, but the City will provide a separate accounting record to allow the reporting and tracking of all fund flows for this Agreement, including all deposits into and withdrawals from the Project Fund. The Total Tax Revenues in the Project Fund shall be utilized in the following order: RRHOT, TXHOT, State Sales Tax, Mixed Beverage Tax, Ad Valorem Tax, and City Sales Tax.

5.03 The Project Fund Order of Priority. The Project Fund shall be utilized by the City in the following order of priority and amount,:

- (a) To pay the then current Fiscal Year's Debt Service requirements for the Public Improvements Debt or the Alternative Improvement Debt (plus the associated 15 percent inducement payment to the Developer as contemplated by Section 6.03 of the Master Development Agreement).
- (b) To pay the then current Fiscal Year's Debt Service requirements for the Convention Center Debt or the Alternative Convention Center Debt (plus the associated 15 percent inducement payment to the Developer as contemplated by Section 7.04 of the Master Development Agreement).
- (c) To establish a Public Improvements Debt fund in the amount equal to the average annual Debt Service payments for such debt (as averaged over the full term of such debt). At such time as the said fund is fully funded, no further deposits need to be made thereto, unless proceeds are disbursed therefrom, in which case subsequent deposits shall be made to replace the amounts so used to pay for Public Improvements Debt service.
- (d) To establish a Convention Center Debt fund in the amount equal to the average annual Debt Service payments for such debt (as averaged over the full term of such debt).

At such time as the said fund is fully funded, no further deposits need to be made thereto, unless proceeds are disbursed therefrom, in which case subsequent deposits shall be made to replace the amounts so used to pay for Convention Center Debt service.

(e) To reimburse the Developer for any contributions previously made by the Developer pursuant to Section 4.07 or Section 4.08 or Section 4.09.

(f) The balance in the Project Fund each year after all payments required by Sections 5.03(a)-(e) have been made for that year (the "Project Fund Balance") shall be shared between the City, the Developer and the Tenant as set forth in Section 5.04.

(g) The amounts in the Public Improvements Debt Fund shall be released to pay the EIPs when the total annual collection of Ad Valorem Property Tax, the RRHOT, the City Sales Tax, and the City's portion of the Mixed Beverage Tax equals at least 150 percent of the annual Debt Service payments for three consecutive Fiscal Years beginning the first day of the month following the eighth anniversary of the date the City issues a certificate of occupancy for the Hotel, for both the Public Improvements Debt and the Convention Center Debt or the date the Public Improvements Debt is paid in full, whichever first occurs. When released, such revenue will be shared based on the date such revenue was deposited (e.g., if the Public Improvements Debt Fund is fully funded before the tenth anniversary of the date the City issues a certificate of occupancy for the Hotel, the Developer's share of the revenue will be 75 percent consistent with Section 5.04(a) below).

The amounts in the Convention Center Debt Fund shall be released to pay the EIPs when the total annual collection of Ad Valorem Property Tax, the RRHOT, the City Sales Tax, and the City's portion of the Mixed Beverage Tax equals at least 150 percent of the annual Debt Service payments for three consecutive Fiscal Years beginning the first day of the month following the eighth anniversary of the date the City issues a certificate of occupancy for the Hotel, for both the Public Improvements Debt and the Convention Center Debt or the Convention Center Debt is paid in full, whichever first occurs. When released, such revenue will be shared based on the date such revenue was deposited (e.g., if the Convention Center Debt Fund is fully funded before the tenth anniversary of the date the City issues a certificate of occupancy for the Hotel, the Developer's share of the revenue will be 75 percent consistent with Section 5.04(a) below).

5.04 The Project Fund Balance. Subject to the requirements of Section 5.01, Section 5.03, and the Coverage Requirement being met, the Project Fund Balance shall be utilized by the City to pay the Economic Incentive Payments and the Supplemental Economic Incentive Payments on a monthly basis on the last day of each calendar month. The City will remit EIPs within 30 days of the close of the calendar month for which they are due. Within 60 days following the close of each fiscal year, a full accounting of the Project Fund will be provided to the Developer and any remaining funds disbursed. The Project Fund Balance shall accumulate until the Hotel opens for business to the public. The EIP's paid to the Developer from the Total Tax Revenues will be in the following order: RRHOT, TXHOT, State Sales Tax, Mixed Beverage Tax, City Sales Tax, and Ad

Valorem Tax. The EIP's will be paid as follows beginning the date the Hotel opens for business to the public:

(a) Each month from the Effective Date until the 10th anniversary of the date the City issues a certificate of occupancy for the Hotel, the City shall pay an Economic Incentive Payment to the Developer equal to seventy-five percent (75%) of the Project Fund Balance. The first [\$28,500,000] payable to the Developer pursuant to this Section 5.04(a) shall be paid to the Tenant. The City shall be entitled to keep the remaining twenty-five percent (25%) to spend for any lawful purpose.

(b) Each month from the 10th anniversary of the date the City issues a certificate of occupancy for the Hotel until the expiration of the Term, the City shall pay an Economic Incentive Payment to the Developer equal to fifty percent (50%) of the Project Fund Balance. If the Tenant has not received [\$28,500,000] pursuant to Section 5.04(a), then the amounts payable to the Developer pursuant to this Section 5.04(b) shall be paid to the Tenant until the Tenant has received an amount equal to [\$28,500,000] less all amounts received pursuant to Section 5.01(a). The City shall be entitled to keep the remaining fifty percent (50%) to spend for any lawful purpose.

Before the City pays any Supplemental EIPs, the City, the Developer and the Tenant shall amend this Agreement to provide for such payments.

5.05 EIP'S Not Subject to Future Appropriations. Although certain payments under this Agreement are calculated based on a formula utilizing Total Tax Revenues, this Agreement shall not be construed as a commitment, issue or obligation of any specific taxes or tax revenues for payment to the Developer or Tenant that require annual appropriation because the Project Fund is a segregated source of funds to be used to pay the Convention Center Debt, the Public Improvements Debt, and the EIPs. The payments to be made to the Developer and Tenant shall be made from the Project Fund Balance or from such other funds of the City as may be legally set aside for the implementation of Article III, Section 52a of the Texas Constitution or Chapter 380 of the Local Government Code or any other economic development or financing program authorized by statute or home rule powers of the City under applicable Texas law, subject to any applicable limitations or procedural requirements. In the event that the City does not timely make payments due under this Agreement, such failure shall not be considered a default under Section 6.06, but shall result in the EIPs being increased to one hundred percent (100%) during the year of non-compliance and the term of this Agreement shall be extended one (1) year for each year the City fails to make payments due under this Agreement. To the extent there is a conflict between this paragraph and any other language or covenant in this Agreement, this paragraph shall control.

5.06 EIP Recapture. In the event the City Council terminates this Agreement as result of a default by the Developer or the Tenant, the City may recapture and collect from the Developer or the Tenant the Recapture Liability. Provided however, the Recapture Liability hereunder shall not exceed, in the aggregate, an amount equal to the EIPs paid hereunder during the immediately preceding two calendar years. Developer or Tenant shall pay to the City the Recapture Liability

within 30 days after the City makes demand for same, subject to any and all lawful offsets, settlements, deduction, or credits to which Developer or Tenant may be entitled. Notwithstanding anything herein to the contrary, such Recapture Liability shall not exceed, in the aggregate, an amount equal to all EIPs that were paid pursuant to this Agreement from the Effective Date to the date of termination (together with interest thereon to be charged at the statutory rate for delinquent taxes as determined by Section 33.01 of the Property Tax Code of the State of Texas, but without the addition of a penalty). The City shall have all remedies for the collection of the Recapture Liability as provided generally in the Tax Code for the collection of delinquent property taxes.

5.07 Undocumented Workers. The Developer and Tenant each certify that it does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the term of this Agreement, the Developer or Tenant is convicted of a violation under 8 U.S.C. § 1324a(f), the Developer or Tenant, respectively, shall repay the amount of the public subsidy provided under this Agreement as required by law. Pursuant to Section 2264.101, Texas Government Code, a business is not liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee of the business, or by a person with whom the business contracts.

ARTICLE VI **MISCELLANEOUS**

6.01 Permitting. The City shall cooperate with the Developer and the Tenant to expeditiously process all City permit applications and City inspections.

6.02 Waiver of Fees; Expediting Permits. Except as provided below, the City will waive the following fees for the development of any commercial enterprise located on any portion of the Property that is owned or operated by the Developer or the Tenant: zoning and planned unit development fees, subdivision and platting fees, recordation fees, inspection, oversize and regional detention fees, site development permit fees, building permit fees, sign permit fees, tree mitigation fees, park fees, water and wastewater impact fees, road impact fees, all other capital recovery fees of any kind, any utility connection fees, and all other development related fees of any kind. However, the City retains the discretion to not waive the aforesaid fees for commercial enterprises which are national or regional chains, franchise restaurants, national or regional retail outlets, or similar multi-unit national or regional commercial enterprises. The City will not waive third party fees (e.g., structural steel inspections and elevator inspections) or fees charged by either Williamson County or agencies of the State. The City will expedite the review and approval of required permits.

6.03 Rollback Tax Rebate. To the extent rollback taxes are assessed on all or any portion of the Property at any time when the Developer or Tenant owns the Property or is the beneficial owner of the Property, the City agrees to rebate any such rollback taxes paid to the City as a grant to the Tenant pursuant to Chapter 380 of the Texas Local Government Code. The City acknowledges that the determination of property tax valuation, equalization, exemption, special

open space valuation and tax rollback are within the exclusive province of the appraisal district and as a result, the City takes no position on these matters. The City covenants that it will not avail itself of the tax challenge provisions contained in Chapter 41 of the Texas Tax Code for the duration of this Agreement. The City further covenants that it will fully cooperate with the Developer's or the Tenant's efforts to obtain maximum property tax relief for the Property and the Project and will make available all relevant documents and witnesses pertaining to the transaction for any and all property tax proceedings pertaining to the Property or the Project. Within 90 days after the date the City receives a written request from the Developer requesting that the City seek an exemption determination, the City will request from the Texas Comptroller the determination of rollback tax exemption contemplated by Texas Tax Code Section 23.55(m). Such a rollback tax determination by the Texas Comptroller is binding on the City but not on the Developer or the Tenant.

6.04 Mutual Assistance. The City, the Developer and the Tenant will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement, and to aid and assist each other in carrying out such terms and provisions in order to put each other in the same economic condition contemplated by this Agreement regardless of any changes in public policy, the law, or taxes or assessments attributable to the Property.

6.05 Representations and Warranties. The City represents and warrants to the Developer and the Tenant that: (a) this Agreement is within its authority, (b) it is duly authorized and empowered to enter into this Agreement, (c) this Agreement is enforceable against the City; and (d) all obligations of the City other than issuing the Public Improvement Debt and the Convention Center Debt are proprietary, unless otherwise ordered by a court of competent jurisdiction. The Developer and the Tenant, respectively, represents and warrants to the City that it has the requisite authority to enter into this Agreement and this agreement is enforceable against it.

6.06 Default; Remedies.

(a) No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure, such reasonable time determined based on the nature of the alleged failure, but in no event less than 30 days or more than 90 days after written notice of the alleged failure has been given. In addition, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given or another Party begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. A cure by the Developer shall be considered a cure by the Tenant; and a cure by the Tenant shall be considered a cure by the Developer. Notwithstanding the foregoing, however, a Party shall be in default of its obligation to make any payment required under this Agreement if such payment is not made within five business days after it is due.

(b) IF A PARTY IS IN DEFAULT, THE AGGRIEVED PARTY MAY, AT ITS OPTION AND WITHOUT PREJUDICE TO ANY OTHER RIGHT OR REMEDY UNDER THIS AGREEMENT, INCLUDING THE REMEDIES UNDER SECTION 6.06(C), SEEK ANY RELIEF AVAILABLE AT LAW OR IN EQUITY, INCLUDING,

BUT NOT LIMITED TO, THE REMEDIES UNDER SECTION 5.06, AN ACTION UNDER THE UNIFORM DECLARATORY JUDGEMENT ACT, SPECIFIC PERFORMANCE, MANDAMUS, AND INJUNCTIVE RELIEF. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL:

- (i) entitle the aggrieved Party to terminate this Agreement; or
- (ii) entitle the City to suspend performance under this Agreement; or
- (iii) adversely affect or impair the current or future obligations of the City to provide water or sewer service or any other service to the Property; or
- (iv) entitle the aggrieved Party to seek or recover consequential monetary damages of any kind; or
- (v) reduce the term of this Agreement as described in Section 6.21 or reduce the term of the Ground Lease.

(c) In lieu of the remedies identified in Section 6.06(b), the City may opt to pursue any of the following remedies, in which case such remedy shall be the exclusive remedy for the default to which it applies:

(i) If the Tenant is in default of the rent payment obligations pursuant to the terms of the Ground Lease, the City may elect to exercise its right of partial termination under the Ground Lease.

(ii) If the Developer is in Default of Section 3.02 (Amount of Investment), the amount by which the investment under Section 3.02 falls short of \$350,000,000 may be deducted from the payments required to be paid by the City to the Developer and the Tenant pursuant to this Agreement.

(iii) If the Developer is in Default of Section 4.03 (Jobs), \$5,000 for each job not provided may be deducted from the payments required to be paid by the City to the Developer and the Tenant pursuant to this Agreement.

(d) In the event any legal action or proceeding is commenced between the Parties to enforce provisions of this Agreement and recover damages for breach, the prevailing party in such legal action shall be entitled to recover its reasonable attorney's fees and expenses incurred by reason of such action, to the extent allowed by law.

(e) A default of this Agreement by either the Developer or Tenant shall be considered at default of this Agreement and the Master Development Agreement by both the Developer and Tenant.

6.07 Binding Effect; Entire Agreement. This Agreement shall be binding on and inure to the benefit of the Parties, their respective successors and assigns. This Agreement, the Master Development Agreement and the Ground Lease constitute the entire agreement between the

Parties and supersede all prior agreements, whether oral or written, covering the subject matter of this Agreement, the Master Development Agreement and the Ground Lease.

6.08 Attorney's Fees. In the event any legal action or proceeding is commenced between all or some of the Parties to enforce provisions of this Agreement and recover damages for breach, the prevailing party in such legal action shall be entitled to recover its reasonable attorney's fees and expenses incurred by reason of such action, to the extent allowed by law.

6.09 Binding Effect. This Agreement shall be binding on and inure to the benefit of the Parties, their respective successors and assigns.

6.10 Assignment. Except as otherwise provided in this section, neither the Developer nor the Tenant may assign all or part of its rights and obligations to a third party without the express written consent of the City unless such assignment is a collateral assignment to a lender. The Developer and the Tenant may each assign all or part of its respective rights and obligations under this Agreement to an entity that is controlled by or under common control with the Developer or the Tenant, and shall provide a copy of the assignment to the City within 15 days after the effective date of the assignment. The City may not assign this Agreement to an unrelated third party but may assignment to a City-created economic development corporation or other City-created entity.

6.11 Amendment. This Agreement may be amended only by the mutual written agreement of the Parties.

6.12 Notice. Any notice and or statement required and permitted to be delivered shall be deemed delivered by actual delivery, by electronic mail, or by depositing the same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

If to City: City of Round Rock
 221 E. Main Street
 Round Rock, TX 78664
 Attn: City Manager
 Phone: (512) 218-5400
 Email: citymanager@roundrocktexas.gov

With a required copy to:

 Sheets & Crossfield
 309 E. Main Street
 Round Rock, TX 78664
 Attn: Stephan L. Sheets
 Phone: (512) 255-8877
 Email: steve@scrrlaw.com

If to the Developer or the Tenant:

KR Acquisitions LLC
KR CC, INC.
P.O. Box 590
1305 Kalahari Drive
Wisconsin Dells, WI 53965
Attn: Mary Bonte Spath
Phone: (608) 254-5320
Email: mbonte@kalahariresorts.com

With required copy to:

Shupe Ventura Lindelow & Olson, PLLC
9406 Biscayne Blvd.
Dallas, Texas 74218
Attn: Misty Ventura
Phone: (214) 328-1101
Email: misty.ventura@svlandlaw.com

Any Party may designate a different address at any time upon written notice to the other Parties.

6.13 Interpretation. Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, however its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.

6.14 Applicable Law. This Agreement is made, and shall be construed and interpreted, under the laws of the State of Texas and venue shall lie in Williamson County, Texas.

6.15 Severability. In the event any provisions of this Agreement are illegal, invalid or unenforceable under present or future laws, and in that event, it is the intention of the Parties that the remainder of this Agreement shall not be affected. It is also the intention of the Parties of this Agreement that in lieu of each clause and provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.16 Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

6.17 No Third Party Beneficiaries. This Agreement is not intended to confer any rights, privileges, or causes of action upon any third party.

6.18 Force Majeure. Except as otherwise provided herein, an equitable adjustment shall be made for delay or failure in performing if such delay or failure is caused, prevented, or restricted by conditions beyond that Party's reasonable control (an "event of force majeure"). An event of force majeure for the purposes of this Agreement shall include, but not be limited to, acts of God, fire; explosion, vandalism; storm or similar occurrences; orders or acts of military or civil authority; litigation; changes in law, rules, or regulations outside the control of the affected Party; national emergencies or insurrections; riots; acts of terrorism; or supplier failures, shortages or breach or delay; unusual weather events; and unusual delays in obtaining City approvals of plats, permits, or other development approvals required to construct and operate the Project. Except as otherwise expressly provided herein, there shall be an equitable adjustment allowed for performance under this Agreement as the result of any event of force majeure.

6.19 Exhibits. The following Exhibits A - E are attached and incorporated by reference for all purposes:

<u>Exhibit A:</u>	Program Resolution
<u>Exhibit B:</u>	Authorizing Resolution
<u>Exhibit C:</u>	Property Description and Depiction
<u>Exhibit D:</u>	Job Compliance Affidavit
<u>Exhibit E:</u>	Certificate of Compliance


6.20 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create any partnership or joint venture among the Parties. The City, its past, present and future officers, elected officials, employees and agents of the City, do not assume any responsibilities or liabilities to any third party in connection with the development of the Project or the design, construction or operation of any portion of the Project.

6.21 Term. This Agreement shall become enforceable upon its Effective Date. This Agreement shall automatically terminate upon the City's full satisfaction of (a) all payment obligations to the Developer and Tenant described in Section 5.03; and (b) all obligations of the City to reimburse the Developer and the Tenant for any contributions made by the Developer or the Tenant pursuant to Sections 4.07, 4.08 or 4.09.

EXECUTED to be effective as of the Effective Date.

(SIGNATURES ON FOLLOWING PAGES)

CITY OF ROUND ROCK, TEXAS,
a home rule city and municipal corporation

By: 
Alan McGraw, Mayor

Date: 12/15/16

APPROVED as to form: |


Stephan L. Sheets, City Attorney

**ROUND ROCK TRANSPORTATION AND
ECONOMIC DEVELOPMENT
CORPORATION**

By: 


Alan McGraw, President

Date: 12/15/16

APPROVED as to form:

Stephan L. Sheets, Corporation's Attorney

KR ACQUISITONS LLC
a Delaware limited liability company

By: 
Todd Nelson, President

KR CC, INC.
a Delaware corporation


By: 
Todd Nelson, President

EXHIBIT A

PROGRAM RESOLUTION

RESOLUTION NO. R-2016-4010

WHEREAS, KR Acquisitions, LLC, a Delaware limited liability company ("Developer") and KR CC, Inc., a Delaware corporation (the "Tenant") have expressed to the City of Round Rock ("City") their desire, either directly or with an affiliate, to develop a master-planned mixed use development in the City which will include a hotel, a convention center, and an indoor water park (the "Project"), and which will provide jobs and additional tax base to the City, and

WHEREAS, §380.001 Local Government Code provides that a municipality may establish an economic development program ("Program") to promote local economic development and to stimulate business and commercial activity in the municipality, and

WHEREAS, the City Council has determined that the Program described in Exhibit "A" will meet the goals set forth in said §380.001 and will be of mutual benefit to all Parties, Now Therefore

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROUND ROCK,
TEXAS,**

That the City approves a §380.001 Program to encourage the Developer to develop the Project in the City, and to encourage the Tenant to enter into a Ground Lease for property to be used for the Project, and;

BE IT FURTHER RESOLVED

That the Economic Development Program shall be as generally outlined in Exhibit "A" attached hereto and incorporated herein for all purposes.

The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 15th day of December, 2016.

ALAN MCGRAW, Mayor
City of Round Rock, Texas

ATTEST:

SARA L. WHITE, City Clerk

EXHIBIT A
ECONOMIC DEVELOPMENT PROGRAM

The terms of the §380.001 Economic Development Program to be offered to KR Acquisitions, LLC, a Delaware limited liability company or its affiliates or assignees (the "Developer") and KR CC, INC., a Delaware corporation or its affiliates or assignees (the "Tenant") in exchange for the Developer's master-planned mixed use development in the City of Round Rock are as generally outlined below:

1. Developer's and Tenant's obligations:
 - 1.1 The Developer agrees to the development of a master-planned mixed use project that includes a hotel, a convention center, and an indoor water park (the "Project").
 - 1.2 The Developer and Tenant agree to spend or cause to be spent a cumulative total of at least \$350,000,000 in a combination of rental payments under the Ground Lease and in improvements to real property and additions to personal property within the Property.
 - 1.3 The Developer agrees to cause the employment of at least 700 full-time equivalent employees in the Project.
 - 1.4 The Tenant agrees to comply with the terms of a Ground Lease for the Project.
2. City's obligations:
 - 2.1 City shall, subject to the Developer's and the Tenant's satisfaction of each of their obligations set out above, make the Economic Incentive Payments to the Developer and the Tenant.
3. The terms and provisions of this Program will be set out in more detail in the Economic Development Program Agreement and the Ground Lease of even date herewith.

EXHIBIT B

AUTHORIZING RESOLUTION

RESOLUTION NO. R-2016-4012

WHEREAS, KR Acquisitions, LLC, a Delaware limited liability company ("Developer") and KR CC, Inc., a Delaware corporation (the "Tenant") have expressed to the City of Round Rock ("City") their desire, either directly or with an affiliate, to develop a master-planned mixed use development to include a hotel, a convention center, and an indoor water park (the "Project") in the City which will provide jobs and additional tax base to the City, and

WHEREAS, pursuant to §380.001 Local Government Code, the City has established an economic development program ("Program") to promote local economic development and to stimulate business and commercial activity in the municipality by encouraging Developer and Tenant to develop the Project, and

WHEREAS, pursuant to the Program, the City Council wishes to approve an Economic Development Program Agreement as contemplated by Chapter 380 of the Texas Local Government Code whereby the Developer intends to operate portions of the Project in conformance with the City's development approvals for the Project, Now Therefore

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROUND ROCK, TEXAS,

That the Mayor is hereby authorized and directed to execute on behalf of the City, an Economic Development Program Agreement with the Round Rock Transportation and Economic

Development Corporation, KR Acquisitions, LLC, and KR CC, Inc., a copy of same being attached hereto as Exhibit "A" and incorporated herein for all purposes.

The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 15th day of December, 2016.

ALAN MCGRAW, Mayor
City of Round Rock, Texas

ATTEST:

SARA L. WHITE, City Clerk

EXHIBIT C

PROPERTY DESCRIPTION AND DEPICTION

351.737 ACRES
LAND
DESCRIPTIONS

FN. NO. 16-433(DLB)
NOVEMBER 28, 2016
FILE NO. 222010482

DESCRIPTION

OF A 351.737 ACRE TRACT OF LAND OUT OF THE P.A. HOLDER SURVEY, ABSTRACT NO 297 SITUATED IN THE CITY OF ROUND ROCK, WILLIAMSON COUNTY, TEXAS BEING A PORTION OF THE REMAINDER OF THAT CERTAIN 157.385 ACRE TRACT OF LAND CONVEYED TO BISON TRACT 79, LTD. BY DEED OF RECORD IN DOCUMENT NO. 2007049657 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS; ALL OF THAT CERTAIN 60.58 ACRE TRACT OF LAND CONVEYED TO ERNEST NELSON JOHNSON, JOHN DAVID JOHNSON AND BERTHA MARIE JOHNSON KELLER BY DEED OF RECORD IN DOCUMENT NO. 2003035323 OF SAID OFFICIAL PUBLIC RECORDS, SAME BEING ALL OF LOT 9 OF THE SWENSON SUBDIVISION, OF RECORD IN VOLUME 13, PAGE 119 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; ALL OF THAT CERTAIN 155.589 ACRE TRACT OF LAND CONVEYED TO KEITH KRIENKE AND MARK MEREDITH BY DEED OF RECORD IN DOCUMENT NO. 2006113854 OF SAID OFFICIAL PUBLIC RECORDS, SAME BEING CONVEYED TO GREGORY CARTER BY DEED OF RECORD IN DOCUMENT NO. 2010072268 OF SAID OFFICIAL PUBLIC RECORDS; AND ALSO LOT 1, OF THE BERTIL TELANDER SUBDIVISION, OF RECORD IN CABINET H, SLIDE 126 OF THE PLAT RECORDS OF WILLIAMSON COUNTY, TEXAS AS CORRECTED BY INSTRUMENT OF RECORD IN VOLUME 1419, PAGE 416 OF THE REAL PROPERTY RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID LOT 1 CONVEYED TO DAVID BOYLES BY DEED OF RECORD IN DOCUMENT NO. 2014059825 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 351.737 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED IN FOUR PARTS BY METES AND BOUNDS AS FOLLOWS:

PART 1 - 337.295 ACRES

BEGINNING, at a 5/8-inch iron rod found in the southerly right-of-way line of the Union Pacific Railroad (100' R.O.W.) being the northeasterly corner of said 157.385-acre tract, also being the northwesterly corner of said 155.589-acre tract;

THENCE, N63°37'28"E, leaving the northeasterly corner of said 157.385 acre tract, along the southerly right-of-way line of the Union Pacific Railroad, for a portion of the northerly line hereof, a distance of 2864.50 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found at the northwesterly corner of Lot 1, Block A of Final Plat of Brushy Creek Regional Wastewater Treatment Plant, a subdivision of record in Document No. 2007067173 of said Official Public Records, being the northeasterly corner of said 155.589 acre tract and hereof;

THENCE, leaving the southerly right-of-way line of the Union Pacific Railroad, along the common line of said Lot 1 and said 155.589-acre tract, for the easterly line hereof, the following six (6) courses and distances:

- 1) S26°12'00"E, a distance of 49.99 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;

- 2) N63°41'06"E, a distance of 81.63 feet to a 1/2-inch iron rod with illegible cap found;
- 3) S03°33'52"E, a distance of 1695.07 feet to a 1/2-inch iron rod with "LCRA" cap found;
- 4) N58°53'53"E, a distance of 362.51 feet to a 1/2-inch iron rod with "LCRA" cap found;
- 5) N58°35'13"E, a distance of 245.00 feet to a 1/2-inch iron rod with "LCRA" cap found;
- 6) S02°28'32"E, passing at a distance of 387.44 feet, a 1/2-inch iron rod with "SURVCON INC" cap found, and continuing for a total distance of 463.04 feet to a point in the center of Brushy Creek, being in the northerly line of Lot 59, Block F of Final Plat of Freeman Park Subdivision Phase I, of record in Document No. 2015010846 of said Official Public Records, also being the most southerly southwesterly corner of said Lot 1, for the southeasterly corner hereof;

THENCE, leaving the most southerly southwesterly corner of said Lot 1, along or near the center of Brushy Creek, with the northerly line of said Lot 59; the northerly line of Lot 26, Block B of Lake Forest III, Village III Revised, a subdivision of record in Document No. 2004095851 of said Official Public Records; the northerly line of Lot 43, Block E of Final Plat of Sonoma Section 9, a subdivision of record in Document No. 2004021881 of said Official Public Records; and the northerly line of Lot 46, Block F of Final Plat of Sonoma Section 11, a subdivision of record in Document No. 2005000171 of said Official Public Records for a portion of the southerly line hereof, the following twenty-three (23) courses and distances:

- 1) S71°58'01"W, a distance of 59.92 feet to an angle point;
- 2) S66°40'11"W, a distance of 90.58 feet to an angle point;
- 3) S49°32'25"W, a distance of 78.88 feet to an angle point;
- 4) S40°47'39"W, a distance of 82.04 feet to an angle point;
- 5) S23°37'20"W, a distance of 81.79 feet to an angle point;
- 6) S28°52'04"W, a distance of 110.18 feet to an angle point;
- 7) S36°12'52"W, a distance of 282.02 feet to an angle point;
- 8) S38°03'24"W, a distance of 84.64 feet to an angle point;
- 9) S47°37'12"W, a distance of 329.19 feet to an angle point;
- 10) S15°41'16"E, a distance of 184.53 feet to an angle point;

- 11) S07°27'39"E, a distance of 150.82 feet to an angle point;
- 12) S03°49'27"W, a distance of 142.77 feet to an angle point;
- 13) S21°18'06"W, a distance of 94.11 feet to an angle point;
- 14) S44°12'01"W, a distance of 165.58 feet to an angle point;
- 15) S69°51'49"W, a distance of 215.14 feet to an angle point;
- 16) S45°25'49"W, a distance of 111.25 feet to an angle point;
- 17) S26°29'36"W, a distance of 94.25 feet to an angle point;
- 18) S31°48'00"W, a distance of 125.62 feet to an angle point;
- 19) S51°58'20"W, a distance of 230.16 feet to an angle point;
- 20) S61°55'26"W, a distance of 477.59 feet to an angle point;
- 21) S54°23'53"W, a distance of 144.42 feet to an angle point;
- 22) S40°28'56"W, a distance of 383.47 feet to an angle point;
- 23) S42°15'33"W, a distance of 108.54 feet to the southeasterly corner of said 60.58-acre tract, for an angle point hereof;

THENCE, leaving the westerly line of said 155.589-acre tract, along or near the center of Brushy Creek, with the northerly line of Lot 46 of said Sonoma Section 11 and the northerly line of Lot 46, Block F of Final Plat of Sonoma Section 12, a subdivision of record in Document No. 2005000358 of said Official Public Records for a portion of the southerly line hereof, the following five (5) courses and distances:

- 1) S42°15'33"W, a distance of 148.42 feet to an angle point;
- 2) S80°51'11"W, a distance of 301.01 feet to an angle point;
- 3) S83°08'53"W, a distance of 200.01 feet to an angle point;
- 4) S67°32'04"W, a distance of 132.76 feet to an angle point;
- 5) S62°26'47"W, a distance of 141.77 feet to the southeasterly corner of said 157.385-acre tract, being the southwesterly corner of said 60.58-acre tract, for an angle point hereof;

THENCE, leaving the southwesterly corner of said 60.58-acre tract, along the approximate center of Brushy Creek, with the northerly line of said Lot 46 and in part along the northerly line of that certain 1.764-acre tract of land conveyed to the City of Round Rock by deed of record in Document No. 2013056475 of said Official

Public Records, for the southerly line hereof, the following four (4) courses and distances:

- 1) S70°10'09"W, a distance of 138.30 feet to an angle point;
- 2) S58°52'42"W, a distance of 700.00 feet to an angle point;
- 3) S67°52'42"W, a distance of 240.00 feet to an angle point;
- 4) S53°04'42"W, a distance of 132.01 feet to a point in the easterly right-of-way line of Kenney Fort Boulevard (R.O.W. Varies) for the southwesterly corner hereof;

THENCE, leaving the approximate center of Brushy Creek and the northerly line of said 1.764-acre tract, along the easterly right-of-way line of Kenney Fort Boulevard, for a portion of the westerly line hereof, the following nine (9) courses and distances:

- 1) N03°27'14"W, passing at a distance of 100.00 feet, a 1/2-inch iron rod with "BURY" cap set for reference, and continuing for a total distance of 492.81 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;
- 2) N85°58'17"E, a distance of 58.16 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;
- 3) N03°26'15"W, a distance of 243.69 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;
- 4) N19°10'44"W, a distance of 376.64 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;
- 5) N26°22'35"W, a distance of 1454.98 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;
- 6) N22°47'26"W, a distance of 160.27 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;
- 7) N26°23'34"W, a distance of 114.86 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;
- 8) N23°12'13"W, a distance of 254.74 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;
- 9) N02°18'29"W, a distance of 323.01 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found at the intersection of the easterly right-of-way line of Kenney Fort Boulevard and the southerly right-of-way line of the Union Pacific Railroad, being in the northerly line of said 157.385-acre tract, for the northwesterly corner hereof;

THENCE, N63°36'45"E, leaving the easterly right-of-way line of Kenney Fort Boulevard, along the southerly right-of-way line of the Union Pacific Railroad, being the northerly line of said 157.385-acre tract for the northerly line hereof, a distance of 2121.63 feet to the **POINT OF BEGINNING**, containing an area of 338.795 acres (14,627,230 square feet) of land, more or less, **SAVE AND EXCEPT THEREFROM THE FOLLOWING TRACT OF LAND:**

THAT CERTAIN 1.50 ACRE TRACT OF LAND CONVEYED TO KEITH KRIENKE AND LAURA RINEHART KRIENKE BY DEED OF RECORD IN DOCUMENT NO. 2006074399 OF SAID OFFICIAL PUBLIC RECORDS, TEXAS; SAID 1.50 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING, a 1/2-inch iron rod with "Baker Aicklen" cap found in the southerly right-of-way line of the Union Pacific Railroad for the northwesterly corner of Lot 1, Block A of said Final Plat of Brushy Creek Regional Wastewater Treatment Plant of record, being the northeasterly corner of said 155.589-acre tract;

THENCE, S26°12'00"E, leaving the southerly right-of-way line of the Union Pacific Railroad, along the common line of said 155.589-acre tract and said Lot 1, a distance of 49.99 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;

THENCE, S03°34'49"E, leaving the westerly line of said Lot 1, over and across said 155.589-acre tract, a distance of 291.32 feet to a 1/2-inch iron rod with "Stan Coalter" cap found for the **POINT OF BEGINNING**, being the northeasterly corner of said 1.50-acre tract and hereof;

THENCE, along the exterior lines of said 1.50-acre tract for the exterior lines hereof, the following four (4) courses and distances:

- 1) S03°34'49"E, a distance of 298.62 feet to a 1/2-inch iron rod with "Stan Coalter" cap found for the southeasterly corner hereof;
- 2) S74°24'52"W, a distance of 244.97 feet to a 1/2-inch iron rod with "Stan Coalter" cap found for the southwesterly corner hereof;
- 3) N06°37'52"E, a distance of 340.30 feet to a 1/2-inch iron rod with "Stan Coalter" cap found for the northwesterly corner hereof;
- 4) N81°44'34"E, a distance of 179.89 feet to the **POINT OF BEGINNING**, containing an area of 1.500 acres (65,357 square feet) of land, leaving a **TOTAL NET AREA OF 337.295 ACRES** (14,692,570 square feet) of land, more or less, within these metes and bounds.

PART 2 - 0.037 ACRES

BEGINNING, at a 1/2-inch iron rod with "Baker Aicklen" cap found in the westerly right-of-way line of Kenney Fort Boulevard (R.O.W. Varies), being in the common line of said 157.385-acre tract and that certain 107.17-acre tract of land conveyed to John Bolt Harris, Et. Al. by deed of record in Volume 2372, Page 112 of said Official Public Records and to The Hickox Family Living Trust by deed of record in Document No. 2006053683 of said Official Public Records, for the northwesterly corner hereof;

THENCE, S28°42'41"E, leaving the easterly line of said 107.17-acre tract, along the westerly right-of-way line of Kenney Fort Boulevard for the northerly line hereof, a distance of 59.01 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found for the northerly corner of that certain 0.158-acre tract of land conveyed to the City of Round Rock by deed of record in Document No. 2011041098 of said Official Public Records for the northeasterly corner hereof;

THENCE, leaving the westerly right-of-way line of Kenney Fort Boulevard, with the northerly line of said 0.158-acre tract for the easterly and southerly lines hereof, the following two (2) courses and distances:

- 1) S17°26'31"W, a distance of 55.47 feet to a 1/2-inch iron rod with "SAM" cap found for the southeasterly corner hereof;
- 2) S63°37'08"W, a distance of 8.52 feet to a 1/2-inch iron rod with "BURY" cap set in the common line of said 107.17-acre tract and said 157.385-acre tract for the southwesterly corner hereof from which, a 1/2-inch iron rod with "SAM" cap found for the apparent northwesterly corner of said 0.158-acre tract as found bears, N76°15'30"E, a distance of 0.67 feet;

THENCE, N02°09'44"W, leaving the northerly line of said 0.158-acre tract, along the common line of said 107.17-acre tract and said 157.385-acre tract for the westerly line hereof, a distance of 108.54 feet to the **POINT OF BEGINNING**, containing an area of 0.037 acres (1,602 square feet) of land, more or less, within these metes and bounds.

PART 3 - 4.609 ACRES

COMMENCING, at a 1/2-inch iron rod with "Baker Aicklen" cap found in the westerly right-of-way line of Kenney Fort Boulevard (R.O.W. Varies), being in the common line of said 157.385-acre tract and that certain 107.17-acre tract of land conveyed to John Bolt Harris, Et. Al. by deed of record in Volume 2372, Page 112 of said Official Public Records and to The Hickox Family Living Trust by deed of record in Document No. 2006053683 of said Official Public Records, for the northwesterly corner hereof;

THENCE, S02°09'44"E, leaving the westerly right-of-way line of Kenney Fort Boulevard, along the common line of said 107.17 acre tract and said 157.385 acre tract, a distance of 196.31 feet to a 1/2-inch iron rod with "BURY" cap set in the southerly line of that certain 0.158 acre tract of land conveyed to the City of Round Rock by deed of record in Document No. 2011041098 of said Official Public Records for the **POINT OF BEGINNING**, being the northwesterly corner hereof from which, a 1/2-inch iron rod with "SAM" cap found for the apparent southwest corner of said 0.158 acre tract as found bears, N63°02'14"E, a distance of 0.70 feet;

THENCE, leaving the easterly line of said 107.17-acre tract, with the southerly line of said 0.158-acre tract for the northerly line hereof, the following two (2) courses and distances:

- 1) N63°33'51"E, a distance of 47.01 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;
- 2) S71°12'55"E, a distance of 56.50 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found in the westerly right-of-way line of Kenney Fort Boulevard, being the southeasterly corner of said 0.158-acre tract, for the northeasterly corner hereof;

THENCE, S26°22'11"E, leaving the southeasterly corner of said 0.158-acre tract, over and across said 157.385-acre tract, along the westerly right-of-way line of Kenney Fort Boulevard for the easterly line hereof, a distance of 695.06 feet to a 1/2-inch iron rod found for the northeasterly corner of that certain 0.864-acre tract of land conveyed to the City of Round Rock by deed of record in Document No. 2011041098 of said Official Public Records for the southeasterly corner hereof;

THENCE, leaving the westerly right-of-way line of Kenney Fort Boulevard, with the northerly line of said 0.864-acre tract for the southerly line hereof, the following two (2) courses and distances:

- 1) S18°36'13"W, a distance of 56.47 feet to a 1/2-inch iron rod found;
- 2) S63°36'13"W, a distance of 395.45 feet to a 1/2-inch iron rod with "BURY" cap set in the common line of said 107.17-acre tract and said 157.385-acre tract for the southwest corner hereof from which, a 1/2-inch iron rod found for the apparent northwesterly corner of said 0.864-acre tract as found bears, N58°21'23"E, a distance of 1.69 feet;

THENCE, N02°09'44"W, leaving the northerly line of said 0.864-acre tract, along the common line of said 107.17-acre tract and said 157.385-acre tract for the westerly line hereof, a distance of 849.94 feet to the **POINT OF BEGINNING**, containing an area of 4.609 acres (200,777 square feet) of land, more or less, within these metes and bounds.

PART 4 - 9.796 ACRES

COMMENCING, at a 1/2-inch iron rod with "Baker Aicklen" cap found in the westerly right-of-way line of Kenney Fort Boulevard (R.O.W. Varies), being in the common line of said 157.385-acre tract and that certain 107.17-acre tract of land conveyed to John Bolt Harris, Et. Al. by deed of record in Volume 2372, Page 112 of said Official Public Records and to The Hickox Family Living Trust by deed of record in Document No. 2006053683 of said Official Public Records, for the northwesterly corner hereof;

THENCE, S02°09'44"E, leaving the westerly right-of-way line of Kenney Fort Boulevard, along the common line of said 107.17 acre tract and said 157.385 acre tract, a distance of 1133.82 feet to a 1/2-inch iron rod with "BURY" cap set in the southerly line of that certain 0.864 acre tract of land conveyed to the City of Round Rock by deed of record in Document No. 2011041098 of said Official Public Records for the **POINT OF BEGINNING**, being the northwesterly corner hereof from which, a 1/2-inch iron rod with "SAM" cap found for the apparent southwesterly corner of said 0.864 acre tract as found bears, N62°52'19"E, a distance of 1.77 feet;

THENCE, leaving the easterly line of said 107.17-acre tract, with the southerly line of said 0.864-acre tract for the northerly line hereof, the following two (2) courses and distances:

- 1) N63°36'57"E, a distance of 431.40 feet to a 1/2-inch iron rod found;
- 2) S71°27'38"E, a distance of 56.40 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found in the westerly right-of-way line of Kenney Fort Boulevard, being the southeasterly corner of said 0.864-acre tract, for the northeasterly corner hereof;

THENCE, leaving the southeasterly corner of said 0.864-acre tract, along the westerly right-of-way line of Kenney Fort Boulevard for the easterly line hereof, the following four (4) courses and distances:

- 1) S26°22'09"E, a distance of 250.82 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found at the point of curvature of a non-tangent curve to the right;
- 2) Along said non-tangent curve to the right, having a radius of 1441.72 feet, a central angle of 12°09'39", an arc length of 306.00 feet, and a chord which bears, S21°15'08"E, a distance of 305.42 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found at the end of said curve;
- 3) S00°08'16"E, a distance of 360.25 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found;
- 4) S16°10'46"W, a distance of 165.87 feet to a 1/2-inch iron rod with "SAM" cap found for the most northerly northeasterly

corner of that certain 12.1-acre tract of land conveyed to the City of Round Rock by deed of record in Document No. 2013049009 of said Official Public Records for the southeasterly corner hereof;

THENCE, S88°41'51"W, leaving the westerly right-of-way line of Kenney Fort Boulevard, along the northerly line of said 12.1-acre tract for the southerly line hereof, a distance of 267.19 feet to a 1/2-inch iron rod with "Baker Aicklen" cap found in the easterly line of that certain 4.42-acre tract of land conveyed to Thomas P. Elrod Et. Ux. By deed of record in Document No. 1813, Page 540 of said Official Public Records, being the westerly line of said 157.385-acre tract, also being the most northerly northwesterly corner of said 12.1-acre tract for the southwesterly corner hereof;

THENCE, N01°23'35"W, leaving the northerly line of said 12.1-acre tract, along the common line of said 157.385-acre tract and said 4.42-acre tract for a portion of the westerly line hereof, a distance of 498.34 feet to a 1/2-inch iron rod found for the northeasterly corner of said 4.42-acre tract;


THENCE, S89°11'33"W, along the irregular westerly line of said 157.385-acre tract and the northerly line of said 4.42-acre tract, passing at a distance of 319.72 feet, a 1/2-inch iron rod found for the northwesterly corner of said 4.42-acre tract, and continuing for a total distance of 323.61 feet to a 1/2-inch iron rod found in the common line of said 157.385-acre tract and said 107.17-acre tract for the southwesterly corner hereof;

THENCE, N02°09'44"W, along the common line of said 157.385-acre tract and said 107.17-acre tract for a portion of the westerly line hereof, a distance of 367.85 feet to the **POINT OF BEGINNING**, containing an area of 9.796 acres (426,728 square feet) of land, more or less, within these metes and bounds.

BEARING BASIS: THE BASIS OF BEARING OF THE SURVEY SHOWN HEREON IS TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, NAD 83(96), UTILIZING WESTERN DATA SYSTEMS CONTINUALLY OPERATING REFERENCE STATION (CORS) NETWORK.

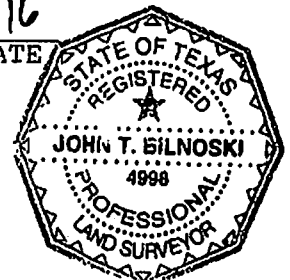
I, JOHN T. BILNOSKI, A REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THE PROPERTY DESCRIBED HEREIN WAS DETERMINED BY A SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION.

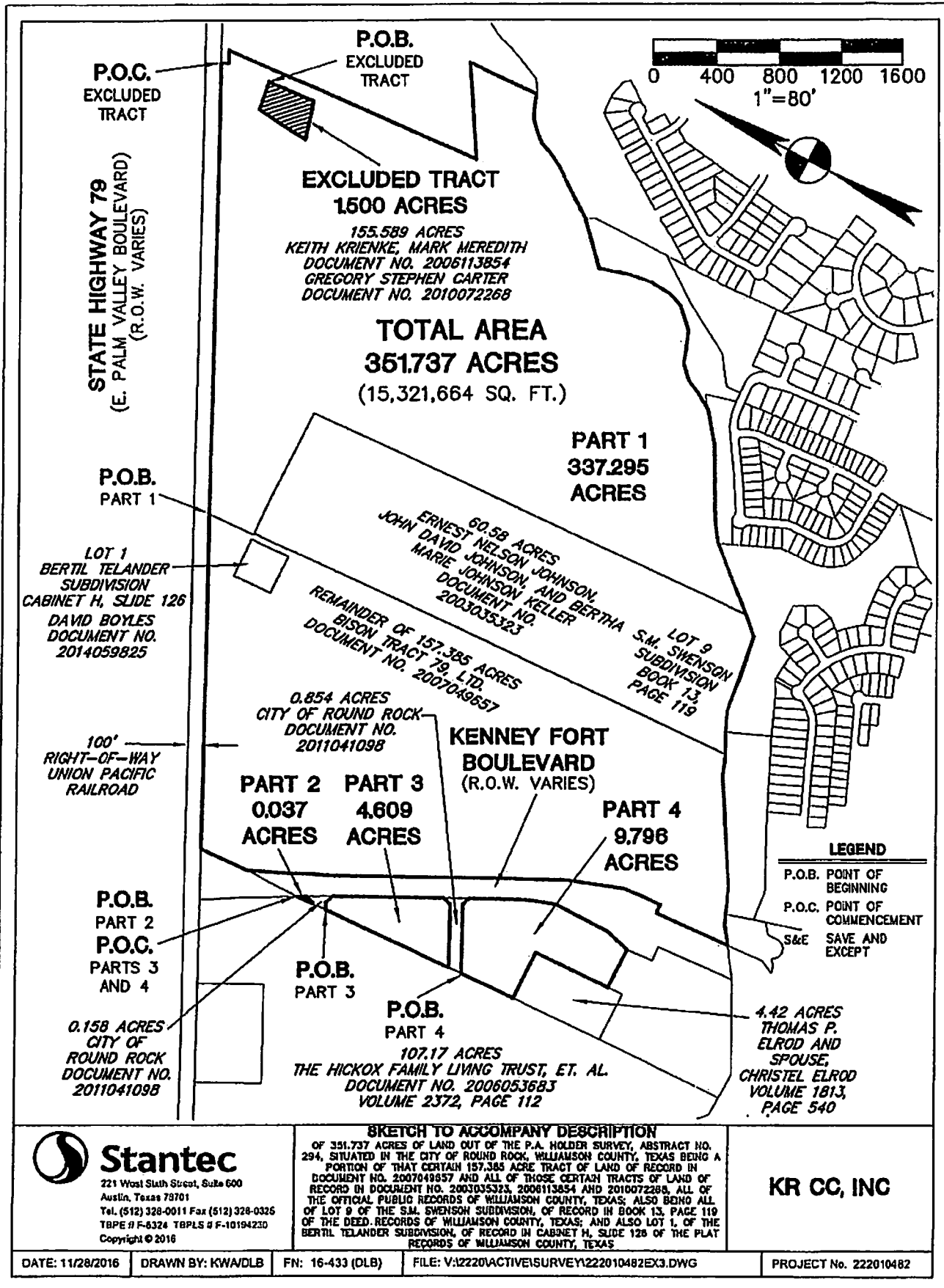
STANTEC CONSULTING
SERVICES INC.
221 WEST SIXTH STREET
SUITE 600
AUSTIN, TEXAS 78701



JOHN T. BILNOSKI
R.P.L.S. NO. 4998
STATE OF TEXAS
TBPLS # F-10194230
john.bilnoski@stantec.com

11/29/16
DATE





Stantec
 221 West Sixth Street, Suite 600
 Austin, Texas 78701
 Tel. (512) 328-0011 Fax (512) 328-0326
 TBPE # F-6324 TBPLS # F-10194230
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SKETCH TO ACCOMPANY DESCRIPTION
 OF 351.737 ACRES OF LAND OUT OF THE P.A. HOLDER SURVEY, ABSTRACT NO. 294, SITUATED IN THE CITY OF ROUND ROCK, WILLIAMSON COUNTY, TEXAS BEING A PORTION OF THAT CERTAIN 157.385 ACRE TRACT OF LAND OF RECORD IN DOCUMENT NO. 2007049657 AND ALL OF THOSE CERTAIN TRACTS OF LAND OF RECORD IN DOCUMENT NO. 2003035323, 2006113854 AND 2010072268, ALL OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS; ALSO BEING ALL OF LOT 9 OF THE S.M. SWENSON SUBDIVISION, OF RECORD IN BOOK 13, PAGE 119 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; AND ALSO LOT 1 OF THE BERTIL TELANDER SUBDIVISION, OF RECORD IN CABINET H, SLIDE 126 OF THE PLAT RECORDS OF WILLIAMSON COUNTY, TEXAS

KR CC, INC

DATE: 11/28/2016	DRAWN BY: KWA/DLB	FN: 16-433 (DLB)	FILE: V:\2220\ACTIVE\SURVEY\222010482\EX3.DWG	PROJECT No. 222010482
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EXHIBIT D

JOB COMPLIANCE AFFIDAVIT

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED _____(NAME)_____, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED BELOW AND AFTER HAVING BEEN DULY SWORN, ON HIS/HER OAT STATED AS FOLLOWS:

1. "MY NAME IS _____. I AM OVER THE AGE OF 21 YEARS AND AM CAPABLE OF MAKING THIS AFFIDAVIT. THE FACTS STATED IN THIS AFFIDAVIT ARE WITHIN MY PERSONAL KNOWLEDGE AND ARE TRUE AND CORRECT.

2. "I AM THE _____(TITLE)_____ OF _____ AND I AM DULY AUTHORIZED TO MAKE THIS AFFIDAVIT.

3. "AS OF DECEMBER 31, 201__, ____ (NUMBER OF FTE'S) WERE EMPLOYED AT THE RPROJECT.

DATED THIS ___ DAY OF _____, 201__.

(PRINTED NAME)

(TITLE)

SUBSCRIBED AND SWORN TO BEFORE ME ON THIS THE ___ DAY OF _____, 201__.

NOTARY PUBLIC, STATE OF _____

EXHIBIT E

FORM OF CERTIFICATE OF COMPLIANCE

Before me, the undersigned authority, personally appeared _____, who, after being duly sworn, stated upon his/her oath as follows:

KR Acquisitions, LLC, a Delaware limited liability company and KR CC, Inc., a Delaware corporation, the "Developer" and the "Tenant", respectively, under that certain Economic Development Program Agreement entered into with the City of Round Rock, Texas on December 15, 2016 (the "Agreement"), hereby certifies that each of the Developer and the Tenant is in full compliance with each of its respective obligations under the Agreement, and that the attached monthly report to the City of Round Rock includes documentation to establish that the Developer has spent previous EIP's (as defined in the Agreement) for purposes and activities permitted by applicable laws, including the expenditure of RRHOT in compliance with Texas Tax Code Chapter 351, the expenditure of State Sales Tax in compliance with the applicable provisions of Texas Tax Code Chapter 151, and the expenditure of TXHOT in compliance with the applicable provisions of Texas Tax Code Chapter 156.

[INSERT DEVELOPER AND TENANT SIGNATURE BLOCK]

SUBSCRIBED TO AND SWORN BEFORE ME on the ____ day of _____, 20__.

Notary Public, in and for the
State of _____

My Commission Expires:

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 2

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
KR CC, Inc
Wisconsin Dells, WI United States

Certificate Number:
2016-145422

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
City of Round Rock

Date Filed:
12/12/2016

Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
2016 Kalahari 380 Agreement
This agreement is related to the development of a Kalahari Resort in Round Rock, Texas.

4	Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
			Controlling	Intermediary
	Ventura, Misty	Dallas, TX United States		X
	Patel, Hamang	Madison, WI United States		X
	Boles, Jim	Round Rock, TX United States		X
	Flemma, Saverio	Milwaukee, WI United States		X
	Harms, Bruce	Madison, WI United States		X
	Downey, Tim	Lake Forest, IL United States		X
	Kane, Michael	Madison, WI United States		X
	Green, Michael	Madison, WI United States		X
	Bonte Spath, Mary	Wisconsin Dells, WI United States	X	
	Nelson, Shari	Wisconsin Dells, WI United States	X	
	Nelson, Todd	Wisconsin Dells, WI United States	X	

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

2 of 2

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
KR CC, Inc
Wisconsin Dells, WI United States

Certificate Number:
2016-145422

Date Filed:
12/12/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
City of Round Rock

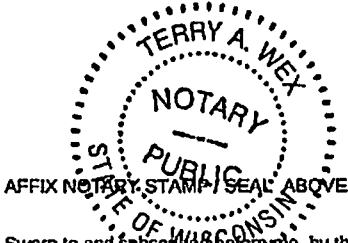
Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
2016 Kalahari 380 Agreement
This agreement is related to the development of a Kalahari Resort in Round Rock, Texas.

4	Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



[Signature]
Signature of authorized agent of contracting business entity

Sworn to and subscribed before me, by the said Ralph Gaudrum, this the 13th day of December, 2016, to certify which, witness my hand and seal of office.

Terry A. Wex TERRY A. WEX Notary Public
Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 2

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
KR CC, Inc
Wisconsin Dells, WI United States

Certificate Number:
2016-145422

Date Filed:
12/12/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
City of Round Rock

Date Acknowledged:
12/15/2016

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
2016 Kalahari 380 Agreement
This agreement is related to the development of a Kalahari Resort in Round Rock, Texas.

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Ventura, Misty	Dallas, TX United States		X
	Patel, Hamang	Madison, WI United States		X
	Boles, Jim	Round Rock, TX United States		X
	Flemma, Saverio	Milwaukee, WI United States		X
	Harms, Bruce	Madison, WI United States		X
	Downey, Tim	Lake Forest, IL United States		X
	Kane, Michael	Madison, WI United States		X
	Green, Michael	Madison, WI United States		X
	Bonte Spath, Mary	Wisconsin Dells, WI United States	X	
	Nelson, Shari	Wisconsin Dells, WI United States	X	
	Nelson, Todd	Wisconsin Dells, WI United States	X	

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

2 of 2

Complete Nos. 1 - 4 and 6 if there are interested parties.
 Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
 CERTIFICATION OF FILING**

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
 KR CC, Inc
 Wisconsin Dells, WI United States

Certificate Number:
 2016-145422

Date Filed:
 12/12/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
 City of Round Rock

Date Acknowledged:
 12/15/2016

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
 2016 Kalahari 380 Agreement
 This agreement is related to the development of a Kalahari Resort in Round Rock, Texas.

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

 Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.

 Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath